OVERVIEW

Who we are

We are a leading comprehensive new materials service provider in the PRC focusing on advanced chemical products. We are primarily engaged in the R&D, production, marketing, sales and distribution of new chemical materials. During the Track Record Period, our principal businesses comprised three segments, namely (i) electronic materials; (ii) rubber additives for tyres and other chemical products; and (iii) fully biodegradable materials. With respect to electronic materials, we ranked first, in terms of sales revenue, among PRC suppliers in both the PRC semiconductor photoresist market and the PRC TFT array photoresist market in 9M2025. On the other hand, with respect to our rubber additives for tyres and other chemical products segment, according to the F&S Report, we ranked first in sales revenue in both the global and PRC phenolic resins rubber additives for tyres markets in 9M2025. In addition, based on the statistics issued by Rubber Chemicals Additives Committee of the China Rubber Industry Association (中國橡膠工業協會橡膠助劑專業委員會), we ranked first among all producers for phenolic resin for rubber in the PRC in 2024.

Our history can be traced back to 1999 when we commenced our operations in the international trading of chemical materials for tyres. Leveraging on our industry experience, we subsequently expanded upstream by establishing our production bases and have since developed into a platform enterprise integrating R&D, manufacturing and sales functions. In 2018, we successfully listed on the Shanghai Stock Exchange. Building on our accumulated technological capabilities and industry experience, we have continued to expand both horizontally and vertically along the industry value chain. We have gradually acquired controlling interests in BAE, a leading domestic supplier of photoresists for display panels in the PRC and Kempur, a leading domestic supplier of semiconductor photoresist. We also tapped into the fully biodegradable materials sector by developing products relating to PBAT. For further details of our milestones, please refer to the section headed "History, Development and Corporate Structure — Milestones" in this document.

Over the years, we have continued to develop our business through optimising our R&D capabilities, expanding our product offerings and production capacity, as well as enhancing environmental protection and production safety of our production bases. We believe that these ongoing initiatives would enable us to further expand our coverage and increase our market share in both domestic and global markets.

Our business and products

Our product offerings under the electronic materials segment are mainly divided into (i) semiconductor materials, including semiconductor photoresists, CMP polishing pads, high-purity solvents and EBR; and (ii) display panel materials, including display photoresists, organic insulating films and light-emitting materials. Our electronic materials are mainly used in the production of semiconductors and display panels by our downstream customers.

Under our rubber additives for tyres and other chemical products business segment, our major product categories include rubber resins and additives such as phenolic resins, PTBP as well as other chemical products. These products are primarily used in the production of automobile tyres and other rubber products to optimize various properties of rubber products such as their stickiness, strength and safety. In respect of our fully biodegradable materials segment, our products primarily include PBAT products mainly used in packaging materials and agricultural mulch films.

We are positioned in the midstream of the industry chain, supplying functional resins, photoresists and ancillary chemical products to downstream industries including producers of tyres, automobiles, semiconductors and display panels. Our principal raw materials include phenol, formaldehyde, resins and solvents. Apart from sourcing the raw materials from our suppliers, we are also committed to extending our operations upstream from our core products into the production of key raw materials and intermediates, with a view to realise in-house production of certain key intermediates to ensure supply stability, enhance cost control and improve our overall capability in providing comprehensive supply to our downstream customers. We initially focused on the production and sale of specialty phenolic resins for tyre applications and rubber additives and have later expanded into producing certain upstream intermediates in-house. During the Track Record Period, we produce a significant portion of DIB and PTBP in house for the production of our phenolic resin. In terms of electronic materials, we are also committed to gradually achieving in-house production of phenolic resins required for display photoresists and G-/I-line photoresists, as well as PHS resins required in the production of KrF photoresists.

As at the Latest Practicable Date, we had seven production facilities, namely, (i) the RA Chemical factory; (ii) the Sino Legend factory; (iii) the RA Zhenjiang factory; (iv) the RA Electronic factory; (v) the BAE (Hubei) factory; (vi) Kempur factory; and (vii) the RA Changzhou factory. Among these, the RA Chemical factory, the Sino Legend factory and the RA Zhenjiang factory mainly engage in the production of rubber resins, electronic resins and additives, with an aggregated annual designed production capacity of over 200,000 tonnes of rubber resins and additives. On the other hand, the RA Electronic factory and the BAE (Hubei) factory are principally engaged in the production of electronic materials, with a total annual designed production capacity of approximately 1,000 tonnes of semiconductor photoresists, 18,800 tonnes of high-purity solvents and 6,000 tonnes of display panel photoresists. The RA Changzhou factory was newly established with a focus in the R&D and manufacturing of CMP polishing pads. As at 30 September 2025, the construction of RA Changzhou Factory and the relevant product certification process had been completed.

We continue to invest in and expand our production capacity through construction of new production facilities, as well as the upgrading and expansion of our existing production lines. Looking forward, we are establishing a new production base for rubber additives in Thailand with a view to further enhancing our global supply capabilities and supporting the continued growth of our business. For details, please refer to the paragraph headed "Our strategies — Broaden our international presence and global supply capability through strategic expansion in overseas markets" in this section.

Our high-quality customers

We have established a high-quality customer base globally covering industry leading players in the automobile tyres and semiconductors, and display panels industries. We maintain long-term and stable relationship with our major customers. Our products have passed the certification and/or gained recognition from our customers. For details of our customer certification process, please refer to the paragraph headed "Business operations — product certification by our customers" in this section. In respect of our rubber additives for tyres customers, we have established ongoing business relationships with numerous well-known domestic and overseas tyre manufacturers, covering the world's top 20 tyre manufacturers, which together account for over 70% of the market share of the global tyre industry. For our electronic materials segment, we have also established business

relationships with semiconductors and display panel manufacturers with significant market positions in their respective sectors, covering various leading 8-inches and 12-inches wafer fabrication manufacturers in the PRC.

During the Track Record Period, our revenue was primarily derived from the PRC. At the same time, we have been actively expanding our overseas markets, with revenue generated from overseas sales accounting for approximately 18.7%, 19.0% and 18.8% of our total revenue for FY2023, FY2024 and 9M2025, respectively. During the Track Record Period, we have established a global presence covering more than 40 countries and regions worldwide. For details, please refer to the paragraph headed "Sales and marketing — Geographical distribution" in this section.

We mainly supply our products to downstream customers through direct sales. During FY2023, FY2024 and 9M2025, approximately 91.4%, 91.3% and 90.5% of our revenue were generated from direct sales. Under such a direct sales model, we are able to maintain close working relationships with our customers and develop an in-depth understanding of their operational requirements and preferences, which enables us to respond promptly to their needs and strengthen our customer relationships.

Our R&D achievements

We place strong emphasis on technological development and innovation. We believe that our R&D efforts are essential to the development of our business, both in resolving technical issues relating to our existing products and in supporting the development, optimisation and promotion of new products. Our R&D team collaborates closely with our management and other departments to address technical issues in product development, production and customers' requirements. For FY2023, FY2024, 9M2024 and 9M2025, we recorded R&D expenses of RMB179.8 million, RMB216.6 million, RMB147.9 million and RMB177.4 million, respectively.

We have established our R&D centers in Beijing and Shanghai, focusing on the development of formulations for rubber additives, functional materials and electronic chemicals, as well as conducting testing in respect of the application of various materials. In addition, it has been our R&D initiative to integrate the development of electronic grade resin, key raw materials for photoresist and the application of electronic chemical products, fostering synergies between our R&D teams of semiconductors and display panel photoresist. We also actively collaborate with leading universities and research institutes to jointly advance our R&D endeavours. For details, please refer to the paragraph headed "Research and development" in this section.

As at 30 September 2025, our R&D team had a total of 302 staff. We had 402 registered patents in the PRC, comprising 268 invention patents, 132 utility model patents and two design patents as at 30 September 2025.

Our sustainability

As a leading advanced chemical materials manufacturer, we place strong emphasis on sustainability and environmental protection. We actively support the Sustainable Development Goals of the United Nations. We have officially joined the United Nations Global Compact (UNGC) and are fully committed to implementing its ten core principles in the four key areas of human rights, labor, environment, and anti-corruption. To deeply embed the concept of sustainable development, we have established a comprehensive sustainability management system to fully integrate relevant principles into every aspect of

our daily operations and management. This provides a solid foundation for the efficient advancement and standardized implementation of our sustainability initiatives. Notably, our Sino Legend factory achieved the EcoVadis Platinum Award in the latest assessment cycle, securing the highest score within the industry in the PRC and standing as the sole recipient of this honor in the sector in 2026 as at the Latest Practicable Date. At the same time, we continuously enhance the transparency of our external information disclosure and actively communicate our sustainability values and concepts to all stakeholders. Since 2018, we have published annual social responsibility reports or ESG reports, fostering consensus on development through regular communication. In addition, we regularly identify and conduct in-depth analysis of key ESG topics and constantly review and optimize the results of materiality assessments by integrating the latest ESG-related regulations and policies, the core concerns of external stakeholders, and best practices in the industry.

We are committed to building a trustworthy and sustainable supply chain by embedding best practices in areas including labour rights protection, health and safety management, environmental compliance, compliance management system development, the upholding of business ethics, and carbon emissions performance management throughout the entire supply chain. We actively promote the use of green energy in our production operations. As the Science Based Targets initiative (SBTi) science-based emissions reduction targets steadily advances, we will continue to use green innovation as our core driving force to accelerate the low-carbon transformation process and strive to become an industry-leading supplier of environmentally friendly materials. In fulfilling our social responsibilities, we have always been actively involved in various public welfare sectors such as community development, educational support, emergency disaster relief, environmental protection, and cultural and sports initiatives. Through diverse approaches such as establishing dedicated charitable funds and carrying out financial donations, we earnestly fulfill our corporate citizenship responsibilities and work together with various stakeholders to co-create social value.

For details, please refer to the paragraph headed "Environment, social and governance" in this section.

Our financial performance

We have recorded stable growth during the Track Record Period. Our revenue increased from RMB2,937.3 million for FY2023 to RMB3,263.4 million for FY2024, representing an increase of approximately 11.1%. For 9M2024 and 9M2025, we recorded revenue of RMB2,419.6 million and RMB2,517.5 million, respectively, representing an increase of approximately 4.0%. We also recorded significant growth in our net profit during the Track Record Period. For FY2023, FY2024, 9M2024 and 9M2025, we recorded net profit of RMB404.1 million, RMB534.2 million, RMB467.3 million and RMB521.6 million, respectively.

OUR COMPETITIVE STRENGTHS

We are a leading new chemical materials provider in the PRC with extensive production capabilities and high market share

We are a key player holding market leading position in various new chemical materials industries. More specifically:

- We are a leading producer of semiconductor photoresists in the PRC. According to F&S, we ranked first, in terms of sale revenue, among PRC suppliers in both the PRC semiconductor photoresist markets and the PRC TFT array photoresist market in 9M2025.
- We are a leading supplier of phenolic resins worldwide. According to the F&S Report, we ranked first in sales revenue in both the global and PRC phenolic resins rubber additives markets for tyres in 9M2025. Based on the statistics issued by Rubber Chemicals/Additives Committee of the China Rubber Industry Association (中國橡膠工業協會橡膠助劑專業委員會), we ranked first among all producers for phenolic resin for rubber (橡膠酚醛樹脂) in the PRC in 2024.

In terms of production scale and capacity, through continuous investments and upgrade, our production facilities had an aggregated annual designed production capacity of over 200,000 tonnes of rubber resins, electronic resins and additives. With respect to our electronic chemical segment, our RA Electronic factory and BAE (Hubei) factory had an annual designed production capacity of 1,000 tonnes of semiconductor photoresists, 18,800 tonnes of high-purity solvents and 6,000 tonnes of display photoresists. Through economies of scale, refined production management and continuous technological improvement, we are able to effectively reduce our per-unit production costs, enhances resource utilisation efficiency and further expand our product offerings.

We believe that our leading market position, coupled with our scale of production capacity, product variety, R&D experience and expertise, as well as product quality and reputation among the market, would enable us to be well-equipped to stay competitive and lay a solid foundation for us to continue expanding in the domestic and global markets and increasing our market coverage.

Our diversified product portfolio and capabilities in offering comprehensive and tailored solutions enable us to provide products and services that effectively address our customers' needs

With our substantive experience in the industry, our greatest strength lies in our understanding of the needs of our downstream customers. We adhere to a market-oriented approach in our product development and R&D strategies. We continue to build a diversified product portfolio across our three core business segments in order to capture industry trends and evolving customers' needs. As a platform-based enterprise, we maintain close communication with our downstream customers to gain an in-depth understanding of their requirements and provide them with tailored and one-stop solutions. We are capable of offering tailored formulation and/or specifications to suit our customers' diverse needs. As at 30 September 2025, we had over 900 SKUs across our three business segments.

For the electronic materials segment, leveraging our strong capabilities in resin synthesis (樹脂合成) and formulation of photoresist, as well as our large-scale production capacities for photoresists and related ancillary solvents, we are able to offer an extensive product portfolio spanning high-purity base resins (高純原料樹脂), semiconductor and

display photoresists and ancillary solvents tailored for multiple application scenarios and different customers' need. In recent years, we have continuously promoted the development and customer accreditation of high-end photoresists such as ArF and KrF photoresists, thereby further enriching our product pipeline and supply capabilities for mid-to-high-end process nodes. For our rubber additives for tyres, through integrating our self-produced and other traded products, we are able to provide our customers with a comprehensive solution ranging from formulation design of resin and product selection to the application of our products in different scenarios. For our fully biodegradable materials segment, we strive to develop a diverse range of products from PBAT resins to modified plastic materials with a view to covering different application scenarios required by our customers.

We consider our ability to provide tailored products and technical services to our customers is one of the contributing factors to our success. Leveraging our experience in the application of new chemical materials and our strong R&D capabilities, we have developed a distinct advantage in delivering tailored solutions to our customers. Our R&D, sales and product development teams work closely to address any technical issues and requirements of our customers. Based on our industry experience, we are able to understand the production process, conditions and requirements of our customers and provide tailored solutions addressing their needs.

Our diversified product portfolio and strong capabilities in delivering tailored technical solutions continue to reinforce our competitive position and support our long-term development. As such, we believe that we are well positioned to capture evolving customer demand and deepen our penetration in both domestic and overseas markets.

Strong R&D capabilities that enable us to continuously deliver high-quality products

We have been committed to the R&D of advanced new chemical materials to meet the evolving needs of our customers. Over the years, we have accumulated extensive technological expertise and industry experience. We have established our R&D centers in Beijing and Shanghai, focusing on the development of formulations for rubber additives, functional materials and electronic chemicals, as well as conducting testing in respect of the application of various materials. In addition, it has been our R&D initiative to integrate the development of electronic grade resin, key raw materials for photoresist and the application of electronic chemical products.

We take a holistic approach in the coordination of our R&D initiatives across different business operations, enabling seamless transition from our R&D initiatives to mass-production and application by our customers. Our product management department regularly conduct internal meetings with R&D personnels of our various business segments to discuss issues encountered in product development and review technical issues raised from the sales department. Our R&D department also works closely with our production team to ensure smooth production of new products.

We continue to increase our investment in R&D, with the associated expenses maintaining steady growth over the years. During the Track Record Period, our R&D expenses amounted to RMB179.8 million, RMB216.6 million, RMB147.9 million and RMB177.4 million for FY2023, FY2024, 9M2024 and 9M2025, respectively. We have developed a series of core technologies and patent portfolios with independent intellectual property rights around our key raw materials, formulation design and production

processes, providing strong support for product upgrades and the development of new products. As at 30 September 2025, we had 402 registered patents in the PRC, comprising 268 invention patents, 132 utility model patents and two design patents.

During the Track Record Period, our R&D activities continued to progress and yield a number of notable achievements, including:

- In the field of semiconductor materials, our major R&D achievements are as follows:

  (i) developed multiple ArF dry and ArFi photoresist products which have passed the relevant product certification process of our customers and had commenced commercialisation;

  (ii) achieved technological breakthroughs in high-resolution KrF and negative KrF photoresists, thereby establishing a comprehensive KrF product portfolio and achieved in-house manufacturing of certain PHS resins;

  (iii) building on our wide coverage of I-line photoresist, we have achieved breakthroughs in graded processing technology of phenolic resins, enabling in-house supply of upstream raw materials;

  (iv) developed high-sensitivity I-line chemically amplified photoresists and, based on such technology platform, launched a full range of thick-film photoresist materials for advanced packaging applications; and

  (v) established high-purity solvent purification technology, supporting the commercialisation of G5-grade EBR.

- Our major R&D achievements in the field of display panel materials are as follows:

  (i) in high-resolution photoresist technology, we have successfully developed high-performance positive TFT photoresists based on traditional novolac systems that support finer line widths, providing key material support for the high-definition evolution of LCD and OLED panels and contributing to industry development;

  (ii) in low-power organic insulating films, we have launched new organic insulating film materials that combine a low dielectric constant with high light transmittance, significantly reducing the driving power consumption of display panels and accelerating the commercialization of low-power, high-definition display technologies; and

  (iii) in OLED light-emitting materials, we have reached an industry-leading level in terms of colour gamut technology as we have achieved breakthrough in the large-scale application of highly efficient red light-emitting materials by our customers, supporting them in achieving breakthrough progress in high-colour-gamut technology standards.

- In the field of rubber additives of tyres, we have been committed to developing sustainable new materials. Specifically, we have successfully developed bio-based process oil (EcoaveRBO-T) and bio-based lignin-based filler (Ecoave LF1001). At

the same time, our latest processing aid (SL-5048) can effectively address technical challenges associated with high-silica formulations in green tyre applications, providing customers with specialised technical solutions.

- In the field of biodegradable materials, we have successfully launched high-performance biodegradable PBAT materials suitable for agricultural mulch film, which have been applied in various agricultural products providing functions such as weed suppression, heat retention and moisture conservation. Such material can be used to replace traditional polyethylene agricultural mulch film thereby promoting the green and sustainable development of the agricultural sector.

We believe that our R&D capabilities will continue to form a core driver of our long-term competitiveness and sustainable growth. With continuous investment in R&D, we are able to respond quickly to evolving customer needs, support their technological upgrades and further strengthen our position in the advanced new chemical materials industry.

Our vertically integrated operations enhance our efficiency and market competitiveness

With our vertically integrated operations, we are able to offer downstream application know-how and customers services and at the same time, possess strong upstream chemical capabilities, thereby offering our customers suitable formulation design, technical support in application and customised services. We began as a specialist in rubber additives for tyres and have since evolved into a vertically integrated enterprise by actively pursuing the R&D and production of upstream raw materials such as resins required for photoresists as well as DIB and PTBP used in the production of our rubber additives. We leverage upstream polymer capabilities across our rubber additives for tyres and electronic materials, which share common resin production processes and allow for the transferability of our process technologies and R&D capabilities. For example, synthesis technologies of phenolic resin are used not only in tackifying and reinforcing resins for tyres, but also in electronic-grade phenolic resins and resins for photoresists.

By extending upstream and producing key resins and intermediates in-house, we have effectively reduced raw material procurement costs and supply chain volatility, thereby strengthening our cost control capabilities. On the other hand, our vertically integrated operating model enhanced our R&D efficiency, shortened new product development cycles and accelerated formulation optimisation and performance iteration. This integrated approach also enables us to respond more flexibly to customers' multifaceted requirements in terms of performance, cost and environmental attributes, and to provide solutions from upstream materials to the application in customers' products, thus increasing customer stickiness and the long-term value of our customer relationships.

We have established strong and long-standing relationships with domestic and overseas leading enterprises

As an advanced chemical materials supplier with integrated R&D capabilities, large production capacity and reliable product quality, we have gained recognition from numerous sizable and well-known domestic and overseas enterprises, including leading tyre, semiconductor and display panel producers. We have established on-going business relationships with internationally renowned tyre producers, covering the world's top 20 tyre manufacturers, which together account for over 70% of the market share of the global

tyre industry. Our customers also cover various leading 8-inches and 12-inches wafer fabrication manufactures in the PRC. We have consistently received recognitions from our customers as their "supplier of the year" and "strategic supplier".

We have established long-term relationship with our top five customers during the Track Record Period. In particular, we have established business relationship for over 15 years with each of Customer/Supplier Group C and Customer Group F. The long-term and stable relationship with our customers evidenced their recognition of our products and technological capabilities. In addition, as we are generally required to undergo lengthy and stringent certification process by our customers before obtaining orders from them, it is costly for our customers to switch to other suppliers, resulting in strong customer loyalty to our products. Our products have been continuously validated by major industry participants in different end-markets, which further evidences our production and R&D capabilities and underscores our ability to capture new business opportunities in the market.

Experienced management team with in-depth industry and management experience and knowledge and a dedicated team of employees

We have a management team which has extensive experience and in-dept understanding of our industry. Our management team is led by our founder, executive Director and chairman of the Board, Ms. Zhang. Ms. Zhang holds a bachelor's degree in science majoring in biochemical engineering from Beijing Technology and Business University, a master of science degree in engineering business management from the University of Warwick in England, an Executive Masters in Business Administration from Cheung Kong Graduate School of Business, and a Doctor of Business Administration in Global Financial Management from Arizona State University. Ms. Zhang has over 26 years of experience in the chemical products industry and the investment field and possesses a deep understanding of domestic and international customer needs. Our other management team members also have significant experience in the chemical products industry and have served in senior management capacities at large enterprises. For details of the background of our Directors, please refer to the section headed "Directors and Senior Management — Board of Directors" in this document.

Our dedicated team of employees is also fundamental to our success. Our management, R&D, sales and production team possess extensive expertise in the new chemical materials industry, which enables us to effectively translate our R&D results into commercialization of our products. We place great importance on talent development and retention. We are committed to stimulating employees' potential and enhancing their motivation through diversified incentive policies and performance appraisal system. These measures help us maintain a stable and high-calibre talent pool, support the continuous optimisation of our operations, and strengthen our ability to execute our development strategies.

OUR STRATEGIES

Strengthen our R&D capabilities and efficiency to promote technological innovation and further enrich our product portfolio

We are committed to reinforcing our R&D capabilities and efficiency to stay at the forefront of technological innovation while continuously expanding and upgrading our product portfolio. By integrating new materials, advanced formulations and manufacturing techniques, we aim to enhance product performance and address diverse customer needs across a wide range of application scenarios.

Driven by applications in AI, big data, and the Internet of Things (IoT), there are increasing demands for high-performance and low-power integrated circuit chips. From the perspective of chip design and manufacturing, on one hand, there are increasing demands for higher planar integration and adoption of multiple patterning techniques to enhance integration density in line with Moore's Law, which is driving sustained growth in the demand for ArF dry and ArFi photoresists and related materials (including spin-on carbon for three-layer processes, spin-on carbon materials and anti-reflective coatings). On the other hand, beyond Moore's Law, three-dimensional integration technologies represented by 3D NAND, High Bandwidth Memory (HBM) and chiplet architecture are **[REDACTED]** higher requirements on photoresist materials used in advanced packaging. As material systems become more complex, there is a greater need for various types of process chemicals (such as specialty edge bead removers, negative developers, and developer rinses).

From the perspective of overall chip manufacturing technology trends, we will continue to develop advanced photoresists, with a focus on expanding our ArF dry and ArFi product portfolio to meet next-generation lithography requirements. We will develop a full suite of photoresist ancillary materials, in particular materials used for multiple patterning processes, such as spin-on carbon materials (including those for three-layer processes) and anti-reflective coatings, to support higher integration density. Also we intend to strengthen the development of process chemicals, including special EBR, negative tone developers and development rinse materials, to provide more comprehensive process solutions. In addition, we intend to broaden our offerings of advanced packaging materials, especially photoresists and supporting materials for fine redistribution layer (Fine RDL), through-silicon vias (TSVs) and bumping processes, to capture growth opportunities in three-dimensional integration and advanced packaging.

In respect of rubber additives for tyres, from the perspective of downstream demand, new energy vehicles are **[REDACTED]** higher requirements on tyre performance, which continues to drive market demand for related specialty materials such as green tyres and low rolling-resistance materials. Global tyre manufacturers are accelerating technological upgrades and product mix adjustments, and their reliance on high-quality, environmentally friendly rubber materials for tyres continues to deepen.

In strengthening our R&D capabilities and efficiency, we will proactively recruit research and management talent with industry experience and professional expertise, forming a specialized and multi-layered talent pool through a combination of internal training and external recruitment. We believe that this will provide a solid foundation for sustained technological leadership and business expansion. In addition, we plan to integrate the use of AI into our R&D processes to improve efficiency and shorten development cycles. We also plan to increase and upgrade our R&D equipment, encompassing both hardware and software, to support more sophisticated experimentation and testing, as well as strengthening cooperation with universities and other research institutions as well as external experts to broaden our access to cutting-edge technologies and industry know-how.

In terms of enriching our product portfolio, we intend to develop a wider range of electronic materials, including photoresists and supporting materials for advanced process nodes to meet the growing demand arising from, among others, the broader adoption of AI technologies. On the other hand, we would further develop vertically by deepening our deployment in the development of raw materials for our chemical materials. For our rubber additives for tyres, we plan to further enrich our product portfolio by introducing new products that meet increasingly stringent requirements regarding safety, energy efficiency and environmental protection. We also intend to cooperate with leading tyres

manufacturers to co-develop low-rolling-resistance tyre materials specifically targeting new energy vehicles. For our biodegradable materials segment, we will focus on developing more high value-added products and extending our biodegradable solutions into a broader range of application scenarios, including high heat-resistant packaging, multilayer composite food packaging and highly weather-resistant outdoor products.

We believe that these initiatives, taken together, will allow us to expand our market share and capture the substantial growth opportunities in our target markets.

Broaden our international presence and global supply capabilities through strategic expansion in overseas markets

We are committed to continuously expanding our market share locally and internationally. In FY2023, FY2024 and 9M2025, approximately 18.7%, 19.0% and 18.8% of our revenue, respectively, was generated from overseas countries and regions, mainly covering Southeast Asia, Japan, Korea and India. Going forward, it is our strategy to further expand our global market coverage and promote our transformation from a "PRC supplier" into a "global integrated new chemical materials service".

We plan to establish overseas production facilities to enhance global supply capabilities and responsiveness to global demand. Particularly, we are establishing a production base overseas. In addition, we also intend to establish overseas subsidiaries and/or offices and expand our sale team for overseas sales to further deepen our engagement with overseas markets by providing local services to overseas customers and improving our responsiveness to demand from overseas customers.

Upgrade and maintain our production facilities to enhance our production capabilities and competitiveness of our products to meet market demand

We continuously upgrade and maintain our production facilities to enhance our production capabilities and enhance competitiveness of our products to meet market demand.

In particular, we intend to further enhance our production lines for high-performance resins, including phenolic resins for photoresists and PHS resins, with a view to strengthening our self-sufficiency in electronic-grade resins. We also plan to leverage our solvent purification and production capabilities to upgrade our production lines of photoresists, high-purity solvents and to further increase our market share and internal supply capacity of EBR products. At the same time, we seek to enhance our production capacities for new process materials in response to the needs of advanced process manufacturing. Building on our ongoing ESG initiatives, we will continue to upgrade major production machinery and equipment to promote the green transition of our rubber additives production processes and to reduce the intensity of carbon emissions.

For our detailed plans on upgrading and maintaining our production facilities, please refer to the section headed "Future plans and **[REDACTED]**" in this document.

Facilitate growth through potential investments and strategic acquisitions

Over the years, we have continuously sought opportunities in strategic acquisitions and investments with a view to cultivating new drives for our business growth and enhance our competitiveness in the long run. Going forward, we will continue to identify and pursue strategic investments and/or acquisitions that would bring synergy to our core business. Our focus would be on companies that would bring synergy to our core business, including

but not limited to, companies engaging in R&D, production and/or sale of upstream raw materials of our products or other new chemical materials that are complementary to our business operations. In evaluating potential targets for investment and acquisition, we primarily assess factors such as their business strategies, management, product offerings, technological expertise and financial performance.

We believe that, through these strategic investments and acquisitions, we would be able to efficiently expand our technology and product portfolio and broaden our market access, thereby accelerating our revenue growth.

OUR BUSINESS MODEL

We are primarily engaged in the R&D, production, marketing, sales and distribution of new chemical materials. During the Track Record Period, our principal businesses comprised three segments, namely (i) electronic materials; (ii) rubber additives for tyres and other chemical products and (iii) fully biodegradable materials. The table below sets forth the breakdown of our revenue by our business segments for the years/periods indicated:

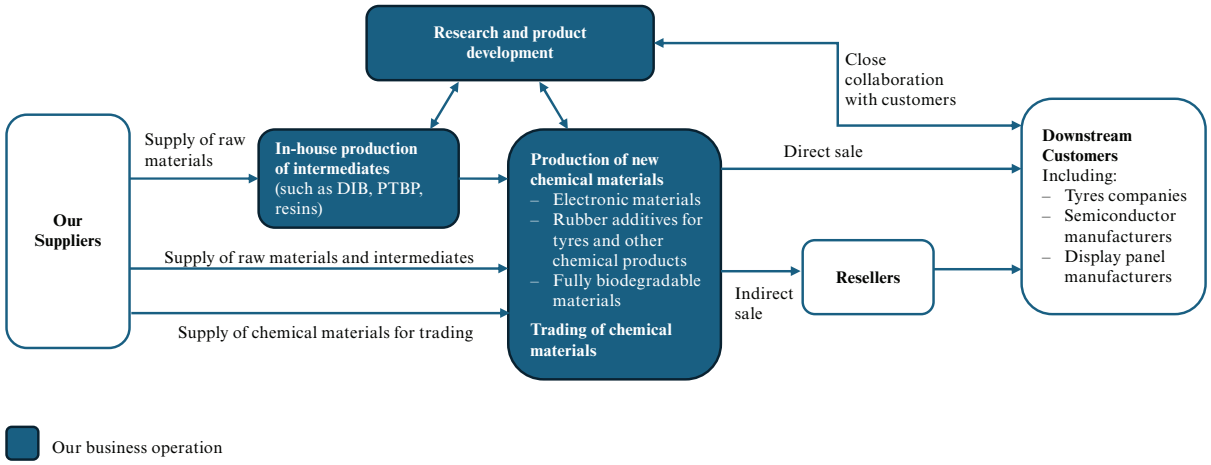
	FY2023		FY2024		9M2024		9M2025	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)* (unaudited)	*%*	*(RMB'000)* (unaudited)	*%*
Electronic chemicals	561,490	19.1	744,853	22.8	540,915	22.4	700,396	27.8
Rubber additives for tyres and other chemical products	2,275,508	77.5	2,437,747	74.7	1,840,211	76.0	1,753,146	69.7
Fully biodegradable materials	100,336	3.4	80,780	2.5	38,515	1.6	63,929	2.5
Total	**2,937,334**	**100.0**	**3,263,380**	**100.0**	**2,419,641**	**100.0**	**2,517,471**	**100.0**

We operate as a platform enterprise integrating research, product development, manufacturing and sales, enabling us to offer a comprehensive solution to our customers. We work closely with our customers in their downstream product development, which enables us to gain a thorough understanding of specific application scenarios and technical requirements and to translate these into practical material solutions. In addition, we operate a vertically integrated manufacturing operation under which we also produce certain key production materials for our products, which enhance our understanding of and control over the upstream raw materials used in our products.

During the Track Record Period, our products were mainly sold in the PRC, while a portion of our sales were generated from overseas markets. For details, please refer to the paragraph headed "Sales and marketing — geographical distribution" in this section. We mainly sell our products directly to our customers covering industry's leading players in the automobile tyres, semiconductors and display panels industries in the PRC and globally.

During the Track Record Period, our revenue was primarily derived from the sale of self-manufactured products. We also operated a limited trading business in certain products to complement our product portfolio and provide comprehensive, one-stop solutions to our customers. For FY2023, FY2024 and 9M2025, revenue derived from our trading business amounted to RMB289.2 million, RMB369.6 million and RMB282.2 million, respectively, representing approximately 9.9%, 11.3% and 11.2% of our total revenue for the respective year/period.

The following diagram sets forth our business model:



OUR PRODUCTS

We offer a wide range of chemical materials across our three business segments. The table below sets forth the breakdown of our revenue by our major product categories for the years/periods indicated:

	FY2023		FY2024		9M2024		9M2025	
	(RMB'000)	*%*	*(RMB'000)*	*%*	*(RMB'000)* (unaudited)	*%*	*(RMB'000)* (unaudited)	*%*
Electronic chemicals								
— Semiconductors materials	201,436	6.9	303,084	9.3	216,597	9.0	302,261	12.0
— Display panel materials	260,571	8.9	330,188	10.1	244,214	10.1	312,685	12.4
— Electronic resins and others[(1)]	99,483	3.3	111,581	3.4	80,104	3.3	85,450	3.4
Sub-total	561,490	19.1	744,853	22.8	540,915	22.4	700,396	27.8
Rubber additives for tyres and other chemical products								
— Rubber resins and additives[(2)]	2,217,728	75.5	2,366,948	72.5	1,797,322	74.3	1,682,497	66.9
— Others[(3)]	57,780	2.0	70,799	2.2	42,889	1.7	70,649	2.8
Sub-total	2,275,508	77.5	2,437,747	74.7	1,840,211	76.0	1,753,146	69.7
Fully biodegradable materials								
— PBAT	100,336	3.4	80,780	2.5	38,515	1.6	63,929	2.5
Total	**2,937,334**	**100.0**	**3,263,380**	**100.0**	**2,419,641**	**100.0**	**2,517,471**	**100.0**

Notes:

(1) Others include (but not limited to) electronic phenolic aldehydes (電子酚醛) and glass powder.

(2) Rubber resins and additives include (but not limited to) phenolic resins and other rubber additives, resin products, and compounding agents.

(3) Others include (but not limited to) catalysts and by-products from our production.

Electronic materials

The electronic materials segment represents our key strategic focus for ongoing development and growth. Revenue from our electronic materials segment amounted to RMB561.5 million and RMB744.9 million for FY2023 and FY2024, respectively, representing a year-on-year growth of approximately 32.7%. Our product offerings under the electronic materials segment are mainly divided into (i) semiconductor materials, including semiconductor photoresists, CMP polishing pads, high-purity solvents and EBR; and (ii) display panel materials, including display photoresists, organic insulating films and light-emitting materials. Our electronic materials are mainly used in the production of semiconductors and display panels by our downstream customers.

The table below illustrates our major product categories under the electronic materials segment during the Track Record Period:

Category	Product	Usage
Semiconductor materials	Semiconductor photoresists and supporting materials	Key materials in the manufacturing of semiconductors
	High-purity solvents and EBR	Removing excess photoresists from the edge of wafers
	CMP polishing pads	A core consumable in the chemical mechanical polishing (CMP) process for polishing and planarization of the surface of semiconductor wafers
Display panel materials	Display photoresists	A key material in the manufacturing of display panel
	Organic insulating films	Functional resin-based film prepared through coating and related processes
	Light-emitting materials	Functional materials convert electrical energy or other forms of energy into electromagnetic radiation and visible light under external energy excitation

Photoresists

Photoresist is an essential material used in photolithography (光刻), which is one of the major processes in the manufacturing process of semiconductors and display panels. In photolithography, circuit patterns on a photomask (光刻掩膜版) are projected onto the surface of a substrate coated with photoresist, and corresponding patterns are formed in the

photoresist layer through exposure (曝光) and development (顯影). These patterns are then transferred onto the substrate by subsequent processes such as etching (蝕刻) and ion implantation (離子注入), enabling the formation of micron- and nanometre-scale circuit structures on substrates such as wafers and glass panels, which are used in the production of semiconductors and display panels. Photoresist is one of the key materials in photolithography with the most stringent precision requirements. Its performance also directly determines the linewidth and lithography quality, making it an irreplaceable component in the entire process chain.

In terms of semiconductor photoresists, our product portfolio covers a range of products, including G-line, I-line, ArF and KrF photoresists. Each type operates at a distinct exposure wavelength, which determines the resolution and precision of circuit pattern transfer in the photolithography process. With the comprehensive range of products, we are able to meet the requirements of various process nodes and application scenarios across the semiconductor manufacturing value chain. As such, we have become one of the leading domestic suppliers of photoresists for 8-inches to 12- inches integrated circuit production lines in the PRC.

In terms of display photoresists, we are a leading local supplier of positive photoresist for LCDs in the PRC and the first PRC manufacturer to achieve commercial production of locally made positive photoresist for array applications. Our products cover all the mainstream display technologies such as amorphous silicon (a-Si), low-temperature polycrystalline silicon (LTPS), indium gallium zinc oxide (IGZO), and organic light-emitting diode (OLED), and have achieved stable commercial production and supply for a wide range of display panel production lines covering medium- to large-sized glass substrates.

High-purity solvents and EBR

High-purity electronic chemical EBR is a key solvent in semiconductor manufacturing, primarily used in the photoresist cleaning process. It serves as an edge bead remover or cleaning solution component to effectively dissolve residual photoresist, ensuring the cleanliness and yield of chip manufacturing. G5-grade EBR is currently the highest specification for electronic-grade solvents, which is mainly designed to meet the needs for ultra-high-purity solvents required by advanced chip manufacturing processes, and is especially suitable for photolithography processes at 7nm and below. In 2023, we successfully carried out trial production of G5-grade EBR. These products have achieved mass-scale supply to leading domestic advanced semiconductor chip manufacturers, successfully breaking foreign monopolies and establishing a benchmark for G5-grade EBR production technology in the PRC. We will continue to focus on building a domestically leading and internationally first-class, fully self-controlled electronic materials industry chain.

CMP polishing pads

CMP polishing pads are core consumables in chemical mechanical polishing (CMP) to hold and evenly distribute the polishing slurry, provide the mechanical contact and pressure for material removal, remove debris generated during polishing to maintain a stable environment to ensure that the wafer surface would achieve a uniform and flat polishing effect. CMP polishing pads are primarily used in cutting-edge fields such as microelectronics and semiconductors, where the quality and performance are especially critical in the manufacturing of high-performance integrated circuits and micro-nano devices.

To deepen our presence in this field, we had established a new production facility, being the RA Changzhou Factory, to engage in the R&D and manufacturing of CMP polishing pads. As at 30 September 2025, the construction of RA Changzhou Factory and the relevant product certification process had been completed. In 2025, we successfully secured orders for CMP polishing pad orders from several major domestic 8-inch and 12-inch wafer foundries and began production and delivery.

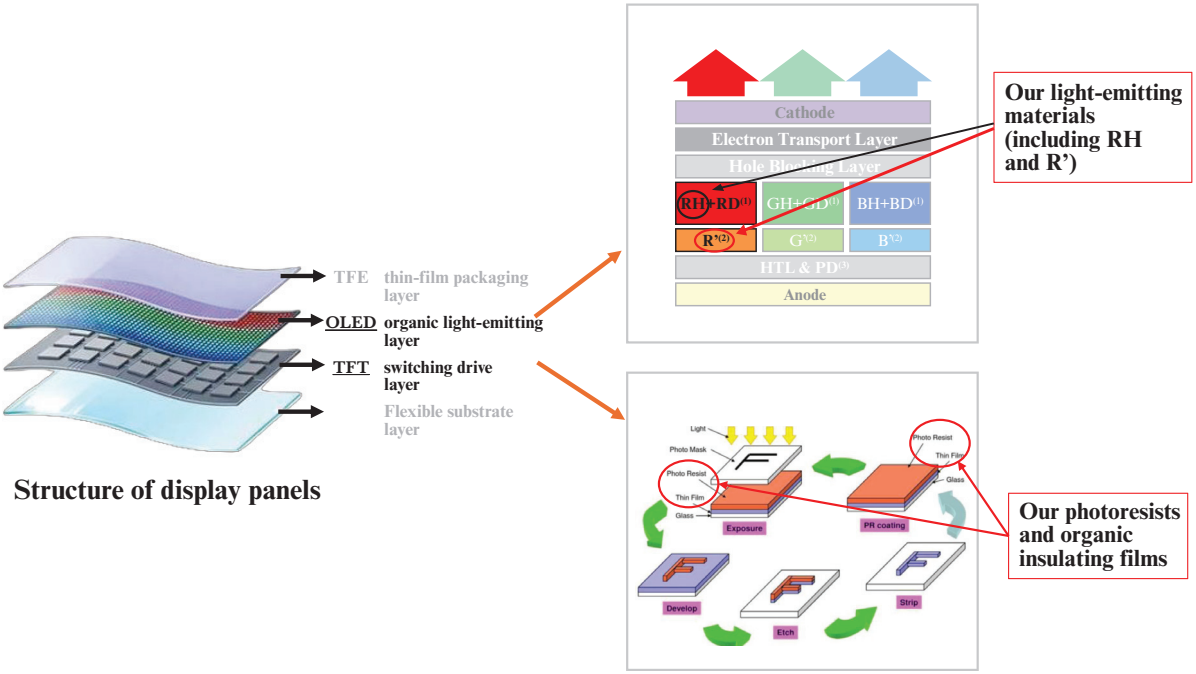
Organic insulating films

Organic insulating film typically refers to a functional thin-film resin used in the display industry through processes such as coating, exposure, and development. With their relatively high dielectric constant and low out-gassing of impurities, they are used to form organic dielectric layers in electronic devices, improving capacitance design precision and meeting the production demands of high-resolution, high-reliability display devices. Organic insulating films are widely applied in backplane structures of LED other technologies, for example, serving as passivation layers, or interlayer dielectric materials, and pixel definition layer. During the Track Record Period, we have launched new organic insulating film materials that combine a low dielectric constant with high light transmittance, significantly reducing the driving power consumption of display panels and accelerating the commercialization of low-power, high-definition display technologies.

Light-emitting materials

Light-emitting materials are functional materials that can convert electrical energy, light energy, or other forms of energy into electromagnetic radiation and visible light under external excitation. They are widely used in fields such as displays, lighting, signal indication, and optoelectronic devices. Based on the excitation method, light-emitting materials mainly include electroluminescent materials (電致發光材料) and photoluminescent materials (光致發光材料). On the other hand, based on material systems, they can be classified as inorganic or organic light-emitting materials. Their core performance indicators typically include luminous efficiency, emission wavelength and color purity, response speed, stability, and service life. In display and lighting applications, light-emitting materials achieve control over color and brightness through precise regulation of energy level structures and chemical compositions, making them one of the key foundational materials that determine device display performance and energy efficiency. In OLED light-emitting materials, we have reached an industry-leading level in wide colour gamut technology as we have achieved breakthrough in the large-scale application of highly efficient red light-emitting materials by our customers, supporting them in achieving breakthrough progress in high-color-gamut technology standards.

Set out below is an illustration of the application of our display panels materials in the production of display panels:



Structure of display panels

Notes:

(1) RH and RD, GH and GD, and BH and BD respectively denote pairs of red, green and blue organic light-emitting sub-layers with different dopant or host compositions within the organic light-emitting layer of the display panel, which together enable fine tuning of emission efficiency, color coordinates and device lifetime.

(2) R', G' and B' respectively denote modified or variant structures of the red, green and blue organic light-emitting sub-layers disposed within the organic light-emitting layer of the display panel.

(3) The hole transport layer and the doped emissive (prime-doped) layer.

Rubber additives for tyres and other chemical products

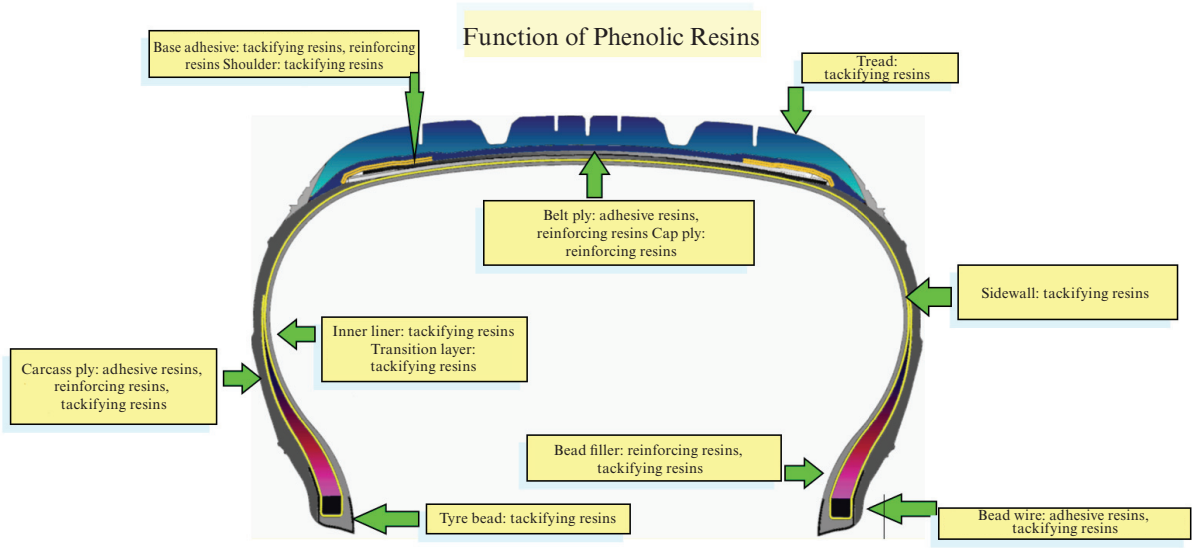
The rubber additives for tyres and other chemical products segment is our largest business segment during the Track Record Period. In FY2023, FY2024 and 9M2025, revenue generated from this segment amounted to approximately 77.5%, 74.7% and 69.7% of our total revenue, respectively. Our major product categories under this segment include rubber resins and additives such as phenolic resins. These products are primarily used in the production of automobile tyres and other rubber products to optimize various properties of rubber products such as their stickiness, strength and safety.

Phenolic resins

Rubber additives products are typically classified into five main categories, including rubber accelerators, rubber antioxidants vulcanizing agents, specialty functional additives, and processing additives. Among these, the first three types of products, namely accelerators, antioxidants, and vulcanizing agents are commonly used in rubber products and are referred to as general-purpose rubber additives. In contrast, specialty functional additives, and processing additives are referred to as functional rubber additives.

Our phenolic resins are one of the specialty rubber additives which mainly serve as special materials for automotive and tyres applications. Phenolic resins are a broad class of synthetic resins produced by the polycondensation of phenolic compounds and aldehydes. They possess excellent acid resistance, mechanical properties and heat resistance, and are widely used in areas such as rubber products, anti-corrosion processes, adhesives, flame-retardant materials, and grinding wheels.

Set out below is an illustration of the typical application scenarios of phenolic resins in the manufacture of tyres based on cross-sectional diagram of a tyre:



In the applications in automative tyres industry, phenolic resins are categorized by its function mainly into (i) tackifying resins (增黏樹脂), which are used to improve stickiness during tyre processing; (ii) adhesive resins (黏合樹脂), which enhance the bonding between framework materials and rubbers; and (iii) reinforcing resins (補強樹脂), which increase the mechanical strength of rubber materials. Set forth below are details our major phenolic resins products:

Product categories	Major products	Applications
Tackifying resins	PTBP tackifying resin	Mainly for rubber products with a high proportion of synthetic rubber and requiring high processing tack, such as tyres, conveyor belts, hoses, rubber rollers, rubber sheets, cable covering, adhesives, retreaded tyres and other products
	PTOP tackifying resin	With excellent tackifying performance, it can be used in any composite rubber products that require high-viscosity bonding, particularly those based on synthetic rubber
Reinforcing resins	Modified phenol-formaldehyde resin Unmodified phenol-formaldehyde resin	Mainly used in the bead area of tyres, and also in sole adhesives and automotive window weatherstrips and similar applications
Adhesive resins	Resorcinol-formaldehyde resin	Widely used in various rubbers and for bonding steel cord, nylon, rayon, polyester, vinylon and glass fibre

PTBP (對叔丁基苯酚)

PTBP is an important organic phenolic intermediate which is primarily used in resin synthesis, polymer material modification, surfactants, and additives. It mainly serves as a molecular weight regulator and chain terminator in polycarbonate (聚碳酸酯). PTBP is classified into general grade and polycarbonate (PC) grade. We sell PTBP to our customers as well as using it for our in-house production of phenolic resins.

Fully biodegradable materials

Our products under the fully biodegradable materials segment primarily include PBAT products mainly used in packaging materials and agricultural mulch films. Since 2020, leveraging the PBAT polymerisation technology licensed by a leading global chemical company headquartered in Germany, we have been developing fully biodegradable

materials for various applications. Our PBAT-modified materials have obtained food safety certifications from the relevant regulatory authorities in different countries and could be extensively utilized in the production of biodegradable food packaging. These materials exhibit exceptional barrier properties and outstanding transparency, positioning them as highly effective alternatives to the traditional polyethylene (PE) films.

Product life cycle

Our products, which principally comprise rubber additives for tyres and other chemical products and electronic chemicals, do not have a clearly defined or fixed product life cycle, as demand for our products is primarily driven by our customers' ongoing production requirements and prevailing industry conditions rather than specific product replacement or upgrade cycles. The product life cycles for each product and/or SKU may vary depending on various factors such as specific product application, technological upgrades, changes in industry standards, regulatory requirements and evolving end-user preferences.

Pricing

The table below sets for the sales volume and average selling prices of our major product categories during the years/periods indicated.

	FY2023		FY2024		9M2024		9M2025	
	Sales volume	Average selling price[(1)]	Sales volume	Average selling price[(1)]	Sales volume	Average selling price[(1)]	Sales volume	Average selling price[(1)]
	(tonnes '000)	*(RMB '000)*	*(tonnes '000)*	*(RMB '000)*	*(tonnes '000)*	*(RMB '000)*	*(tonnes '000)*	*(RMB '000)*
Electronic chemicals	12.2	44.3	16.2	46.1	12.0	45.1	13.0	53.9
Rubber additives for tyres and other chemical products	138.9	16.2	154.7	15.8	117.2	15.7	118.3	14.8
Fully biodegradable materials	9.7	10.7	8.4	9.6	3.7	10.4	7.3	8.8

Note:

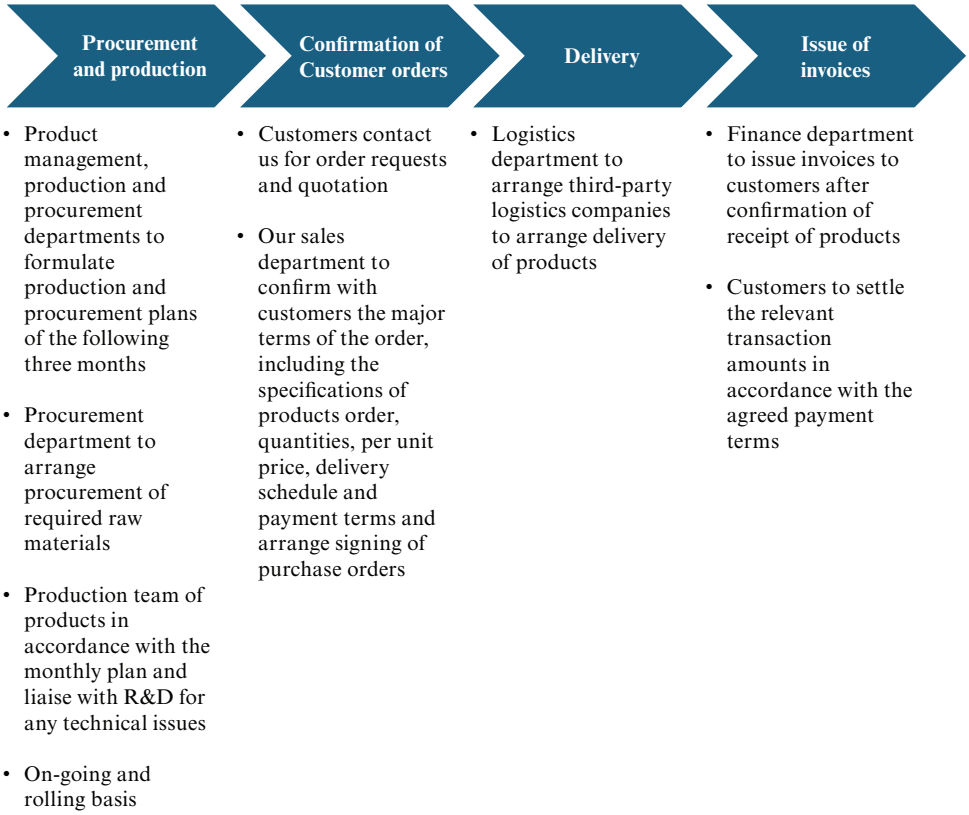
(1) Average selling price is calculated through dividing revenue by the relevant sales volume during the respective year/period, which represented the average price at which our products were sold to our customers.

During the Track Record Period, the average selling price of our products had been mostly stable across our business segments, except for the relatively significant increase in the average selling price of our electronic materials in 9M2025, which was primarily attributable to the change in product mix with an increased proportion of high-end photoresist products such as ArF and KrF photoresists. We may need to adjust our product pricing from time to time in response to fluctuations in raw material costs, changes in market demand and competitive dynamics.

BUSINESS OPERATIONS

Operation flows

Set for the below is a summary of the key steps of our general business operation:



Product certification by our customers

Prior to mass production of a new product, we are generally required to go through lengthy and rigorous certification processes by our customers which typically include extended product testing, technical specification verification and end-use application testing and on-site quality system audits. The time required for such certification processes vary depending on technical requirements and specifications of the relevant product and the customer. Specifically, given the stringent requirements, the product certification of our photoresist products may take around two to three years. On the other hand, given the stringent safety and quality requirements for tyres, the product certification process for our specialty rubber additives typically takes one to two years.

During the Track Record Period, we successfully completed the certification processes for various products and SKUs, demonstrating the consistent quality and reliability of our products as recognised by our customers. These successful verifications also reflect the strong recognition of our technological capabilities and quality management systems by our major customers and support the deepening of our long-term business relationships with them.

PRODUCTION

Production planning

We generally make production plans based on estimated sales. Our sales department would, on a monthly basis, formulate a three-month rolling plan based on market conditions and the annual budget and we would make production plan for the following month based on such plan. We also take into consideration the need to maintain sufficient inventory in preparation for urgent demand from our customers and mitigate any unexpected supply shortages of raw material or other events. After the monthly production plan is confirmed, each of our production bases will then arrange its daily production schedule for each production line based on its production capacity and conditions. We closely monitor the implementation of our production plan and promptly make any necessary adjustments in the event of any unexpected circumstances such as delays in supply of raw materials and production disruption.

Production process

The diagrams below illustrate the key production processes for our major products:

Photoresists

The production process includes the following key steps:

(i) Raw material preparation: Prepare solid components and solvent in accordance with specific formulation and specification.

(ii) Mixing and blending: Adding high-purity solvents into the mixing tank under controlled environment and gradually adding solid resin and other additives, maintaining specific temperature and timing until all solids are dissolved and forming clear solution

(iii) Performance testing: After the mixed solution has been aged for a defined period, we will take samples for performance testing.

(iv) Filtration and purification: conducting pre-filters and ultrafine final filters to the qualified solution to remove gels, sub-micron particles, and residual metal-bearing contaminants.

(v) Packaging: Fill the filtered photoresist into specific bottles to prevent contamination and solvent loss and store under appropriate conditions.

Phenolic resins

The production process includes the following key steps:

(i) Formulation of raw materials: Preparing and mixing of raw materials (mainly include phenol (苯酚), isobutylene (異丁烯) and formaldehyde (甲醛) etc.) in accordance with specified ratios and formulation.

We also produce PTBP as one of the upstream raw materials of our PTBP tackifying resin. PTBP is produced through an alkylation reaction (烷基化反應) between phenol (苯酚) and isobutylene (異丁烯) in the presence of acid catalysts.

(ii) Catalytic condensation reaction: Catalysts are added to the raw materials, and the mixture then undergoes polymerisation (聚合反應) at controlled temperatures, forming resin structures through addition and condensation reactions.

(iii) Dehydration: Water generated during the reaction are removed through distillation.

(iv) Cooling and solidification: Resins are cooled and solidified to control molecular weight and viscosity

(v) Granulation and drying: Solidified resins are processed into granules of the required particle size. Moisture is removed through hot air or vacuum drying to meet the required specifications.

(vi) Packaging: The finished product is packaged and stored under appropriate conditions.

PBAT

The production process includes the following key steps:

(i) Raw material preparation and esterification: Preparation of raw materials (mainly include purified terephthalic acid (PTA), adipic acid (AA) and an excess amount of 1,4-Butanediol (BDO)) and the addition of suitable catalysts etc. to carry out esterification under specified reaction conditions.

(ii) Pre-polycondensation (預縮聚): Conduct pre-polycondensation reaction under controlled conditions (including temperature and vacuum) to remove water and excess BDO to attain required molecular weight and viscosity range.

(iii) Chain extension (擴鏈): Further reaction of pre-polymerized PBAT under controlled temperature and vacuum until reaching the required specifications.

(iv) Granulation: Cooling the materials and cutting them into uniform pellets. Drying and cooling the pellets to prevent them from sticking to each other.

(v) Packaging: Packing the PBAT pellets and storing them under appropriate conditions.

Production facilities

As at the Latest Practicable Date, we had seven production facilities, a summary of which is set forth in the following table:

Production facilities	Location	Gross floor area *(sq.m.)*	Major product(s)	Year of commencement	Land/ property right
RA Chemical factory	Shanghai	46,961.09	Rubber resins and additives, PBAT	2012	Owned
Sino Legend factory	Zhangjiagang	28,122.13	Rubber resins and additives	2008	Owned
RA Zhenjiang factory	Zhenjiang	10,742.11	Electronic resins and additives	2021*(Note)*	Owned
RA Electronic factory	Shanghai	25,586.68	Semiconductor photoresists, high-purity solvents	2023	Owned
BAE (Hubei) factory	Hubei	18,913.80	Display photoresists	2022*(Note)*	Owned
Kempur factory	Beijing	9,321.13	Semiconductor photoresists	2021*(Note)*	Owned
RA Changzhou factory	Changzhou	7,253.71	CMP Polishing pads	2024	Leased

Note: As each of the RA Zhenjiang factory, BAE (Hubei) factory and Kempur factory was established prior to our acquisition of the controlling interests in the respective subsidiary, the year of commencement of the respective factory represents the year of such acquisition.

Production capacity and utilisation rates

The table below sets forth a summary of our production capacity for our main products by each of our five major production facilities, namely, the RA Chemical factory, the Sino Legend factory, the RA Zhenjian factory, the RA Electronic factory and the BAE (Hubei) factory, and their utilisation rates:

	Designed production capacity[1] *(tonnes)*			Actual production volume *(tonnes)*			Utilisation rate (%)		
	FY2023	FY2024	9M2025	FY2023	FY2024	9M2025	FY2023	FY2024	9M2025
RA Chemical factory									
— Rubber resins and additives	95,000	95,000	95,000	52,332	58,111	46,035	55.1	61.2	48.5
— PBAT	60,000	60,000	60,000	8,747	9,235	1,770	14.6	15.4	3.0[2]
Sino Legend factory[3]									
— Rubber resins and additives	72,000	72,000	72,000	79,371	82,133	57,268	110.2	114.1	79.5

	Designed production capacity[1] (tonnes)			Actual production volume (tonnes)			Utilisation rate (%)		
	FY2023	FY2024	9M2025	FY2023	FY2024	9M2025	FY2023	FY2024	9M2025
RA Zhenjian factory									
— Electronic resins and additives	40,000	40,000	40,000	11,249	15,073	12,699	28.1	37.7	31.7
RA Electronic factory[4]									
— Semiconductor photoresists	1,000	1,000	1,000	3	61	141	0.3	6.1	14.1
— High-purity solvent	18,800	18,800	18,800	7	212	574	0.0	1.1	3.1
BAE (Hubei) factory									
— Display photoresists	6,000	6,000	6,000	3,682	5,094	4,400	61.4	84.9	73.3

Notes:

(1) The designed production capacity is based on the approved production capacity of the production facilities.

(2) During the Track Record Period, the production line of PBAT at the RA Chemical factory was temporarily suspended from time to time due to low market demand. As a result, the utilisation rate of such production line has remained low during the Track Record Period.

(3) During FY2023 and FY2024, the utilization rate of our Sino Legend factory exceeded 100% mainly due to increase in sales volume driven by market demand. During the Track Record Period, Sino Legend factory did not engage in over-capacity production exceeding 30% of the approved production capacity, over which could constitute a violation of laws or regulations or subject to administrative penalties. Under the Environmental Impact Assessment Law (《環境影響評價法》) and the Notice on Issuing the "List of Major Changes in Pollution-Affecting Construction Projects (Trial)" issued by the General Office of the Ministry of Ecology and Environment (《生態環境部辦公廳關於印發〈污染影響類建設項目重大變動清單(試行)〉的通知》), an excess capacity ratio of no more than 30% does not constitute a major change to the approved construction project that may otherwise require re-compliance of the requisite environmental impact assessment procedures. Therefore, as advised by the PRC Legal Adviser, our Sino Legend factory was not required to undertake renewed environmental impact assessment procedures as a result of its over-capacity production there.

(4) The RA Electronic factory had a lower utilisation rate in the Track Record Period as it was newly established and only commenced trial production in September 2023. Given that semiconductor photoresists and high-purity solvents generally require a relatively long product certification period, the utilisation rate of the RA Electronic factory increased gradually during the Track Record Period.

Production machinery and equipment

Our major production machinery and equipment mainly include reaction vessels (反應釜), distillation tower (蒸餾塔), large-scale storage tank and other electronic testing equipment, most of which are owned by us. We mainly sourced our machinery and equipment from manufacturers in the PRC. For the depreciation method of our machinery and equipment, please refer to the section headed "Appendix I — Accountants' Report — Note 2.3" in this document.

We conduct regular maintenance of our machinery and equipment. We generally carry out maintenance at intervals of approximately one to three years, depending on the specific type and condition of the equipment and instrument. During the Track Record Period, we

did not experience any insufficiency of machinery or equipment or malfunctioning of machinery or equipment which would have had a material impact on our business, financial condition or results of operations.

QUALITY CONTROL

We place great emphasis on the quality of our products, which we believe is vital to our operations, and we strive to maintain high standards through a robust quality management system, which is developed in alignment with IATF16949, ISO9001, ISO45001 and ISO 14001 standards. Our quality control department is the primary entity responsible for quality management and supervision for the entire process of our operations, from supply to production and further to procurement and inventory management.

- ***R&D management:*** The team is responsible for organizing and executing all forms of verification and validation, along with preparing and updating various inspection procedures. They regularly summarize quality records and conduct data analysis to foster continuous improvement and ensure adherence to our standards.
- ***Supplier quality management:*** We have implemented a robust supplier onboarding management system with clearly defined supplier qualification principles. Suppliers are selected against a stringent set of criteria to ensure sustained compliance with our standards. We have formulated precise specifications for all raw materials and strictly implement incoming material inspections as well as sample testing. In addition, we conduct comprehensive qualification assessments on shortlisted suppliers to evaluate their technical capabilities.
- ***Product quality management:*** We perform various quality inspection and testing procedures at different stages of our operations. This ensures that our products meet the relevant quality standards and comply with applicable laws and regulations. Upon delivery, all products undergo rigorous inspections aligned with our established quality management standards. We verify that each product adheres to the sales specifications effective at the time of shipment to customers, providing an assurance of quality and compliance.
- ***Customer service quality management:*** We have implemented a procedure to efficiently resolve customer complaints. Across the full product lifecycle spanning design, R&D, manufacturing and delivery, customer feedback is systematically managed, fulfilling our commitment to customer satisfaction.

SALES AND MARKETING

Geographical distribution

During the Track Record Period, our products were mainly sold in the PRC. In FY2023, FY2024 and 9M2025, approximately 81.3%, 81.0% and 81.2% of our total revenue was generated from sales in the PRC. During the Track Record Period, we also sold our products worldwide covering more than 40 countries and regions worldwide. In FY2023, FY2024 and 9M2025, our overseas sale accounted for approximately 18.7%, 19.0% and 18.8% of our total revenue, respectively.

The following table sets forth the breakdown of our revenue by geographical regions, based on the locations of our customers, during the Track Record Period:

	FY2023		FY2024		9M2024		9M2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000* (unaudited)	*%*	*RMB'000* (unaudited)	*%*
PRC	2,388,611	81.3	2,644,288	81.0	1,966,045	81.3	2,045,163	81.2
Southeast Asia	222,462	7.6	254,915	7.8	181,160	7.5	208,328	8.3
Japan and Korea	132,340	4.5	157,432	4.8	109,310	4.5	108,795	4.3
Others*(Note)*	193,921	6.6	206,745	6.3	163,126	6.7	155,185	6.2
Total	**2,937,334**	**100.0**	**3,263,380**	**100.0**	**2,419,641**	**100.0**	**2,517,471**	**100.0**

Notes: Others mainly include (but not limited to) India, Europe and America.

Our Sales Channels

We have established a sales model in which our products are mainly sold through direct sales channels, with additional sales made through resellers. The table below sets out a breakdown of our revenue by sales channel during the Track Record Period:

	FY2023		FY2024		9M2024		9M2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Direct customers	2,683,609	91.4	2,980,059	91.3	2,214,303	91.5	2,276,994	90.5
Resellers	253,725	8.6	283,321	8.7	205,338	8.5	240,477	9.5
Total	**2,937,334**	**100.0**	**3,263,380**	**100.0**	**2,419,641**	**100.0**	**2,517,471**	**100.0**

Direct Sales

We mainly supply our products to downstream customers through direct sales. During FY2023, FY2024 and 9M2025, revenue generated from direct sales represent approximately 91.4%, 91.3% and 90.5% of our total revenue, respectively. We had 578, 572 and 628 direct sales customers in FY2023, FY2024 and 9M2025, respectively, which were mainly tyre, semiconductors and display panel manufacturers. Adopting a direct sales model enables us to precisely understand and respond to customer needs, allowing us to offer tailored services that meet our customers' specific requirements. We remain focused on building a direct sales customer base that includes key industry players in both the PRC and overseas markets.

Indirect Sales

We have conducted a small portion of our sales to customers who are resellers, who, to the best of our knowledge, may on-sell our products to their downstream customers. In FY2023, FY2024 and 9M2025, the revenue from our sales to the resellers amounted to RMB253.7 million, RMB283.3 million and RMB240.5 million, respectively, representing 8.6%, 8.7% and 9.5% of the total revenue for the same years/periods, respectively. During FY2023, FY2024 and 9M2025, we sold our products to 32, 33 and 33 resellers, respectively. As compared to FY2023, we entered into transactions with two new resellers and ceased to have business transaction with one reseller during FY2024. On the other hand, we entered into transactions with three new resellers and ceased to have business transactions with three resellers during 9M2025, as compared to FY2024. We primarily sell our products to our resellers in order to more effectively serve overseas markets and to expand our

geographic coverage and customer reach in a cost-effective manner, as the resellers would typically provide localized services, including import formalities, local logistics and warehousing services to the downstream customers. During the Track Record Period, we sold our products to resellers in regions such as the PRC, Japan, South Korea, India and Southeast Asia. As confirmed by F&S, it is not uncommon for chemical materials manufacturers to conduct part of their sales through resellers to leverage on their sales networks, local market knowledge and customer relationships.

We treat the resellers under our indirect sales model as our customers. We supply and deliver products to locations specified by such resellers, and at such point, control over the products would be transferred to them. Revenue from goods sold under the indirect sale model is recognized using the same principles as those applied in our direct sales model. We do not enter into long-term agreement with the resellers and major terms of our purchase orders with the resellers are generally the same as those of our direct sales customers. Under our purchase orders with the resellers, there were no terms (a) requiring a minimum purchase amount or imposing a minimum sales target; (b) restricting the appointment of sub-distributors; and (c) mandating selling prices to any sub-distributor (if any) or their downstream customers. We do not generally accept return of unsold products, except in specific circumstances such as product defects or quality issues caused by us. Please refer to the paragraph headed "Sales and marketing — Product returns and warranty" in this section for further details.

On the basis that (i) we do not impose minimum purchase amount or sale target on the resellers; (ii) we do not generally accept return of unsold products from the resellers except for quality issues; and (iii) the relationships between us and the resellers are categorised as seller-buyer relationship on a "buy-out" basis, we consider that the risk of channel stuffing in respect of our sales to the resellers is low.

Before commencing our business relationship with the resellers, in addition to their background, we would also evaluate their regional marketing resources, industry knowledge, familiarity with local customer needs and track record of creditworthiness and customer feedback. We conduct rigorous reviews of our business relationship with the resellers through regular assessment, including evaluation on metrics such as sales volume, revenue, market share, and new product development.

To the best of our knowledge, as at the Latest Practicable Date, all of our resellers are Independent Third Parties. To the best of our knowledge, other than the ordinary business relationships, there is no other relationship between the resellers and each of our Company, our subsidiary, our Shareholders who owned 5% or more of the total issued Shares, Directors or senior management or any of their respective associates.

Major terms of typical sale and purchase agreements with our customers

We do not generally enter into long-term agreement with our customers. We generally enter into separate purchase orders with our customers on an order-by-order basis.

Terms of each purchase order may vary. Set out below are the salient terms of typical purchase orders entered into with our customers:

- ***Duration:*** We generally enter into separate purchase order with our customers for each order.
- ***Pricing policy:*** The purchase order generally set out the unit price and the total contract price (including and excluding VAT).

- ***Payment and credit term:*** We generally require our customers to make prepayment prior to delivery or pay within 10 days to 90 days on delivery or following the issuance of invoice.
- ***Logistics:*** We are generally responsible for delivering our products to locations, ports or terminals as designated by our customers, depending on the terms of sales of the individual orders.
- ***Return arrangements:*** We typically do not allow product return except for limited reasons related to product quality issues.
- ***Termination:*** The purchase order may be terminated upon the mutual consent between our customers and us.

Pricing Policy

We regularly monitor the prevailing market prices and industry pricing trends to ensure the sustainability and profitability of our operations. The sales team formulates product prices in a comprehensive manner by considering multiple key factors, including (i) raw material cost, (ii) market demand; (iii) prevailing market price, and (iv) our sales strategy.

Logistics and delivery

During the Track Record Period, we utilized qualified third-party logistics service providers to handle the transportation of our finished goods from our production plants to locations designated by customers. Once our finished products have undergone production inspection and are stored in the warehouse, our system aligns the shipping plan with sales orders and assigns transportation responsibilities to the appropriate logistics providers based on customer destinations. We select third-party logistics service providers through an internal comparison system to conduct automated comparisons of quotations submitted by logistics providers, considering factors such as past performance, operational capabilities and collaboration track record to determine their respective scope and regions of service. We establish stringent transportation standards that these logistics providers must adhere to, and we assess their compliance and performance monthly to ensure efficient and reliable delivery of our products.

Our arrangements with third-party logistics service providers enable us to deliver products in a fast and efficient manner, while reducing our capital expenditure and mitigating risks associated with traffic accidents, delivery delays and product loss for which we would otherwise be liable. We monitor each order in accordance with the delivery timelines specified in the contracts and require logistics providers to upload customer receipt confirmations in real time. Delivery delays are very rare, where such incidents do occur, they are typically due to extreme weather, traffic congestion, or temporary road closures. In such instances, both the logistics providers and our logistics department will issue advance warnings, communicate with the affected customers, and develop appropriate contingency plans.

Product returns and warranty

We normally grant our customers a warranty period of nine to 12 months. We typically do not allow our customers to return products to us, except under certain circumstances in relation to quality issues, our customers may request return or replacement of such defect

products. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material product returns or claims from our customers with respect to product defects or quality issues.

Customer complaints policies

We have established a sound complaint handling process to ensure that customer complaints are handled in a timely and fair manner. Customer complaints are generally initiated by the customer's quality control department by issuing a complaint report to our sales team. Upon receiving the report, our sales team will promptly submit it to the quality control department of the corresponding production plant for handling. The production plant will conduct a thorough internal analysis to identify the root cause of the complaint and issue a report to provide formal feedback to the customer. Once the customer confirms that the identified problem has been effectively improved and resolved, the complaint will be officially closed.

We prioritize clear communication and effective response strategies to manage customer feedback efficiently. Our sales team actively engages with customers to ensure that their concerns are addressed satisfactorily and that they receive timely updates throughout the resolution process. This commitment to transparency reinforces our dedication to quality and service excellence.

After-sales support services

We have developed a high-quality after-sales service and customer support team. In the event that our products have any defect or quality issue, we will arrange for replenishment or replacement within the specified timeframe upon receipt of customer notification. We regard premium after-sales service as pivotal to our success, as it optimizes the product value chain and elevates satisfaction levels among both customers and end-users. To maintain effective communication with our customers, we conduct regular after-sales satisfaction surveys, gathering feedback through our sales team. For any unsatisfactory feedback and suggestions raised by customers, our customer service department will convene cross-functional meetings with relevant departments to conduct a thorough assessment and analysis and discuss targeted response measures. Where the quality issue is attributable to our products, we commit to resolving it promptly in accordance with the customer's requirements, or fulfilling restocking or replacement within the timeframe requested by the customer.

Seasonality

We experience seasonal fluctuations in the demand for our rubber additives and other chemical products segment. We have historically experienced, and expect to continue to experience, a decrease in demand during July and August due to routine summer maintenance activities undertaken by our tyre manufacturers clients. To effectively manage these seasonal characteristics, we proactively engage with our clients to understand downstream demand changes, allowing us to prepare for production and inventory management well in advance.

During the Track Record Period, our electronic chemicals and fully biodegradable materials businesses have no obvious cyclical or seasonal fluctuation.

Marketing

Our marketing strategy focuses on emphasizing our core competitive advantage: the synergistic combination of technology, service, and scale, which strategically positions us favorably against both domestic and international peers. We have positioned our brand as a leading integrated service provider of new materials, emphasizing our core values of innovation, sustainability, and reliability. This strategic positioning has cultivated a strong brand reputation in both the tyre and semiconductor industries.

Complementing our dedicated internal sales and marketing team, our product promotion strategy is multifaceted, involving participation in industry events and leveraging customer referral channels. New products are promoted through technical exchanges with customers and presentations at industry conferences, while we enhance overseas brand awareness through sales visits, international exhibitions, and collaborations with local resellers. In the rubber additives segment for tyres and other chemical products segment, we strengthen our partnerships with our customers through joint research and development initiatives and customized production. Our collaborations with major domestic and international clients further amplify our global brand presence.

Looking ahead, we will intensify international market promotion by establishing overseas subsidiaries and production bases, enabling more responsive, localized supply and services to customers worldwide.

OUR CUSTOMERS

During the Track Record Period, our customers mainly comprised mainly tyre manufacturers, semiconductors and display panel manufacturers. In FY2023, FY2024 and 9M2025, we have a total of 610, 605 and 661 customers, respectively.

Top five customers

In FY2023, FY2024 and 9M2025, revenue from our five largest customers in each year/period during the Track Record Period amounted to RMB829.4 million, RMB926.6 million and RMB752.7 million, representing approximately 28.1%, 28.4% and 29.9% of our total revenue for the respective years/period, while the largest customer in each year/period during the Track Record Period contributed 11.3%, 11.7% and 10.7% of our total revenue, respectively, for the same years/period.

The following tables set forth details of our top five customers during the Track Record Period.

FY2023

Ranking	Customer	Products sold	Year of commencement of business relationship	Credit terms	Payment method	Revenue	Percentage of total revenue
						(RMB'000)	*(%)*
1	Customer Group A[(1)]	Rubber additives	2015	up to 75 days	Bills and bank transfer	333,107	11.3
2	Customer Group B[(2)]	Electronic chemicals	2020	90 days	Bank transfer	241,986	8.2
3	Customer/Supplier Group C[(3)]	Rubber additives and Fully biodegradable materials	2009	up to 90 days	Bank transfer	113,703	3.9
4	Customer Group D[(4)]	Rubber additives	2019	10 days	Bills and bank transfer	71,667	2.4
5	Customer Group E[(5)]	Rubber additives	2015	up to 90 days	Bills and bank transfer	68,898	2.3
					Total	**829,361**	**28.1**

Notes:

(1) Customer Group A is a group of companies headquartered in the PRC that engages in the manufacturing, research and development of tyres. Customer Group A was founded in 1958 and listed on the Shanghai Stock Exchange, and is one of the top 10 tyre companies in the world. As at the Latest Practicable Date, we held 8.03% in the shares in a member of Customer Group A (which was the holding company of the other members within Customer Group A) ("**Customer Group A Holdco**"). In addition to our interests in Customer Group A Holdco, as at the Latest Practicable Date, Ms. Zhang, our executive Director and chairperson of our Board, was also indirectly interested in approximately 1.13% of the total issued share capital, and acted as a director of Customer Group A Holdco.

(2) Customer Group B is a group of companies headquartered in the PRC that engages in the manufacturing, research and development of semiconductors and are held by a company listed on the Shenzhen Stock Exchange in 2001.

(3) Customer/Supplier Group C is a group of companies headquartered in Japan that engages in the trading, investment and manufacturing in sectors such as automobiles, energy, chemicals, food, and infrastructure, which was listed on the Tokyo Stock Exchange. Customer/Supplier Group C is also our supplier during the Track Record Period. For details, please refer to the paragraph headed "Overlapping of customers and suppliers" in this section.

(4) Customer Group D is a group of companies headquartered in the PRC that engages in the research, development and manufacturing of polyurethane, petrochemical, fine chemical, new materials, and new energy materials, which was listed on the Shanghai Stock Exchange in 2001.

(5) Customer Group E comprises two companies that engages in the manufacturing, research and development of tyres, one of which was founded in 1958 and listed on the Shenzhen Stock Exchange, and a major tyre company in the PRC.

FY2024

Ranking	Customer	Products sold/ Services provided	Year of commencement of business relationship	Credit terms	Payment method	Revenue *(RMB'000)*	Percentage of total revenue *(%)*
1	Customer Group A	Rubber additives	2015	up to 75 days	Bills and bank transfer	382,584	11.7
2	Customer Group B	Electronic chemicals	2020	90 days	Bank transfer	267,458	8.2
3	Customer/Supplier Group C	Rubber additives and Fully biodegradable materials	2009	up to 90 days	Bank transfer	112,788	3.5
4	Customer Group F[(1)]	Rubber additives	2009	up to 90 days	Bills and bank transfer	85,357	2.6
5	Customer Group E	Rubber additives	2015	up to 90 days	Bills and bank transfer	78,437	2.4
					Total	**926,624**	**28.4**

Notes:

(1) Customer Group F is a group of companies headquartered in the PRC that engages in the manufacturing, research and development of tyres, which was listed on the Shanghai Stock Exchange in 2011.

9M2025

Ranking	Customer	Products sold/ Services provided	Year of commencement of business relationship	Credit terms	Payment method	Revenue *(RMB'000)*	Percentage of total revenue *(%)*
1	Customer Group A	Rubber additives	2015	up to 75 days	Bills and bank transfer	268,742	10.7
2	Customer Group B	Electronic chemicals	2020	90 days	Bank transfer	247,998	9.9
3	Customer/Supplier Group C	Rubber additives and Fully biodegradable materials	2009	up to 90 days	Bank transfer	94,326	3.7
4	Customer Group F	Rubber additives	2009	up to 90 days	Bills and bank transfer	80,377	3.2
5	Customer G[(1)]	Rubber additives	2022	60 days	Bills and bank transfer	61,291	2.4
					Total	**752,734**	**29.9**

Note:

(1) Customer G is a company established in the PRC in 2016 with a registered capital of USD0.2 million, and engages in the wholesale, import and export of chemical raw materials and products. Certain companies under the same group as Customer G were our suppliers during the Track Record Period. For details, please refer to the paragraph headed "Overlapping of customers and suppliers" in this section.

All of our five largest customers during the Track Record Period were Independent Third Parties. Save as disclosed, as at the Latest Practicable Date, to the best of our knowledge, none of our Directors or their respective close associates or any person who, to the knowledge of our Directors, owned more than 5% of our issued share capital, had any interest in any of our five largest customers during the Track Record Period.

PROCUREMENT AND SUPPLY

Raw Materials and Procurement

We procure a variety of materials and equipment necessary for the production of our products. The principal raw materials used in our production include phenolic resins (酚醛樹脂) include phenol (苯酚), alkylphenol (烷基酚), isobutene (異丁烯), diisobutylene (二異丁烯), resorcinol (間苯二酚) and formaldehyde (甲醛), most of which are derived from the petrochemical and other basic chemical industries. In FY2023, FY2024, 9M2024 and 9M2025, our cost of raw materials amounted to RMB1,813.2 million, RMB1,999.1 million, RMB1,461.2 million and RMB1,557.1 million, respectively, according for 80.5%, 81.0%, 81.0% and 82.7% of our cost of sales for the respective periods. We mainly procure our production materials from the PRC. We also procure certain raw materials from overseas countries and regions such as Japan and Vietnam.

We have an internal procurement department responsible for the procurement of raw materials, which formulates procurement plans based on the production schedule and inventory levels. Prior to entering into supply agreements with our raw material suppliers, we conduct due diligence on shortlisted qualified candidates and review their operational history, performance track records and market reputations. We also obtain various product samples from potential suppliers for inspection and testing by our quality control department and conduct on-site audits of their production facilities to ensure that the suppliers fully meet our quality standards. We generally select three or more suppliers to participate in the bidding process before formalizing a cooperative relationship with the supplier. Our procurement department then enters into procurement agreements and places purchase orders, tracks the execution process of the procurement agreements, and ensures timely delivery of the purchased materials. Upon receipt of the raw materials, we conduct inspections and examinations and retain the right to reject or return any supplies that do not meet our quality standards.

To manage the fluctuation of raw material prices, we closely monitor market trends and adjust our procurement strategy accordingly to minimize the effects of price volatility. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material fluctuations of raw material prices nor any material shortage or delay in the supply of raw materials.

OUR SUPPLIERS

During the Track Record Period, we primarily purchase raw materials from suppliers engaging in the processing of fossil fuels and trading of electronic and/or chemical products.

Supply chain management

In order to ensure the quality of the raw materials, we have established a supplier management policy to select the most suitable suppliers according to our procurement plans. We maintain a list of qualified suppliers to facilitate our selection of the most suitable raw materials suppliers based on selection criteria including technological

expertise, infrastructure and equipment, product quality, product stability, credentials, reputation, and after-sales service. We implement stringent supplier management protocols. Our evaluation process for prospective suppliers involves batch quality assessments, timely delivery evaluation and regulation on-site audits of suppliers' manufacturing facilities. We rate our suppliers based on their performance, allowing us to eliminate any that do not meet our standards.

In addition to assessing new suppliers, we conduct annual assessments of our existing suppliers through on-site inspections. We require our suppliers to promptly rectify any issues identified during these audits, and those who fail to take rectification measures in a timely manner will be removed from our list of qualified suppliers.

Our operations are not dependent on a single supplier. To guarantee stable supply of raw materials during the Track Record Period, we have established relationships with multiple suppliers to avoid overdependence. Our R&D center has also created contingency plans specifically to address raw material shortages or production interruptions and has implemented a comprehensive set of solutions for material substitution.

We typically enter into separate purchase orders with our suppliers on an order-by-order basis, while from time to time we also enter into long-term framework agreements with certain suppliers to ensure stable supply of key raw materials for our production. Set out below are the salient terms of our long-term agreements with our suppliers:

- ***Duration:*** The duration of our long-term framework supply agreements is typically one year.
- ***Supply of products:*** The supplier shall supply the ordered amounts of raw materials (subject to adjustment or further agreement between the parties) to us on a monthly basis
- ***Price:*** The price of products would be determined with reference to the market price at the time of delivery
- ***Delivery:*** We typically collect the products at locations designated by our suppliers and are responsible for arranging the subsequent delivery.
- ***Product return:*** We have the right to return products that are not in conformity with the agreed product specifications.

Top five suppliers

We primarily procure our raw materials in the PRC and overseas. In FY2023, FY2024 and 9M2025, purchases from our five largest suppliers amounted to RMB486.6 million, RMB556.8 million and RMB459.4 million respectively, representing 25.1%, 25.4% and 28.2% of our total purchases for the respective years/period. Purchases attributable to our largest supplier in FY2023, FY2024 and 9M2025 amounted to RMB108.0 million, RMB170.0 million and RMB104.9 million respectively, accounting for 5.6%, 7.7% and 6.4% of our total purchases respectively.

The following tables set forth details of our top five suppliers during the Track Record Period.

FY2023

Ranking	Supplier	Major products procured from the supplier	Year of commencement of business relationship	Credit terms	Payment method	Purchase amount *(RMB'000)*	Percentage of total Purchase *(%)*
1	Supplier Group A[(1)]	Chemical materials	2012	Prepayment	Bank transfer	108,001	5.6
2	Supplier Group B[(2)]	Chemical materials	2013	10–15 days after month end	Bills and bank transfer	104,985	5.4
3	Customer/Supplier Group C[(3)]	Chemical materials	2009	up to 90 days	Bank transfer	98,438	5.1
4	Supplier D[(4)]	Chemical materials	2015	Prepayment	Bank transfer	91,378	4.7
5	Supplier E[(5)]	Chemical materials	2016	10 days after month end	Bills	83,776	4.3
					Total	**486,578**	**25.1**

Notes:

(1) Supplier Group A comprises two companies that engage in the sale of advanced materials such as high-purity chemicals, engineering plastics and medical-grade polymers, one of which was established in 2009 with a registered capital of USD2 million; and the other of which was established in 2005 with a registered capital of USD0.5 million.

(2) Supplier Group B comprises two companies established principally engaged in wholesale business involving chemical products, electronic products and metal materials, one of which was established in 2001 in the PRC with a registered capital of RMB15 million; and the other of which was established in 2011 in Hong Kong.

(3) Customer/Supplier Group C is a group of companies headquartered in Japan that engages in the trading, investment and manufacturing in sectors such as automobiles, energy, chemicals, food, and infrastructure, which was listed on the Tokyo Stock Exchange. Customer/Supplier Group C is also our customer during the Track Record Period. For details, please refer to the paragraph headed "Overlapping of customers and suppliers" in this section.

(4) Supplier D is a company established in the PRC in 2001 with a registered capital of RMB311.5 million, and engages in the processing of petroleum, coal, and other fuels.

(5) Supplier E is a company established in the PRC in 2011 with a registered capital of RMB0.5 million, and engages in the sale of chemicals, plastic products, and rubber products.

FY2024

Ranking	Supplier	Major products procured from the supplier	Year of commencement of business relationship	Credit terms	Payment method	Purchase amount *(RMB'000)*	Percentage of total Purchase *(%)*
1	Supplier D	Chemical materials	2015	Prepayment	Bank transfer	170,009	7.7
2	Supplier Group B	Chemical materials	2013	10–15 days after month end	Bills and bank transfer	133,220	6.1
3	Supplier Group A	Chemical materials	2012	Prepayment	Bank transfer	113,449	5.2
4	Supplier F*(Note)*	Chemical materials	2014	up to 30 days from delivery date	Bills	71,627	3.3
5	Supplier E	Chemical materials	2016	10 days after month end	Bills	68,458	3.1
					Total	**556,763**	**25.4**

Note: Supplier F is a company established in the PRC in 2014 with a registered capital of RMB10 million, and principally engaged in the trading of chemical raw materials and products.

9M2025

Ranking	Supplier	Major products procured from the supplier	Year of commencement of business relationship	Credit terms	Payment method	Purchase amount *(RMB'000)*	Percentage of total Purchase *(%)*
1	Supplier D	Chemical materials	2015	Prepayment	Bank transfer	104,911	6.4
2	Supplier Group B	Chemical materials	2013	10–15 days after month end	Bills and bank transfer	102,260	6.3
3	Supplier Group G*(Note)*	Electronic materials	2021	45 days from delivery date	Bank transfer	100,529	6.2
4	Supplier Group A	Chemical materials	2012	Prepayment	Bank transfer	91,366	5.6
5	Supplier F	Chemical materials	2014	up to 30 days from delivery date	Bills	60,358	3.7
					Total	**459,424**	**28.2**

Note: Supplier Group G comprises five companies representing Asia-pacific offices of a multinational group engaging in the fields of high-performance materials, electronic materials and industrial chemicals which is listed on the New York Stock Exchange.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, all of our five largest suppliers in each year/period during the Track Record Period were Independent Third Parties. To the best of our Directors' knowledge, none of our Directors or their respective close associates or any person who, to the knowledge of our Directors, owned more than 5% of our issued share capital, had any interest in any of our five largest suppliers in each year/period comprising the Track Record Period as of the Latest Practicable Date.

OVERLAPPING OF CUSTOMERS AND SUPPLIERS

During the Track Record Period, two of our five largest customers, being Customer/Supplier Group C and Customer G, were also our suppliers. Customer/Supplier Group C is a Japanese conglomerate with operations across multiple sectors, who mainly purchased rubber additives and biodegradable materials from us as a reseller for onward sales to Japan, and supplied us with chemical materials. Customer G is a company established in the PRC which mainly purchased catalysts from us as a reseller for onward sales. On the other hand, certain companies under the same group as Customer G, a multi-national manufacturer of metal-based chemicals, supplied us with chemical materials.

The total revenue we generated from Customer/Supplier Group C amounted to RMB113.7 million, RMB112.8 million and RMB94.3 million in FY2023, FY2024 and 9M2025, representing approximately 3.9%, 3.5% and 3.7% of our total revenue for the respective year/period. On the other hand, our purchases from Customer/Supplier Group C amounted to RMB98.4 million, RMB35.4 million and RMB16.2 million in FY2023, FY2024 and 9M2025, representing 5.1%, 1.6% and 1.0%, respectively, of our total purchase for the same years/period.

The total revenue we generated from Customer G amounted to RMB31.7 million, RMB55.3 million and RMB61.3 million in FY2023, FY2024 and 9M2025, representing approximately 1.1%, 1.7% and 2.4% of our total revenue for the respective year/period. On the other hand, our purchases from companies under the same group as Customer G amounted to RMB37.3 million, RMB50.6 million and RMB41.3 million in FY2023, FY2024 and 9M2025, representing 2.0%, 2.3% and 2.5%, respectively, of our total purchase for the same years/period.

Negotiations of the terms of our sales to and purchases from this overlapping customer and supplier were conducted on an individual basis and the sales and purchases were neither inter-connected nor inter-conditional with each other. Our Directors confirmed that all of our sales to and purchases from the overlapping customer and supplier were conducted in the ordinary course of business under normal commercial terms and on an arm's-length basis.

INVENTORY MANAGEMENT

Our inventory comprises raw materials, work-in-progress and finished goods. As at 31 December 2023 and 2024 and 30 September 2025, our inventory level (after provision) amounted to approximately RMB430.7 million, RMB486.2 million and RMB511.3 million, respectively. Our average inventory turnover days for each of FY2023, FY2024 and 9M2025 was 68 days, 70 days and 73 days, respectively.

We have implemented an effective inventory control system that fosters close collaboration among various functional departments, including sales, procurement and production. Our sales team provide a rolling forecast of customer purchasing plans for the upcoming three months to both the procurement and production teams, allowing us to efficiently align our raw material sourcing and production schedules in advance. For details, please refer to the paragraph headed "Production — Production planning" in this section. We would formulate safety stock requirements for raw materials based on the production patterns of each production plant. The procurement department would make arrangements to schedule purchase orders taking in account such stock requirements and the lead times of different raw materials.

We regularly review and assess the need to make provision on our inventories based on their carrying amount and net realisable value. In FY2023, FY2024 and FY2025, we made provision for our inventories of RMB11.3 million, RMB11.9 million and RMB3.8 million, respectively.

RESEARCH AND DEVELOPMENT

We place strong emphasis on technological development and innovation. As at 30 September 2025, our R&D team consists of 302 dedicated personnel with approximately 83 individuals holding a master's or doctorate degree. For FY2023, FY2024 and 9M2025, we recorded R&D expenses of RMB179.8 million, RMB216.6 million and RMB177.4 million, respectively.

As at the 30 September 2025, we hold 402 registered patents in the PRC, including 268 invention patents, 132 utility model patents and two design patents for our innovations.

Our core technology and technical know-how

Set out below are the core technology and technical know-how required for our major products:

Photoresists

Our core technologies for the production of our photoresist products primarily relate to the design and precise control of key materials, advanced formulation engineering, and stringent manufacturing management. At the material level, this includes the structural design and performance control of the base resins and photosensitive components. At the formulation level, our core technical know-how lies in the design and optimization of the formulation of photoresist which would affect the coordination of its properties such as UV absorption, contrast, resolution and heat resistance. In addition, stable large-scale production and quality control technologies are indispensable, particularly ultra-clean manufacturing, filtration and purification processes for controlling trace metal ions and micro-particles, so as to ensure long-term consistency, low defectivity and high reliability in semiconductor manufacturing environments.

Photoresist resins

The production of photoresist resins requires a systematic and mechanistic understanding of the reactivity and structure-property relationships of different polymer backbones and functional groups, as well as the capability to rationally adjust and regulate the molecular structure of resins to satisfy the formation requirements of photoresist

formulation. Given the stringent requirements for the production of photoresist products, it places high demands on the process engineering and quality control in the manufacture of resins to ensure consistency in mass productions.

Given that photoresist systems impose exceptionally tight specifications on resin purity and lot-to-lot uniformity, resin manufacturing places very high demands on process engineering, including robust reaction scale-up, meticulous control of reaction kinetics and impurity profiles, and implementation of advanced in-process and final quality control regimes to ensure consistent mass production meeting semiconductor-grade standards.

Phenolic resins

There are different technical requirements for the structural composition and distribution of phenolic resins in different application scenarios. The core technology involves the adjustment of molecular structure and its distribution to meet the application needs of different scenarios. For example, in the rubber sector, we have to establish the mechanism of phenolic resins in rubber formulations in order to design the appropriate structure of the phenolic resin to synthesise relevant products that satisfy application requirements.

PTBP

Optical-grade PTBP has specific requirements regarding certain impurities. As such, it is necessary to control the entire synthesis process to meet these impurity standards. In addition, there are also requirements for the raw materials used in the synthesis.

PBAT

Our core technical know-how for the production PBAT products lies in the continuous polyester condensation reaction technology, particularly, the techniques in enhancing the effective molecular. In terms of knowledge on degradable molecular structure design, it includes the degradation cycle of the molecules under conditions such as industrial composting. In terms of structural design, in order to meet the application needs of certain specific scenarios, it is necessary to make fine adjustments to the structure to satisfy different requirements in processing and application.

R&D process

Our R&D process typically comprises four key states, including (i) planning; (ii) development and review; (iii) product verification; and (iv) mass production. From initial concept design through to achieving stable mass production of a technology, the full product development cycle generally requires approximately two years.

The planning process is initiated through two principal pathways. Under the sales-driven pathway, our product management department would from time to time identify innovation opportunities based on customer feedback and market demand and relay such findings to our R&D department for further development planning. Alternatively, new product development plans may be driven by internal R&D initiative, where our R&D personnel would conduct market studies and preliminary technical research to assess emerging needs and define potential product directions.

During the development and review stage, our R&D team would conduct sample preparation and produces multiple prototype formulations for evaluation. Internal departments, including product management, production and R&D, collaborate on raw material procurement, the consolidation of technical input and requirements, and the execution of performance and reliability testing.

We collaborate with our downstream customers in the product verification stage. Given the technological requirements of our products, we are generally required to go through product verification process by our customers. For details, please refer to the paragraph headed "Business operations — Product certification by our customers" in this section. Upon the completion of product certification, the product is finalized and transferred to mass production for commercial release. All relevant internal departments coordinate to supervise the manufacturing process, implement stringent quality control measures and manage customer orders and delivery arrangements.

R&D facilities and equipment

We have established our R&D centers in Beijing and Shanghai, focusing on the development of formulations for rubber additives, functional materials and electronic chemicals, as well as conducting testing in respect of the application of various materials. In addition, it has been our R&D initiative to integrate the development of electronic grade resin, key raw materials for photoresist and the application of electronic chemical products with a view to fostering the synergies between our R&D teams of semiconductors and display panel photoresist.

Our product development process requires various equipment, mainly include (i) general physicochemical analytical equipment, such as equipment for chemical, physical, and elemental analysis; (ii) performance testing equipment for electronic chemicals such as exposure machines, lithography machines and other specialized instruments for photoresist processing and characterization; and (iii) performance testing equipment for rubber products such as mixers, tensile testers hardness testers, abrasion testers, and various sample preparation and cutting machines. For example, the development of our photoresist products involves the use of reactor vessel (反應釜) to synthesize key components, exposure tool (曝光機) to expose photoresist samples to patterned light and ultraviolet absorption spectrometer (紫外吸收儀) to measure the absorption of photoresists and raw materials at certain photosensitive wavelengths.

Collaboration

We would cooperate with leading universities and research institutes to jointly conduct R&D projects relating to our products and businesses from time to time. We typically enter into technology development agreements with such institutes, pursuant to which we would agree on the payment arrangements of the relevant R&D fees and the ownership of intellectual property rights on a case-by-case basis. As part of our integrated R&D strategy, we also collaborate closely with our customers in the R&D of different types of chemical materials and related technology.

Key R&D projects and achievements

During the Track Record Period, we were engaged in various R&D projects in relation to our products, major application sectors and other technical know-hows. For our R&D achievements during the Track Record Period, please refer to the paragraph headed "Our competitive strengths — Strong R&D capabilities that enable us to continuously deliver high-quality products" in this section. As at the Latest Practicable Date, some of our major on-going R&D projects include photoresists and supporting materials for advanced process nodes, photoresists and related materials for advanced packaging, G5-grade high-purity solvents and formulated process chemicals, high-resolution TFT positive photoresists and low-temperature photoresists and related resins for OLED production, as well as low-dielectric, high-sensitivity positive and negative organic film materials and related acrylic resins for LCD production. On the other hand, for phenolic resins, we are focusing on developing processes for sustainable and green phenolic resins. Furthermore, in respect of PBAT, we are developing raw materials with higher elongation performances according to customers' needs with respect to agricultural mulch films.

INSURANCE

We maintain a number of insurance policies to cover potential liabilities that may arise in our daily operations, including but not limited to public liability insurance, machinery breakdown insurance, environmental pollution liability insurance and work safety liability insurance. We believe our insurance policy covers major risks within our business, and our insurance policy is consistent with industry standards and complies with relevant rules and regulations set forth in PRC. Despite such, we may still be exposed to claims and liabilities that exceed our insurance policy. Please refer to the section headed "Risk factors — we may not have sufficient insurance coverage to cover our potential liability or losses" in this document.

COMPETITION

We primarily operate our business in semiconductor materials, display panel materials and rubber chemicals for automobile tyres industries. These industries are characterised by high technical barriers, substantial R&D investment, and a strong emphasis on product innovation and quality. The semiconductor materials industry has been historically dominated by international companies, with PRC manufacturers rapidly narrowing the gap through innovation and local capacity expansion. Display panel materials follow a similar pattern, with a few international players holding dominant market share, while PRC companies leverage technological advancement and cost competitiveness to strengthen their market position. In rubber chemicals for automobile tyres, there is intense competition on formulation expertise, supply chain integration, and product breadth, while increasingly focusing on high-performance and sustainable solutions. All three industries, including semiconductor materials, display panel materials, and rubber chemicals for automotive tyre, feature significant entry barriers due to high technical requirements, substantial R&D investment, and strict product validation processes.

We remain focused on leveraging our R&D capabilities, customer-centric strategies, industry experience and reputation and operational efficiency to maintain and strengthen our market position.

PROPERTIES

During the Track Record Period, we mainly operated our business through owned properties, land use rights and leased properties in the PRC. We primarily use our owned and leased properties as production facilities and office premises.

As at 30 September 2025, none of the properties held or leased by us had a carrying amount of 15% of more of our consolidated total assets and no single property interest forming part of our Group's property activities had a carrying amount of 1% or more of our total assets. As such, we are not required by Rule 5.01A(1) of the Listing Rules to include valuation reports in this document. Pursuant to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong), this document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (WUMP) Ordinance as described in paragraph 34(2) of the Third Schedule to the Companies (WUMP) Ordinance, to include a valuation report with respect to all of our interests in land or buildings.

Owned properties

As at 30 September 2025, we owned a total of 32 properties within the PRC and we have obtained property ownership certificates and/or building ownership certificates for our owned properties, except the followings: (i) RA Chemical had not obtained the relevant building ownership certificate in respect of buildings with a total gross floor of approximately 22,951.1 sq.m.; and (ii) RA Zhenjiang had not obtained the relevant building ownership certificate in respect of buildings with a total gross floor area of approximate 10,742.1 sq.m.. As advised by our PRC Legal Adviser, the lack of building ownership certificates does not affect our normal use of the properties or subject us to any administrative penalty under applicable PRC laws and regulations, but it may affect the exercise of our rights in the transfer, mortgage or disposal of the underlying properties.

RA Chemical

During the Track Record Period, the production lines of rubber resins and additives and PBAT of the RA Chemical factory had been in use prior to obtaining the required acceptance of completed construction project. As advised by our PRC Legal Adviser, for a project delivered for use before obtaining the acceptance of completed construction project (竣工驗收), the relevant PRC governing authorities may order the entity to rectify and impose a fine in the range of 2% to 4% of the contraction contract price. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any penalties in respect of the above non-compliance of RA Chemical. As at the Latest Practicable Date, we had obtained the relevant acceptance of completed construction project.

On the basis that (i) RA Chemical had already obtained the relevant acceptance of completed construction project and the non-compliance had been rectified; and (ii) RA Chemical had obtained a credit report from the Shanghai Public Credit Information Service Centre (上海市公共信用資訊服務中心), which confirmed that during the period from 1 January 2023 to 14 January 2026, RA Chemical had no violation records in respect of planning and resources, housing, sub-rural development, ecological environment, work safety or fire safety, our PRC Legal Adviser is of the view that, barring any material change in the PRC policies and regulations and the implementation and regulatory requirements of the local governments, the risk that RA Chemical would be retrospectively fined by the

relevant government authority for commencement of operation prior to obtaining the acceptance of completed construction project is remote, and such non-compliance would not have any material adverse effect on the normal use and operation of the properties.

RA Zhenjiang

Among the properties of RA Zhenjiang, buildings with approximately 9,321.68 sq.m. were established prior to our acquisition of RA Zhenjiang in 2021 ("**Pre-acquisition Properties**"). As at the Latest Practicable Date, due to the lack of relevant records, we were unable to ascertain whether the Pre-acquisition Properties had obtained the relevant construction planning permit and construction commencement permit prior to their construction. In addition, the remaining buildings with approximately 1,420.43 sq.m. that were constructed after our acquisition of RA Zhenjiang had been in use prior to obtaining the required acceptance of completed construction project.

According to our PRC Legal Adviser, we may be subject to the followings due to the lack of relevant construction planning permit, construction commencement permit and/or acceptance of completed construction project in respect of the properties of RA Zhenjiang:

(i) in respect of construction works carried out without the relevant construction planning permit (建設工程規劃許可證), the relevant PRC government authority may order the cessation of construction. If the impact on planning caused by such construction can be eradicated, the relevant PRC government authorities may order the rectification of such impact within a specified time limit and impose a fine of 5% to 10% of the construction price. If such impact cannot be eliminated, the relevant PRC government authority may (i) order the construction entity to demolish the construction within a specified time limit; (ii) if the construction cannot be demolished, confiscate the buildings or structures or any income illegally earned from such properties; and/or (iii) impose a fine of not more than 10% of the construction price;

(ii) in respect of construction work carried out without the relevant commencement permit (施工許可證), the relevant PRC government authorities may order the construction entity to suspend the construction, rectify the behavior within a time limit and impose a fine between 1% and 2% of the contract price of the project; and

(iii) for a project delivered for use before obtaining the acceptance of completed construction project (竣工驗收), the relevant PRC governing authorities may order the entity to rectify and impose a fine in the range of 2% to 4% of the contraction contract price.

During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any penalties in respect of the above non-compliance of RA Zhenjiang. Based on (i) a credit report from the Jiangsu Public Credit Information Service Centre (江蘇市公共信用資訊服務中心) which confirmed that, during the Track Record Period, RA Zhenjiang had no violation records in respect of planning and resources, housing, sub-rural development, ecological environment, work safety or fire safety; and (ii) an interview conducted with the competent government authority, which had confirmed that they would not order RA Zhenjiang to demolish or cease its operation at the relevant buildings, or impose administrative penalties on RA Zhenjiang, and RA Zhenjiang may continue to use the buildings for its normal production and operation, our PRC Legal Adviser is of the view that, barring any material change in the PRC policies and regulations and the

implementation and regulatory requirements of the local governments, the risk that the relevant governemnt authority would impose administrative panalities on RA Zhenjiang with respect to the above non-compliances is remote, and such non-compliance incidents would not have any material adverse effect on the normal use and operation of the properties of RA Zhenjiang.

Based on the above, we consider that the non-compliances relating to the properties of RA Chemical and RA Zhenjiang would not have any material financial or operational impact on our Group. For further details on the risks associated with our owned properties, please see the section headed "Risk Factors — Risks relating to our business and our industry — We may be subject to administrative penalties with respect to non-compliance incidents of our owned properties" in this document.

Leased properties

As at 30 September 2025, we leased eight properties for our production and operation within the PRC, with an aggregate gross floor area of approximately 10,372.34 sq.m., which were mainly used as our office premises and production facilities. Our leases generally have lease terms ranging from one year to ten year(s).

Lease Registration

As at the Latest Practicable Date, the leases of our above leased properties had not been registered and filed with the relevant land and real estate administration bureaus in the PRC. As advised by our PRC Legal Adviser, failure to complete the registration and filing of lease agreements will not affect the validity of such leases or result in us being required to vacate the leased properties. However, the relevant government authorities may order us to rectify such non-compliances, failing which a fine ranging from RMB1,000 to RMB10,000 maybe imposed on each lease agreement that is not registered and filed. As such, the aggregate amount of the maximum fine in relation to the non-registration of the above leases will be approximately RMB80,000.

Having considered the above, we are of the view that the non-registrations of leases described above do not constitute material non-compliances and will not, individually or as a whole, materially affect our business and results of operations, on the basis that: (i) we have not received any notice from the competent authorities requiring us to complete the lease registration and filing; (ii) no penalty had been imposed on us for the non-registration of the leases; and (iii) we did not have any disputes with the respective landlord or receive any claim from any third party relating to such leased premises. We will further assess the relevant legal risk when renewing the relevant lease agreements upon their expiry.

ENVIRONMENT, SOCIAL AND GOVERNANCE

We are committed to incorporating principles of environmental protection and corporate social responsibility into our business strategy to drive long-term value and business sustainability. Our corporate vision of "Promoting the Sustainable Development of The New Materials Industry in An Innovative and Responsible Manner" (以創新和負責任的方式推動中國新材料產業的可持續發展) demonstrates our approach to ESG which focuses on clean production processes with low energy consumption and minimal pollutant generation. We have been a member of the United Nations Global Compact, a corporate sustainability initiative by the United Nations since December 2022. We have joined the Alliance to End Plastic Waste (AEPW), a non-profit organisation advocating to create a circular economy for plastic. Notably, our Sino Legend factory achieved the EcoVadis

Platinum Award in the latest assessment cycle, securing the highest score within the industry in the PRC and standing as the sole recipient of this honor in the sector in 2026 as at the Latest Practicable Date. As part of our commitment to environmental protection, we have obtained the ISO 14001 Environmental Management certification and the IECQ Certificate of Conformity for Hazardous Substance Process Management.

Internally, we have also established a strong environmental protection framework within our systems such as setting corporate standards for each major pollutant, establishing internal policies for hazardous waste management and investing in on-site waste management facilities. As a supplier to the automotive industry, we have also attained the relevant IATF16949 automotive industry-specific quality management system certification, a leading international quality management standard for the automotive industry, in addition to our ISO9001 quality management certification.

ESG governance structure

We have an established ESG governance structure which we embed into our day-to-day operations and workflow to continuously strengthen ESG management and implementation within our Company. Our Board, with our Environment, Health and Safety ("EHS") committee is ultimately responsible for ESG matters. Our board is primarily responsible for overall responsibility of our ESG strategy and reporting, reviewing and approving ESG plans and policies and assessing ESG-related risks and opportunities. In particular, our Board, with the support of our management, identifies and assesses material ESG risks (including climate-related risks) that may affect our Group's business model, value chain and financial performance over the short, medium and long term, and reviews the effectiveness of our Group's ESG risk management framework on a regular basis.

We have also established an ESG committee and ESG working groups dedicated to environmental protection and enhancing environmental awareness amongst our employees. Members of our ESG committee include two executive Directors, namely Mr. Ding Lin and Mr. Yuan Minjian, as well as other management across various departments and production facilities, ensuring a multi-tiered control mechanism within our Group. The committee is responsible for:

(i) establishing standardised internal environmental protection policies and framework including treatment processes for waste and environmental emergency response plans to ensure effective implementation across the Group;

(ii) keeping abreast with developments in ESG related laws and regulations to ensure our compliance with relevant ESG standards;

(iii) defining the scope of environmental responsibility for other departments and committees within our Group to elevate employee's environmental awareness; and

(iv) review any proposed changes to operational processes to ensure compliance with ESG policies.

Regular training on ESG principles is conducted for our employees to improve ESG awareness throughout all levels of our Group.

As of the end of 2024, independent directors accounted for 33% of our Board and women accounted for 11%. Within our Group, women comprised of 20% of the Group's senior and middle management. Upholding its core strategy of "talent-driven development", the Group actively integrates gender equality principles into talent

development and organizational building, continuously advancing the advancement of female managers in strategic decision-making, technological innovation, and all levels of management.

ESG risk management and strategy

We recognise the diverse range of issues presented by ESG governance and have developed a risk management framework in relation to risks presented by ESG issues. By actively addressing the concerns of both our internal and external stakeholders in relation to ESG matters, and taking into account the unique aspects of our business, we identify and assess ESG issues that could significantly affect us, ensuring these considerations are integrated into our strategic, financial, and operational planning processes.

Through our risk management process, our ESG committee has identified the following material ESG risks which are important to our business operations and our shareholders. The following list sets out certain material risks identified and corresponding mitigation measures taken to address these risks:

- **R&D and green innovation:** We integrate ESG values into our R&D efforts by developing products that appeal to growing market preference for "green materials". We test and develop new materials that reduce pollutant emissions per unit of product and consume less energy in its production process, playing our part in the reduction of global greenhouse gas emissions and supporting broader societal initiatives such as China's carbon neutrality targets.

- **Information and privacy security:** There remains a security risk in relation to the data and information we store, including potential leak of trade secrets, customer data and sensitive information, which could lead to reputational harm, regulatory penalties and operational disruptions. In response to such risk, we have implemented strong information security measures such as tiered permission systems for sensitive information, encrypted storage, full data access tracing and strict confidentiality agreements for our employees.

- **Employee care and rights:** There are risks associated with employee wellbeing and rights, such as health, safety and noncompliance with labor laws and regulations which would affect our operations and reputation. To address such risks, we stay abreast with applicable labor laws and standards. Internally, we provide annual health checkups, consistent safety training and implementing health and safety protocol and monitoring to ensure the rights and safety of our employees and sustain our operations.

- **Environmental Risk:** In our production, there are risks associated with pollution and emissions. To mitigate such, we actively monitor our emissions levels through regular testing, formulate emergency response plans to minimize potential pollution in the event of an emergency, optimise our facilities into energy efficient and low water and energy consumption units and make timely disclosure regarding our compliance with environmental standards and regulations.

- **Customer rights protection:** A failure to protect our customers' rights could affect our customers' satisfaction, harm future business opportunities and lead to legal or regulatory liabilities. To mitigate the potential risk, we have implemented customer satisfaction processes to understand our customers' needs, pain points and wants and we deliver corresponding to such customer profile. We have also

established closed-loop customer feedback mechanism, adhere to data security regulation, implement a tiered complaint management system to ensure customers get timely and adequate support thereby building trust and encouraging mutual success in our relationship.

To ensure the effective operation of our current ESG system, we employ multiple oversight mechanisms which include annual ESG management system audits and specialized environmental inspections. The ESG management system audit is the cornerstone of our ESG management system and is done by group-organized on-site audits, cross audits amongst subsidiaries and self-audits.

Response to climate change

Physical and transitional risks arising from climate change may lead to asset losses, increased costs and changes in market preferences for more environmentally friendly choices. The green transition and evolving market demands may affect our market competitiveness and inform our response to climate change. To address the challenges and uncertainties brought about by climate change, we have implemented environmental management measures focused on boosting resource efficiency, advancing green technology innovation, and strengthening the sustainability of our supply chain.

In addition, we continue to stay informed on green trends within the industry. We actively engage in research, development and testing of new materials that reduce pollutants in the production stage and reduce energy consumption and pollutant emissions per unit of product.

Environmental protection

Environmental protection remains to be a priority for our Company, we actively conduct necessary environmental impact assessments, implement the "Three Simultaneities" system in relation to our construction projects and continue to invest into our ESG strategies.

We are mainly engaged in the production of chemical materials including rubber additives and electronic chemicals. The production process involves the discharge of pollutants, including wastewater, exhaust gases and solid waste. During the Track Record Period, three of our subsidiaries, namely, RA Chemical, Sino Legend and RA Zhenjiang, have been designated as key pollutant discharging units by the environmental protection authorities. The discharge of pollutants in quantities which exceed regulatory standards will cause environmental harm. As at the Latest Practicable Date, all relevant operating units possess valid Pollutant Discharge Permit in compliance with relevant environmental regulations.

We regularly monitor the discharge of the "three wastes" namely wastewater, waste gas and solid waste of our production facilities to develop and implement an effective waste management policy. As a key pollutant discharging unit, we publicly disclose information on our pollutant discharge levels, operational status of our environmental protection facilities and pollution outlets on PRC government websites for public oversight. We have also formulated a comprehensive emergency response plan in response to environmental incidents and filed such plan with relevant environmental authorities to avoid adverse environmental impact where such incidents were to occur.

During the Track Record Period, we had been subject to administrative penalties in respect of two incidents relating to our RA Chemical factory. Specifically, the automatic monitoring equipment at the RTO exhaust gas outlet of the RA Chemical factory was found to have not been operating properly, for which a fine of RMB20,000 was imposed. In addition, the automatic monitoring data of the inorganic wastewater discharge outlet of the RA Chemical factory was found to have exceeded the permitted concentration limits, resulting in a fine of RMB352,000. As at the Latest Practicable Date, we have made necessary rectifications in accordance with the relevant requirements. Considering the nature and the consequence of the above incidents, our PRC Legal Adviser was of the view that we were not subject to any material administrative penalty in relation to environment protection during the Track Record Period. Having considered the nature, circumstances and consequences of the above incidents, we are of the view that the above incidents did not have any material financial or operational impacts on our Group.

During the Track Record Period, we complied with all relevant requirements for the discharge of wastewater, exhaust gas and solid waste in all material respects. No significant environmental issues arose nor were any environmental pollution incidents of material effect to our Group reported.

Wastewater discharge

Wastewater generated from our operations primarily consists of organic wastewater and inorganic wastewater.

In compliance with environmental standards, we treat our organic wastewater before release, our wastewater is discharged into the sewage system and undergoes biochemical treatment provided by wastewater treatment enterprises whom we contract with. We implement annual inspection plans and self-monitoring programs to monitor pollution levels of wastewater, exhaust gas and noise levels. On the other hand, inorganic wastewater may be discharged as long as the relevant discharge standards were satisfied.

Exhaust gas emissions

Exhaust gas generated from our operations contain levels of nitrogen oxides, non-methane hydrocarbons, sulphur dioxides, particulate matter and formaldehydes. Some of such components such as nitrogen oxide and non-methane hydrocarbons are classified as greenhouse gases. Our GHG emissions primarily arise from emissions generated through our manufacturing and production process.

Exhaust gas emitted from the production process is treated via primary condensation, spray tower, mist eliminator and routed to a regenerative thermal oxidizer (RTO) for incineration. For exhaust gas generated from the granulation process, it is treated using an alkali solution spray and then absorbed using activated carbon. For exhaust gas emitted during the packaging process containing particulate matter, we utilize a baghouse dust collector to extract the dust generated during the packaging process. Specifically for exhaust gases from the alkylphenol resin and octylphenol formaldehyde resin units, they are treated using a dedicated cartridge dust collector before discharge. All treated exhaust gases are to meet industry and municipal standards before being discharged via high altitude stacks industrial chimneys.

As part of our efforts to reduce our greenhouse gas emissions, we have evaluated our current systems and opted for more environmentally friendly options. Since 2023, we have adopted the biological treatment process specifically MUB biological method to treat waste

gases instead of the traditional RTO method at RA Zhenjiang. Compared to the traditional RTO process, the biological method of treatment reduces annual natural gas consumption by 59,940 cubic meters and lowers carbon dioxide emissions by 129.6 tons per year.

During the Track Record Period, our exhaust gas emissions have been in compliance with relevant environmental standards in all material respects. We regularly conduct exhaust gas testing and engage third-party or qualified agents to conduct such testing.

Hazardous waste management

In our production, we generate hazardous waste containing components of ethylene glycol solutions (乙二醇溶液), waste engine oil (廢機油), waste resins (廢樹脂) and condensate (冷凝液), where the accidental release of such waste without treatment can cause environmental harm.

We have obtained discharge permit approvals for all of our subsidiaries generating hazardous waste in their production and entrusted the disposal of our hazardous waste materials to professional qualified waste management entities at each of our production units. The hazardous waste generated in our production is collected, packaged and transported to a temporary storage area before it is transferred to third party waste management entities. As part of our reporting duty, we submit an annual hazardous waste management plan to the government which includes information on the levels of hazardous waste generated at each subsidiary as well as details on disposal methods for such waste.

Energy conservation initiatives

We continue to advance our energy conservation efforts and stay conscious of our energy consumption in the operation of our business, in compliance with the PRC Energy Conservation Law. In the year 2023 and 2024, we saved about 4.6 million kWh of electricity and 5.2 million kWh of electricity, reducing carbon dioxide emissions by 3,415.2 tons and 3,286.3 tons respectively.

We have implemented the following energy conservation and emission reduction measures:

(i) installed photovoltaic panels and corresponding photovoltaic grid-tie cabinet system on rooftop facilities and carparks within the factory premises which convert sunlight into direct current electricity for on-site use, alleviating our dependence on non-renewable energy sources and increasing our use of clean, renewable energy. In 2023 and 2024, this initiative has saved approximately 3.13 million kWh of thermal power for RA Chemical and 0.33 million kWh of thermal power at RA Electronic.

(ii) adopted more energy efficient parts in our operations such as air compressor systems, water pumps within the water circulation system and aeration fans for wastewater treatment to reduce overall energy consumption for our Group. In 2024, this initiative has saved approximately 0.27 million kWh of electricity at RA Zhenjiang.

(iii) continually optimising our operating systems into more power and electricity saving models to lower the negative impact of our production and manufacturing on the environment and shift our business towards a greener future.

Water Resource Management

Water is used in major parts of our production process for cooling machinery, a component in our manufacturing as well as cleaning. We recognize the importance of water conservation and are taking active efforts to reduce our effect on natural resources, such as water. From 2023 to 2024, we have reduced the amount of wastewater emissions by 3,500 tonnes.

To reduce our water usage, we have implemented the following measures:

(i) collected condensate from air conditioning units in our production workshops to use as raw water in our purified water production to use further in our manufacturing process, extending the lifecycle of the water we use.

(ii) implemented water recycling systems within our factories by treating wastewater on-site to remove impurities and re-using the water after treatment for other purposes.

Metrics and targets

We have established a set of indicators, targets and measures to assess and manage the environmental risk affecting our business, and we continuously track the implementation of the following targets.

The following table sets forth the metrics of our electricity consumption, waste water emissions and greenhouse gas emissions for the periods indicated:

	Unit	FY2023	FY2024
Energy consumption			
Electricity consumption	kWh'000	60,611.9	58,223.8
Water usage	cube'000	338.2	315.9
Pollutants and emissions			
Waste water emissions	tonnes'000	280.6	277.1
Waste gas	kg'000	13.0	10.0
Solid waste	tonnes'000	2.0	1.8
Greenhouse gas emissions			
— Scope 1[(1)]	tCO_2e	19,890.3	19,922.6
— Scope 2[(2)]	tCO_2e	53,584.4	52,726.6

Notes:

1. According to Greenhouse Gas Protocol, scope 1 emissions refer to the direct emission, primarily arising from the emission from our production facilities.

2. According to Greenhouse Gas Protocol, scope 2 emissions refer to the indirect emission, primarily arising from electricity and steam consumption.

Between 2026 to 2028, we plan to reduce our scope 1 and scope 2 greenhouse gas emissions of our production lines for our rubber additives for tyres and other chemical products segment by 5% per year as we move towards a more sustainable manufacturing model. To achieve this, we will optimise energy and supply chain structures and promote

low-carbon technology R&D efforts. We also continue to advance energy-saving upgrades across all facilities and expand coverage of green electricity projects like usage of solar power and promote waste heat recovery technologies.

We aim to be more conscious of our usage of natural resources and reduce our water usage within our production for our rubber additives for tyres and other chemical products segment by 5% per year by 2028. We will continue to upgrade our equipment into water-saving models, optimise water circulation systems, scale up our current rainwater and condensate recovery and enhance intelligent water usage monitoring within our Group.

As a key pollutant discharging unit, we will continue to regulate the discharge of our pollutants and target to reduce our exhaust gas emissions and wastewater discharge generated from our rubber additives for tyres and other chemical products segment by 5% per year respectively. In line with this, we will continue to establish routine energy consumption and emissions monitoring mechanism based on recommendations by ISO14001 environmental management system and strengthen employee environmental awareness training.

As at the Latest Practicable Date, our electronic materials and fully biodegradable materials segments were still in the development and expansion stage and the product portfolio, product mix and market demand are still evolving, therefore, we are currently unable to formulate realistic targets in respect of the relevant emissions associated with these production facilities. Nevertheless, we will continue to monitor and review the circumstances and, where appropriate, establish specific ESG targets for the relevant emission indicators once the production facilities have reached a more mature and stable stage of operation.

Social responsibility

We are dedicated to acting as responsible corporate citizens and consistently upholding social responsibility. We strive to utilize our influence positive contributions to society. We actively encourage and support socially responsible initiatives and promote the concept of corporate social responsibility throughout our company.

Employee safety and health

We approach the health and safety of our employees with utmost care and consideration abiding by our core principle of "zero hazards, zero injuries and zero environmental harm" (零事故、零傷害、零環境損害). We continuously optimise our occupational health management system through insights gained from our standardised audit process. As part of our commitment to occupational health and safety of our employees, we have attained the ISO45001 qualification for our Occupational Health and Safety Management System.

To ensure the occupational health and safety of our employees, we implement regular workplace environmental testing, protective equipment upgrades and conduct comprehensive health examinations for all our employees to manage occupational hazard risks. During the Track Record Period, we had not experienced any material accidents relating to our production.

Based on the hazards and risks presented at each workplace, a multi-dimensional occupational health and safety framework has been established which focuses on equipment and operator qualifications, electrical system safety, hazardous chemical lifecycle management, confined space protection measures, lifting work procedures or hot work procedures. All personnel working within or production units must pass standardised safety assessments and obtain corresponding certification before commencing work with us. During their employment, we continue to provide annual safety training sessions to all relevant personnel and ensure that all personnel continue to remain certified for their line of work. We also conduct systematic training for managers at all levels on hazardous chemical knowledge, waste management and fire safety to safeguard the safety of their teams.

Employee Wellbeing

We regard building a diverse and inclusive workplace as a strategic priority, as a workplace we respect individual differences amongst employees, foster an environment of open communication and encourage exchange of different perspectives. As we strive to create a fair and harmonious workplace where each employee can fully realise their potential, we strongly oppose all forms of discrimination and prejudice within our Group.

We have continuously implemented inclusivity policies and hiring strategies to improve our workplace diversity. As of 31 December 2024, we have a total of 91 employees with different directly such as ethnic minorities, foreign nationals and persons with disabilities.

We have a diverse employee composition. The table below sets forth our employee composition as of 31 December 2024, in terms of gender and age:

	Number of employees
By gender	
Male	914
Female	304
By age group	
Above 50	115
30 to 50	931
Below 30	172

Protection of labour rights and interests

We consistently advocate for the rights of our employees adhering to International Labour Organisation's "Declaration on Fundamental Principles and Rights at work" and the "Convention Concerning the Elimination of Discrimination in respect of Employment and Occupation", and the relevant protection of our employees' rights and interests under the PRC Labor Law.

In line with such policy, we regularly adjust employees' salaries based on industry standards whilst also considering employees' cost of living to ensure wages meet or exceed subsistence levels thereby providing employees with stable livelihoods. We also make full and timely contributions to employees' social insurance in accordance with prescribed contribution bases and rates.

Beyond regulatory requirements, we uphold a "people-oriented" management philosophy and have established a comprehensive employee care system. We set up a dedicated housing fund for all employees, providing them with secure housing solutions and alleviating housing financial pressure. A Life Care Fund has also been established which offers timely assistance to employees should they face critical illness or unexpected health events.

Professional development

We place much emphasis on employee growth, establishing a comprehensive talent development system that paves career advancement pathways for our employees.

We consistently invest in the career development of our employees through a comprehensive skill enhancement mechanism. All new employees are required to undergo a comprehensive onboarding program that covers company regulations and work standards, safety and health knowledge and information regarding work environment. During their employment with us, periodic training courses on cutting-edge chemical technologies related to our industry, safety issues and environmental protection issues are offered to our employees via both online and offline learning modes. Our human resources department also creates individualised career development roadmaps for each employee based on their individual expertise and interests, establishing clear promotion pathways in different departments such as research and development, production and management. To further enhance our employees' professional capabilities, the company actively offers opportunities for advanced studies and provides support for employees to pursue further education at top domestic institutions like Peking University and Tongji University. Outstanding employees are also offered overseas exchange opportunities to engages with cutting-edge technologies and enhance their personal capabilities alongside our Group.

Supply chain management

We build our supplier management system guided by the principle of "co-creation and mutual benefit", based on our commitment to quality products and integrity-driven mutual benefit. We integrate environmental requirements to inform our decision as to which supplier we decide to work with as we view the supply chain as an extension of our corporate responsibility value chain. In our selection process, we evaluate suppliers' performance in compliance, production safety and environmental protection practices. We actively prioritise partners who are certified under international management systems like ISO9001 and ISO14001.

In our partnership with suppliers, we define standards for environmental governance, workplace safety and labour rights protection in our Supplier Code of Conduct. Within our operations we implement green procurement policies like packaging reduction and low-carbon transportation and encourage supplier to optimise clean product processes.

Moving forward, we aim to deepen development of digital collaboration platforms across the supply chain to track carbon footprint in real time and share green technology solutions.

Anti-corruption and Anti-money Laundering

We regard integrity and self-discipline as a core principle to our development. We adhere strictly to all national laws and regulations against corruption and fraud and comply with United Nations Convention against Corruption. We continuously refine our internal management systems such as Internal Audit Management Policy and Related-Party

Transaction Policy. We implement anti-fraud commitment signing systems between our business partners and maintain a zero-tolerance stance towards bribery, corruption and fraudulent activities.

We abide by the Anti-Money Laundering Law of the PRC and other relevant anti-money laundering and counter-terrorist financing laws and regulations. A joint prevention and control mechanism has been established within our Group to curb money laundering activities. We have also established a system through telephone, website and mail for reporting suspected corruption and money laundering activities and subsequent investigation, the informants identity and the information provided by such whistle-blower remains to be strictly confidential.

During the Track Record Period, we have not encountered any confirmed cases of corruption or money laundering.

Community Relations

We are deeply committed to our community and public welfare as we contribute regularly to the development and social progress of our local community. We believe in giving back to those within our community and focus our assistance on the areas of promoting scientific development and research, medical research and health and educational efforts.

Since 2002 to 2025, over the course of 23 years, our employees have collectively contributed nearly 400,000 hours of volunteer service and actively participated in over 100 public welfare projects, deepening our philanthropic support for educational and scientific research causes allowing our Group to become a strong advocate in the public welfare sector.

As part of our efforts to promote continuous innovation and research, we have partnered with China Petroleum and Chemical Industry Federation (中國石油和化學工業) to establish a "Red Avenue Youth R&D Fund" (which aims to advance green and sustainable development in the petrochemical industry, encouraging young scientific and technological leaders within this space. We have also served as sponsors at major scientific competitions that align with our mission, such as being the primary sponsor at "SCIP+ Green Chemistry and Chemical Engineering Innovation and Entrepreneurship Competition" and introducing the new materials technology for sustainable tyres challenge, advancing green technological innovation and awareness for our industry.

LEGAL PROCEEDINGS AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, there were no litigation, arbitration or administrative proceedings pending or threatened against us which could have a material and adverse effect on our financial condition or results of operations.

Our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, we had complied with all relevant PRC laws and regulations in all material respects and have obtained all material licenses, approvals and permits from relevant regulatory authorities for our operations.

DATA PRIVACY AND INFORMATION SECURITY RISK MANAGEMENT

During the course of our business, data and information from our clients and business partners are collected and stored within our internal systems. We recognize the importance of data privacy and prioritise information security management in our operation.

We have established a comprehensive management system to mitigate security risks by introducing the SAP system. The SAP system centrally manages critical data, monitors and optimises business processes and reduces information security risks. A coordinated framework of technical safeguards and regulatory compliance policies was implemented to regulate employees' access to the SAP system. Specifically, tiered system permissions limiting access to information based on the user's role within our organisation, encrypted storage to protect our core data and standardised monitoring of our business processes and data usage were implemented. Through our data protection mechanisms, we achieve operational traceability and dynamic risks alert thereby raising our anomaly detection capabilities and providing a reliable information security barrier for safe and efficient business operations.

To reinforce our data protection mechanisms, corresponding internal control framework as to information security has been established accordingly. A customer data classification management and permission control mechanism exists within our group which standardises the collection, storage and usage of commercial information obtained from other parties. Relevant employees and personnel are required to sign confidentiality agreements upon commencement of their employment and access rights to our systems are terminated upon their departure. Tiered controls for sensitive information such as customers technical parameters and transaction records are implemented to ensure full data access traceability and to prevent misuse of such data during the commercial information lifecycle, thereby safeguarding customer trade secrets and preserving the foundation of trust between parties.

During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material claim or penalty in relation to data privacy and security and, as advised by our PRC Legal Adviser, we had been in compliance with relevant PRC data privacy and information protection laws and regulations.

INTELLECTUAL PROPERTY RIGHTS

We believe that intellectual property serves as the cornerstone of our business operations. We protect our intellectual properties and proprietary rights through intellectual property laws relying on systems such as patents, trademarks and copyrights and other forms of intellectual property patents that grants us exclusive legal rights to our innovative achievements. We continue to protect our intellectual property rights after they have been granted through regular monitoring of the market for unauthorised use or infringement of our patents, trademarks or copyrights and take corresponding measures to enforce our rights where necessary.

We are committed to comprehensive protection of our intellectual property through continuous refinement and enhancement of our intellectual property protection system. Rigorous confidentiality protocols and standardised procedures in relation to classified information, personnel, activities and zones across our group have been established to safeguard our innovations and trademarks. We require all R&D partners and internal R&D personnel to sign confidentiality agreements which clearly state that all rights and obligations regarding the ownership of intellectual properties remain with us.

As at 30 September 2025, we held 402 registered patent, 61 registered trademarks, 15 registered copyrights and seven registered domain names within the PRC. According to our PRC legal advisers, we lawfully own all patents, trademarks, copyrights and domain names registered and have obtained complete ownership certificates. For full details of material intellectual property rights for our core products that we are registered owners, please refer to the section headed "Appendix VI — Statutory and General information" in this document.

During the Track Record Period, we had not experienced any threatened or pending disputes relating to the infringement of intellectual property rights which would have a material adverse effect on our business.

EMPLOYEES

As at 30 September 2025, we had a total of 1,289 full-time employees. Majority of our employees were based in the PRC. The table below sets out the breakdown of our employees by function as at 30 September 2025.

Function	Number	Percentage of total number
		(%)
Production	571	44.3
R&D	302	23.4
Sales	161	12.5
Finance	42	3.3
Administrative and others	213	16.5

We value the talent of our employees and invest substantial resources into the training and continuous development of our employees. We recruit our employees based on the needs of our relevant department and the value they bring through their varying academic backgrounds, experiences and personal qualities. We continue to create value-added positions, attracting top talent within the field and offering our employees broader career development opportunities.

Our compensation and incentive scheme aims to cultivate goal-oriented, value-creating and high efficiency employees. We offer competitive remuneration and benefits, with remuneration based on individual performance, appraisal and industry benchmarks. We also invest substantial resources and time into our existing employees by developing training plans, offering market-focused educational courses and creating opportunities to enhance the capabilities of our employees and promote the efficiency of our operations.

In compliance with the laws and regulations in PRC, we participate in government statutory employee insurance plans covering pension, medical, unemployment, work-related injury, housing provident fund and maternity insurance. Beyond statutory requirements, we have also established a dedicated housing fund and life care fund to provide assistance to our employees during critical times. During the Track Record Period, we had made full and timely contributions to our employee's insurance coverage according to statutory standards. An established labor union exists within our Group to protect the legal rights of all our employees and encourage our employees to voice their concerns through our official communication channels.

We continue to enjoy a good working relationship with our employees. During the Track Record Period, we have not had any material labour disputes with our employees, which may materially and adversely affect our business operations.

LICENSES, PERMITS AND REGISTRATIONS

During the Track Record Period and up to the Latest Practicable Date, we had obtained all requisite licenses, permits, approvals and certificates from the relevant government authorities that are material for our business operations. We continually monitor our compliance with these requirements to ensure that we have all such approvals, licenses and permits as are necessary to operate our business.

We had not experienced any material difficulties in renewing material licenses, permits or approvals which were material to our operation during the Track Record Period and do not expect there to be any material difficulties in renewing them upon their expiry.

The following table sets out certain material licenses, approvals and permits held by our Group as at the Latest Practicable Date:

Entity	License/Approval/Permit	Granting Authority	Expiration Date
Sino Legend	Hazardous Chemicals Safety Usage Permit (危險化學品安全使用許可證)	Zhangjiagang Free Trade Zone, Administration Committee, Jiangsu Province (江蘇省張家港保税區管理委員會)	11 January 2028
	Hazardous Chemicals Business License (危險化學品經營許可證)	Zhangjiagang Free Trade Zone, Administration Committee, Jiangsu Province (江蘇省張家港保税區管理委員會)	20 April 2028
	Hazardous Chemicals Registration Certificate (危險化學品登記證)	Jiangsu Chemical Registration Center Chemical Registration Center, Ministry of Emergency Management (江蘇省化學品登記中心、應急管理部化學品登記中心)	31 July 2027
RA Zhenjiang	Hazardous Chemicals Business Permit (危險化學品經營許可證)	Zhenjiang Economic and Technological Development Zone Administration Committee (鎮江經濟技術開發區管理委員會)	13 April 2028

Entity	License/Approval/Permit	Granting Authority	Expiration Date
	Hazardous Chemicals Registration Certificate (危險化學品登記證)	Jiangsu Chemical Registration Center Chemical Registration Center, Ministry of Emergency Management (江蘇省化學品登記中心、應急管理部化學品登記中心)	9 July 2027
	Production Safety Permit (安全生產許可證)	Jiangsu Provincial Department of Emergency Management (江蘇省應急管理廳)	30 May 2028
RA Electronic	Hazardous Chemicals Business Permit (危險化學品經營許可證)	Shanghai Municipal Emergency Management Bureau (上海市應急管理局)	29 September 2027
	Hazardous Chemicals Registration Certificate (危險化學品登記證)	Shanghai Chemical Registration Office, Ministry of Emergency Management Chemical Registration Center (上海市化學品登記註冊辦公室、應急管理部化學品登記中心)	3 November 2026
	Production Safety Permit (安全生產許可證)	Shanghai Municipal Emergency Management Bureau (上海市應急管理局)	27 December 2026
RA Shanghai Chemical	Hazardous Chemicals Business Permit (危險化學品經營許可證)	Shanghai Municipal New Pudong Area Emergency Management Bureau (上海市浦東新區應急管理局)	10 March 2027
	Hazardous Chemicals Registration Certificate (危險化學品登記證)	Shanghai Chemical Registration Office, Ministry of Emergency Management Chemical Registration Center (上海市化學品登記註冊辦公室、應急管理部化學品登記中心)	9 April 2028
	Food Business License (食品經營許可證)	Shanghai Pudong New Area Market Supervision Administration (上海市浦東新區市場監督管理局)	20 May 2030

Entity	License/Approval/Permit	Granting Authority	Expiration Date
RA Chemical	Hazardous Chemicals Business Permit (危險化學品經營許可證)	Shanghai Municipal Emergency Management Bureau (上海市應急管理局)	14 December 2028
	Production Safety Permit (安全生產許可證)	Shanghai Municipal Emergency Management Bureau (上海市應急管理局)	25 January 2029
	Hazardous Chemicals Registration Certificate (危險化學品登記證)	Shanghai Chemical Registration Office, Ministry of Emergency Management Chemical Registration Center (上海市化學品登記註冊辦公室、應急管理部化學品登記中心)	18 August 2028
BAE	Hazardous Chemicals Business Permit (危險化學品經營許可證)	Beijing Chaoyang District Emergency Management Bureau (北京市朝陽區應急管理局)	28 May 2028
BAE (Hubei)	Hazardous Chemicals Registration Certificate (危險化學品登記證)	Hubei Provincial Hazardous Chemicals Registration Center Ministry of Emergency Management Chemicals Registration Center (湖北省危險化學品登記中心、應急管理部化學品登記中心)	15 June 2028
	Production Safety Permit (安全生產許可證)	Hubei Provincial Department of Emergency Management (湖北省應急管理廳)	28 October 2028

As at the Latest Practicable Date, Kempur had not obtained the Production Safety Permit (安全生產許可證) for hazardous chemicals required for the production of photoresists at the Kempur factory. Based on an interview conducted with the relevant PRC government authority (being the competent authority as advised by our PRC Legal Adviser), it was confirmed that (i) the relevant government authority would not suspend the operation of Kempur or impose any administrative penalty on Kempur; and (ii) Kempur may continue its normal operation of research, manufacture and sale of photoresists. Based on the above, our PRC Legal Adviser is of the view that, barring any material change in the PRC policies and regulations and the implementation and regulatory requirements of the local governments, the lack of the Production Safety Permit for hazardous chemicals would not have material adverse effects on the operation of Kempur.

Taking into account (i) the interview conducted with the relevant government authority; (ii) the view of our PRC Legal Advisers; and (iii) the relatively insignificant revenue contribution and production volume of the Kempur factory to our Group as a whole, we are of the view that the lack of Production Safety Permit for hazardous chemicals of Kempur would not have material adverse impacts to our business and operation.

CERTIFICATIONS, AWARDS AND RECOGNITIONS

We have received recognition in the form of certificates and awards for our business, the following table sets our major awards and recognitions we received during the Track Record Period and up to the Latest Practicable Date.

Award	Award Year/ Effective Period	Awarding Institution/Authority
National-Level Little Giant (國家級小巨人)	2022–2025	Ministry of Finance of the PRC (經信部)
CNAS Accreditation (CNAS實驗室認可證書)	2025–2031	China National Accreditation Service for Conformity Assessment (CNAS)
High-Tech Enterprise (高新技術企業) — RA Chemical — Sino Legend — BAE — BAE (Hubei) — Kempur — RA Zhenjiang — RA Innova	2023–2028	Relevant local Tax Services, State Taxation Administration
"Specialized, Refined, Distinctive, and Innovative" SME (「專精特新」中小企業) — RA chemical — Sino Legend — BAE — BAE (Hubei) — Kempur	2021–2027	Relevant local Bureau of Economy and Information Technology
Beijing Intellectual Property Pilot Unit (北京市知識產權試點單位)	2025	Beijing Intellectual Property Office (北京市知識產權局)
7th "IC Innovation Award" Industrialization Achievement Award (第七屆「IC創新獎」成果產業化獎)	2024	China Integrated Circuit Innovation Alliance (中國集成電路創新聯盟)

Award	Award Year/ Effective Period	Awarding Institution/Authority
2024 Pudong New Area Innovation and Entrepreneurship Award (2024年度浦東新區創新創業獎)	2025	Shanghai Pudong New Area People's Government (上海市浦東新區人民政府)

We are also a member of various industry associations, including but not limited to the Chemical Industry and Engineering Society of China (中國化工學會) and China Petroleum and Chemical Industry Federation (中國石油和化學工業聯合會).

RISK MANAGEMENT AND INTERNAL CONTROLS

To address the potential operational, legal, financial and market risks we face, we have established internal controls and risk management systems within our corporation. We continually review and refine our current internal control systems to ensure they remain relevant and effective, safeguarding the interest of. It is the responsibility of our Board to establish, improve, implement and evaluate the effectiveness of our internal control mechanisms.

Financial risks

To manage financial reporting risks effectively, we have established an audit committee which consists of personnel in financial accounting, fund disbursement and related positions within the finance department to oversee our financial reporting obligations and maintain effective internal financial controls. We have also adopted comprehensive accounting policy "Internal Control System for Monetary Funds" which standardizes critical processes for financial fund management including fund receipts, disbursements, payment processing and financial accounting.

In relation to taxation related reporting, we adopt a "local execution, group supervision" model, with each subsidiary within the group independently completing tax accounting, filing and annual tax audits in accordance with relevant tax laws and regulations. External audit firms conduct periodic reviews of internal tax control implementation within our group, and the finance department consolidates monthly tax filing data from subsidiaries and conducts quarterly tax risk reviews to identify potential tax risks. In formulating our internal tax policy we engage specialized external consultants for policy support and advice. To increase our employees' awareness towards tax related risks, we invite consultants to conduct regular tax policy training sessions for our employees.

Compliance risk management

To ensure our operations are in compliance with applicable laws and regulations with have established compliance risk management procedures to identify compliance risks and address them. We have established "Procurement Management Procedures" to define standard procedures for contract formation and approval as well as responsibilities and responsible authorities at each stage. We have also established a procurement department which includes personnel in contract management and approval roles to review, approve and ensure that the contracts we enter into with our suppliers and customers are compliant with relevant laws and regulations. They continue to monitor changes in relevant laws and

regulations as well as the regulatory environment to ensure continued compliance in our business operations. The procurement department works with our legal team to obtain relevant licenses, permits and permission such that we can continue our operations in a safe and compliant manner.

Anti-corruption risk management

We have established procedures to prevent conflicts of interest and improper compensation among our directors, supervisors, senior executives and employees. Internally, we have formulated a series of regulations including "Rules of Procedure for Shareholders' Meetings", "Rules of Procedure for Board Meetings", "Independent Director Work System", and "Managerial Personnel Work Details" which define authority boundaries, behavioral norms and conflict of interest avoidance requirements for personnel in managerial and directorship positions. Externally, we ensure strict verification is conducted on business dealings and cooperative relationships involving related parties through inspections and interviews.