OVERVIEW

Our Company was founded by Mr. Cheng in the PRC as a limited liability company in 2012, and have since been focusing on advanced electronic components and magnetic materials, and began laying out our core R&D and design capabilities. Over the years, we gradually expanded our product portfolio and technological capabilities, and strengthened our position in the power inductor solutions industry. In January 2026, our Company was converted from a limited liability company into a joint stock limited company.

OUR KEY MILESTONES

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

Year	Milestones
2012	We were officially established in Kunshan as a limited liability company, focusing on advanced electronic components and magnetic materials, and began laying out our core R&D and design capabilities.
2016	We launched power inductor products on automotive electronics sector.
2018	We introduced high-performance power inductor products employed in GPU.
2019	We were awarded the "2nd Jiangsu Zifeng Youth Entrepreneurial Enterprise Award" by the People's Government of Jiangsu Province.
2020	We launched miniaturized inductor products.
2021	We completed the Pre-A Financing in March.
	We completed the Series A Financing in December.
2022	We established a production base in Huaqiao, Kunshan, focusing on automotive-grade components and AI-enabled manufacturing.
	We completed the Series B Financing in November.
2024	We launched AI power inductor products.
2025	We established a production base in Thailand to accelerate our global expansion and build a supply chain network.
	Our new self-owned production base in Kunshan officially commenced operations. We moved our production facilities in the previous leased site in Kunshan into the new production base.

OUR MAJOR SUBSIDIARIES

As of the Latest Practicable Date, the following entities were our major subsidiaries which had made a material contribution to our results of operation during the Track Record Period:

Name of subsidiary	Date and place of establishment	Equity interest attributable to the Group	Principal business activities
Coilforce	July 11, 2018, PRC	100%	R&D, manufacture and sales of magnetic components
Mazo Thailand	July 12, 2024, Thailand	100%	Manufacture and sales of magnetic components
Tomuro	March 27, 2015, PRC	100%	R&D and sales of automated equipment
Global Vision	October 23, 2014, PRC	100%	R&D and sales of magnetic materials
Coilforce International	September 17, 2021, HK	100%	Sales of magnetic components
Mazo HK	March 1, 2024, HK	100%	Sales of magnetic components

CORPORATE DEVELOPMENT

Establishment of Our Company

Our Company was established as a limited liability company under the laws of the PRC in 2012 with a registered capital of US$220,000. At the time of its establishment, our Company was wholly owned by Mr. Cheng.

The registered capital of our Company increased from US$220,000 to US$2,520,000 on May 15, 2013. The increased share capital was subscribed by Mr. Chao. On November 7, 2013, Magneto, which was then beneficially owned by Mr. Chao, acquired approximately 91.27% and 8.73% of the equity interests in our Company from Mr. Chao and Mr. Cheng for considerations of US$2,300,000 and US$220,000, respectively. Following the completion of such equity transfer, Magneto held 100% of the equity interests in our Company. The registered capital of our Company further increased to US$7,500,000 on August 14, 2017, which was subscribed by Magneto.

Equity Transfer in 2018

In order to facilitate the development of our Group, Coilforce was established as the holding company of our Group. At the time of its establishment, Coilforce was owned as to approximately 72.1% by Mr. Chao, approximately 26.6% by Magneto and approximately 1.3% by Zhejiang Yongshunxin Electronic Co., Ltd.* (浙江甬順芯電子有限公司) ("**Zhejiang Yongshunxin**"). Zhejiang Yongshunxin is a private limited company established in the PRC, principally engaged in the research and development, manufacturing and sale of electronic components and integrated circuits, and is an Independent Third Party.

On November 30, 2018, Magneto entered into an equity transfer agreement with Coilforce, pursuant to which Magneto agreed to transfer 100% of the then equity interest in our Company to Coilforce for a consideration of RMB7,368,800. The consideration for this equity transfer was determined based on the appraised value of the entire equity interest, with reference to the net assets of the Company.

Following the completion of such equity transfer, the registered capital of our Company was converted from US$7,500,000 into RMB47,246,832.77.

Shareholding Restructuring in 2019

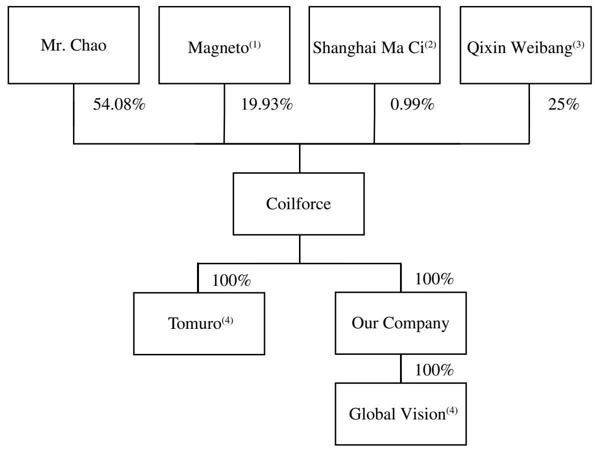
On February 26, 2019, Qixin Weibang agreed to subscribe for 10,080,000 new shares in Coilforce for a consideration of RMB40,000,000. The consideration was determined after arm's length negotiations with reference to asset valuation of Coilforce. Upon completion of such subscription, Coilforce was owned as to approximately 56.92% by Mr. Chao, 20.98% by Magneto, 21.05% by Qixin Weibang and 1.05% by Zhejiang Yongshunxin.

On March 13, 2019, Qixin Weibang agreed to further subscribe for 2,520,000 new shares in Coilforce for a consideration of RMB10,000,000 which was not paid up. The consideration was determined after arm's length negotiations with reference to asset valuation of Coilforce. Upon completion of such subscription, the shareholding structure of Coilforce is as follows:

	Shareholder of Coilforce	**Share numbers**	**Shareholding percentage**
1	Mr. Chao	27,253,333	54.08%
2	Qixin Weibang	12,600,000	25.00%
3	Magneto	10,046,667	19.93%
4	Zhejiang Yongshunxin	500,000	0.99%
	Total	**50,400,000**	**100%**

On August 1, 2019, Zhejiang Yongshunxin entered into an equity transfer agreement with Shanghai Ma Ci Investment Management Center (Limited Partnership)* (上海瑪磁投資管理中心(有限合夥)) ("**Shanghai Ma Ci**"), pursuant to which Zhejiang Yongshunxin agreed to transfer approximately 0.99% equity interest in Coilforce, being its entire equity interest in Coilforce at the time, to Shanghai Ma Ci for nil consideration. The consideration was determined after arm's length negotiations, given such registered capital had not been paid up by Zhejiang Yongshunxin at the time of the transfer.

Following the completion of the aforesaid subscription and transfer, we undertook a shareholding restructuring in 2019 (the "**2019 Restructuring**"). The following chart illustrates our shareholding and ownership structure immediately prior to the 2019 Restructuring:



Notes:

(1) Magneto has been wholly owned by Mr. Chao.

(2) For details of Shanghai Ma Ci, please see "Information regarding our **[REDACTED]** Investors" in this section.

(3) For details of Qixin Weibang, please see "Pre-A Financing in 2021" in this section.

(4) For details of Tomuro and Global Vision, please see "Our Major Subsidiaries" in this section.

The following steps were taken in connection with the 2019 Restructuring:

(1) On October 10, 2019, Coilforce entered into an equity transfer agreement with Mr. Chao, Magneto and Shanghai Ma Ci (as supplemented on December 9, 2020 to adjust the consideration), pursuant to which Coilforce agreed to transfer approximately 72.1%, 26.6% and 1.3% of the then equity interests in our Company to Mr. Chao, Magneto and Shanghai Ma Ci, respectively, for considerations of RMB27,257,580, RMB10,043,460 and RMB498,960. The consideration was determined after arm's length negotiations with reference to the paid-up share capital. Immediately following the completion of such transfer, Mr. Chao, Magneto and Shanghai Ma Ci held 100% of the equity interests in our Company.

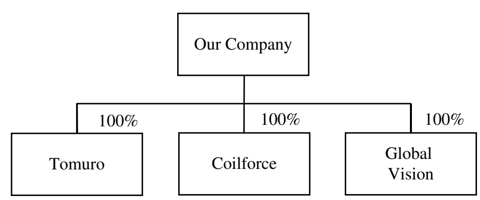
(2) In relation to our then subsidiaries, on November 1, 2019, our Company entered into an equity transfer agreement with Coilforce, pursuant to which Coilforce agreed to transfer 100% of the equity interests in Tomuro to our Company for a consideration of RMB121,100. The consideration was determined with reference to the valuation of Tomuro.

(3) On November 13, 2019, Mr. Chao, Magneto and Shanghai Ma Ci agreed to transfer to our Company approximately 5.08%, 19.93% and 0.99% of Coilforce's equity interest held by them for a consideration of RMB121,100, RMB7,368,800 and nil consideration. The consideration was determined after arm's length negotiations, taking into account the paid-up share capital of each of the transferors. Immediately following the completion of such transfer, our Company held approximately 26.00% of the equity interests in Coilforce;

(4) On November 18, 2019, Qixin Weibang agreed to transfer 25% of the equity interests in Coilforce to our Company for a consideration of RMB40,000,000. The consideration was determined after arm's length negotiations. The consideration was determined after arm's length negotiations, taking into account that the capital contribution of RMB10,000,000 subscribed by Qixin Weibang in March 2019 had not been paid up at the time of the transfer. Immediately following the completion of such transfer, our Company held approximately 51.00% of the equity interests in Coilforce; and

(5) On July 1, 2022, Mr. Chao agreed to transfer the remaining 49% of the equity interests in Coilforce to our Company for nil consideration. As confirmed by our Directors, the consideration was determined after arm's length negotiations, taking into account the schedule of capital contribution. Immediately following the completion of such transfer, our Company held 100% of the equity interests in Coilforce.

The following chart illustrates our shareholding and ownership structure immediately after the 2019 Restructuring which was completed in September 2022:



Notes:

In October 2019, Mr. Cheng entrusted Mr. Chao to acquire, on his behalf, equity interests in the Company corresponding to registered capital of RMB8,280,000 from Coilforce at a consideration of RMB8,280,000, and Mr. Han Yao-I (韓耀義) ("**Mr. Han**"), an employee of our group and an Independent Third Party, also entrusted Mr. Chao to acquire, on his behalf, equity interests in the Company corresponding to an aggregate registered capital of RMB3,000,000 (the "**Nominee Arrangement**"). Such Nominee Arrangement was made for administrative convenience. The consideration for such equity transfer was ultimately borne by Mr. Cheng and Mr. Han and was paid by Mr. Chao on their behalf.

Pursuant to the equity transfer agreement dated December 29, 2020, the Nominee Arrangement was terminated when Mr. Chao transferred (i) all the equity interests he held on behalf of Mr. Cheng to Mr. Cheng and Kunshan Mazhou, our Employee Incentive Platform with Mr. Cheng acting as its general partner, and (ii) all the equity interests he held on behalf of Mr. Han to Mr. Han. For details, see "– Equity Transfer in March 2021" in this section. As advised by our PRC Legal Advisor, the Nominee Arrangement and the subsequent termination thereof are not in violation of the relevant PRC laws and regulations.

Equity Transfer in March 2021

In March 2021, the following equity transfers were completed by our then Shareholders:

Transferor	Transferee	Registered share capital transferred *(RMB)*	Consideration *(RMB)*
Mr. Chao	Mr. Cheng	6,000,000.00	6,000,000.00
	Mr. Han	3,000,000.00	3,000,000.00
	Kunshan Mako Enterprise Management Center (Limited Partnership)* (昆山瑪科企業管理中心(有限合夥)) ("**Kunshan Mako**")*(Note)*	5,420,000.00	5,420,000.00
	Kunshan Mazhou Enterprise Management Center (Limited Partnership)* (昆山瑪宙企業管理中心(有限合夥)) ("**Kunshan Mazhou**")*(Note)*	2,280,000.00	2,280,000.00

Note: Each of Kunshan Mako and Kunshan Mazhou is an Employee Incentive Platform. For details, see "– Employee Incentive Platforms" in this section.

Pre-A Financing in April 2021

In April 2021, our Company completed an investment agreement entered into between our Company and Qixin Weibang, pursuant to which Qixin Weibang agreed to subscribe increased registered capital in our Company of RMB12,599,155.41 at a consideration of RMB40,000,000 ("**Pre-A Financing**"). The consideration was determined after arm's length negotiation and settled in March 4, 2021. Qixin Weibang is a **[REDACTED]** investor, for details, please see "Information regarding our **[REDACTED]** Investors" in this section.

Equity Transfer in April 2021

In April 2021, the following equity transfers were completed by our then Shareholders (the "**2021 Transfers**"). For further details, please refer to the paragraph headed "— **[REDACTED]** Investments" in this section:

Transferor	Transferee	Registered share capital transferred *(RMB)*	Consideration *(RMB)*
Mr. Chao	Suzhou Xiuyu Enterprise Management Center (Limited Partnership)* (蘇州秀鈺企業管理中心(有限合夥)) (previously known as Shanghai Xiuyu Enterprise Management Center (Limited Partnership)* (上海秀鈺企業管理中心(有限合夥))) ("**Suzhou Xiuyu**")	2,426,188.71	15,000,000.00
	Shanghai Ma Ci	1,229,268.95	7,600,000.00

Series A Financing in 2022

In December 2021, our Company completed the series A financing through capital increases (the "**Series A Financing**"). For further details, please refer to the paragraph headed "– **[REDACTED]** Investments" in this section. As a result, the registered capital of our Company increased to RMB75,405,945.10.

No.	**Subscriber(s)**	**Registered share capital subscribed for** *(RMB)*	**Consideration** *(RMB)*
1.	Jiangsu Jiequan Yuanhe Puhua Equity Investment Partnership Enterprise (Limited Partnership)* (江蘇疌泉元禾璞華股權投資合夥企業(有限合夥)) ("**Jiangsu Jiequan**")	8,378,438.34	70,000,000.00
2.	Suzhou Guyu Dingruo Equity Investment Partnership Enterprise (Limited Partnership)* (蘇州古玉鼎若股權投資合夥企業(有限合夥)) ("**Suzhou Guyu**")	2,393,839.53	20,000,000.00
3.	Qixin Weibang	1,795,379.64	15,000,000.00
4.	Shaoxing Gansheng Equity Investment Partnership Enterprise (Limited Partnership)* (紹興淦盛股權投資合夥企業（有限合夥）) ("**Shaoxing Gansheng**")	1,795,379.65	15,000,000.00
5.	Kunshan Hengze Honghui Enterprise Management Center (Limited Partnership)* (昆山恒澤鴻暉企業管理中心(有限合夥)) ("**Kunshan Hengze**")	1,196,919.76	10,000,000.00

Series B Financing in 2022

In November 2022, our Company completed the series B financing through capital increases (the "**Series B Financing**"). For further details, please refer to the paragraph headed "– **[REDACTED]** Investments" in this section. As a result, the registered capital of our Company increased to RMB83,650,328.42.

No.	**Subscriber(s)**	**Registered share capital subscribed for** *(RMB)*	**Consideration** *(RMB)*
1.	Dongguan Qinhe Venture Capital Center (Limited Partnership)* (東莞勤合創業投資中心(有限合夥)) ("**Dongguan Qinhe**")	2,010,825.20	40,000,000.00
2.	Ningbo Zhenhai Hanyun Equity Investment Partnership Enterprise (Limited Partnership)* (寧波鎮海瀚鋆股權投資合夥企業(有限合夥)) ("**Ningbo Zhenhai**")	1,508,118.90	30,000,000.00
3.	Suzhou Guyu	1,508,118.90	30,000,000.00
4.	Shenzhen Juyuan Xinchuang Private Equity Investment Fund Partnership Enterprise (Limited Partnership)* (深圳聚源芯創私募股權投資基金合夥企業(有限合夥)) ("**Shenzhen Juyuan**")	1,005,412.60	20,000,000.00
5.	Beijing Xingtou Youxuan Venture Capital Fund (Limited Partnership)* (北京興投優選創業投資基金 (有限合夥)) ("**Beijing Xingtou**")	1,005,412.60	20,000,000.00
6.	Shanghai Ma Ci	1,005,412.60	20,000,000.00
7.	Suzhou Xiuyu	201,082.52	4,000,000.00

Conversion into a Joint Stock Company with Limited Liability

On December 2, 2025, our then Shareholders passed resolutions approving, among other matters, the conversion of our Company from a limited liability company into a joint stock company with limited liability. Pursuant to the promoters' agreement entered into by all the then Shareholders on even date, all promoters approved the conversion of RMB268,869,009.42 in net assets value of our Company into 83,650,335 Shares of RMB1.0 par value each, with the remaining RMB185,218,674.42 in net assets converted to capital reserves of our Company. The 83,650,335 Shares were issued to the then Shareholders of our Company in proportion to their capital contribution to our Company. Upon the completion of registration on January 6, 2026, our Company was converted into a joint stock company with limited liability.

After several rounds of **[REDACTED]** investments and equity transfers, the establishment of the Employee Incentive Platform, and upon the completion of the joint-stock reform, the shareholding structure of our Company was as follows:

Shareholders	**Number of Shares**	**Equity Interest**
Qixin Weibang	14,394,536	17.2%
Mr. Chao	13,714,234	16.4%
Magneto	12,553,484	15.0%
Jiangsu Jiequan	8,378,439	10.0%
Mr. Cheng	6,000,000	7.2%
Kunshan Mako	5,420,000	6.5%
Suzhou Guyu	3,901,959	4.7%
Mr. Han	3,000,000	3.6%
Shanghai Ma Ci	2,858,340	3.4%
Suzhou Xiuyu	2,627,272	3.1%
Kunshan Mazhou	2,280,000	2.7%
Dongguan Qinhe	2,010,826	2.4%
Shaoxing Gansheng	1,795,380	2.2%

Shareholders	Number of Shares	Equity Interest
Ningbo Zhenhai	1,508,119	1.8%
Kunshan Hengze	1,196,920	1.4%
Shenzhen Juyuan	1,005,413	1.2%
Beijing Xingtou	1,005,413	1.2%
Total	**83,650,335**	**100.0%**

EMPLOYEE INCENTIVE PLATFORMS

In recognition of the contributions of our employees and to incentivize them to further promote our development, Kunshan Mako and Kunshan Mazhou were established as our employee shareholding platforms. For further details of our Employee Incentive Platforms, see "Statutory and General Information – C. Employee Incentive Platforms" in Appendix V to this Document.

Kunshan Mako was established as a limited partnership in the PRC. Its general partner is Ms. Zhang Xingjian (張興建), our executive Director, holding approximately 6.3% of the partnership interests. As of the date of this Document, the remaining partnership interests are held by 25 limited partners, including (i) Mr. Wu Ye (吳曄), one of the members of our senior management, holding approximately 1.5% of the partnership interests, and (ii) 24 other limited partners, each of whom is a current employee of our Group.

Kunshan Mazhou was established as a limited partnership in the PRC. Its general partner is Mr. Cheng, holding approximately 70.6% of the partnership interests. As of the date of this Document, the remaining partnership interests are held by 9 limited partners, including (i) Mr. Chao Chia-Yen (趙家彥), our executive Director and a cousin of Mr. Chao, holding approximately 8.8% of the partnership interests, (ii) Ms. Zhang Xingjian (張興建), our executive Director, holding approximately 0.4% of the partnership interests, and (iii) 7 other limited partners, each of whom is a current employee of our Group.

Save as disclosed above, there is no other connected person or senior management of the Company who is interested in Kunshan Mako and Kunshan Mazhou.

REASONS FOR THE [REDACTED]

Our Company is seeking a **[REDACTED]** of its H Shares on the Stock Exchange in order to provide further capital for the development and expansion of our Company's business, to strengthen our Company's working capital and to further raise our business profile and global presence. For further details of our future plans, see "Future Plans and **[REDACTED]**" in this Document.

[REDACTED] INVESTMENTS

Principal Terms of the [REDACTED] Investments

Our Company concluded several rounds of **[REDACTED]** Investments, details of which are set out below:

	Pre-A Financing	**2021 Transfers**	**Series A Financing**	**Series B Financing**
Date of agreements	January 26, 2021	April 28, 2021	February 2, 2021	August 10, 2022
Amount of registered capital subscribed for *(RMB)*	12,599,155.41	3,655,457.66	15,559,956.92	8,244,383.32
Amount of consideration paid *(RMB)*	40,000,000	22,600,000	130,000,000	164,000,000
Date of the last payment of considerations	March 4, 2021	June 2, 2021	December 16, 2021	November 28, 2022
Approximate cost per Share[(1)]	RMB3.17	RMB6.18	RMB8.35	RMB19.89
Approximate discount to the **[REDACTED]**[(2)]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Post-money value of/our Company *(RMB)*	190,000,000	370,000,000	630,000,000	1,664,000,000
Basis of determination of valuation and consideration	The valuation and consideration for each round of **[REDACTED]** investments were determined based on arm's length negotiation between the respective **[REDACTED]** Investors and our Company after taking into account the timing of the investments and the status of our business operations and prospects.			
Lock-up period	Subject to a lock-up period of 12 months following the **[REDACTED]** pursuant to the PRC Law.			
[REDACTED] and whether they have been fully utilized	We have utilized the **[REDACTED]** from the **[REDACTED]** Investments for the principal business of our Company, including but not limited to research and development activities, the growth and expansion of our Company's business and general working capital purposes. As of the Latest Practicable Date, all of the **[REDACTED]** from the **[REDACTED]** Investments had been utilized.			
Strategic benefits of the **[REDACTED]** Investments brought to our Group	Our Directors were of the view that our Company will benefit from the additional funds provided by the **[REDACTED]** Investors, as well as their business resources, insights for industry and potential business opportunities. Our Directors considered that the **[REDACTED]** Investments demonstrate the **[REDACTED]** Investors' commitment and confidence in the business performance and operations, strengths and long-term prospects of our Company.			

Notes:

(1) The cost per Share paid by the **[REDACTED]** Investors was calculated based on the amount of investment made by the relevant **[REDACTED]** Investors and number of Shares acquired in each respective round of investment, as adjusted to reflect subsequent capital injections and the conversion of our Company from a limited liability company to a joint stock company with limited liability, as applicable.

(2) The discount to the **[REDACTED]** is calculated based on the foreign exchange rate as of the Latest Practicable Date and the assumption that the **[REDACTED]** is **[REDACTED]** per H Share (being the **[REDACTED]** of the indicative **[REDACTED]**).

(3) The increase in valuation from Pre-A Financing to the Series A Financing was primarily attributable to: (i) the growth in the Company's overseas markets, particularly in the consumer electronics and automotive electronics sectors, and the corresponding increase in customer orders; (ii) the increase in the applicable price-to-sales multiples of the Company with reference to the prevailing valuation levels of comparable companies in the A-share market, after taking into account factors such as liquidity discount and reasonable investment returns; and (iii) the enhancement in the Company's overall scale and market recognition as its business developed, which together supported a higher valuation as determined through arm's length negotiations among the parties.

(4) The increase in valuation from the Series A Financing to the Series B Financing was primarily attributable to (i) the further growth in the Company's revenue scale; (ii) the increase in the applicable valuation multiple of the Company with reference to the prevailing price-to-sales multiples of comparable companies in the A-share market, after taking into account factors such as liquidity discount and reasonable investment returns; and (iii) the Company's improved growth prospects, including its capacity expansion plans, progress in customer development and favourable industry trends, including global market growth, accelerating domestic substitution and increasing demand from applications such as 5G devices and new energy vehicles, which was in line with the subsequent growth trend observed in end-market demand, and as further supported by the valuation assessment conducted using the income approach, which reflects the Company's future growth potential.

Special Rights Granted to the [REDACTED] Investors

Special rights including, among others, redemption rights, liquidation preference rights, pre-emptive rights, right of first refusal, anti-dilution rights, tag-along rights, information rights and other preferential rights were granted under the agreements of **[REDACTED]** Investments. Such company repurchase obligations and liquidation preference rights have been terminated with effect from the base date of the audit and valuation report for the conversion of the Company into a joint stock company, and all the other special rights will be terminated immediately before **[REDACTED]** to the Stock Exchange, subject to reinstatement upon the occurrence of any of the following events: (i) our **[REDACTED]** **[REDACTED]** is voluntarily withdrawn or our **[REDACTED]** **[REDACTED]** is not accepted by the Stock Exchange, (ii) our Company fails to complete the **[REDACTED]** within 12 months after our **[REDACTED]** **[REDACTED]** submitted to the Stock Exchange or the Sole Sponsor resigns as sponsor of the **[REDACTED]**, or (iii) our Company fails to complete the **[REDACTED]** within the validity of any approvals granted by the relevant securities regulatory authorities.

Sole Sponsor's Confirmation

On the basis that (i) the consideration for the **[REDACTED]** Investments was irrevocably settled more than 28 clear days before the date of our first submission of the **[REDACTED]** to the Stock Exchange in relation to the **[REDACTED]**, and (ii) the special rights granted to the **[REDACTED]** Investors have been terminated as disclosed in "– Special rights granted to the **[REDACTED]** Investors" above, the Sole Sponsor has confirmed that the **[REDACTED]** Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

PRC Legal Advisor's Confirmation

As advised by our PRC Legal Advisor, our Company has made all necessary registrations or filings with the relevant local branch of SAMR in respect of the **[REDACTED]** Investments in all material respects, and the changes in share capital and equity transfers in relation to the **[REDACTED]** Investments as described above were conducted in compliance with the applicable PRC laws and regulations in all material respects.

Information regarding Our [REDACTED] Investors

Set out below is a description of our **[REDACTED]** Investors (with sequence presented according to their respective shareholding in the Company as of the Latest Practicable Date), which individually or collectively held more than 1.0% of our total issued Shares as of the Latest Practicable Date. Save as disclosed below, to the best knowledge of our Directors, each of our **[REDACTED]** Investors and their respective beneficial owners is an Independent Third Party.

Name of [REDACTED] Investors	**Background**
Xianyun Entities	Each of Qixin Weibang, Shaoxing Gansheng and Ningbo Zhenhai is a limited partnership established in the PRC, principally engaged in equity investments. (collectively, "**Xianyun Entities**") Qixin Weibang's general partner is Xianyun (Shanghai) Investment Management Co., Ltd.* (顯鋆(上海)投資管理有限公司) ("**Xianyun Shanghai**"), which is owned as to 65% by Ye Feng (葉楓), our non-executive Director, 25% by Ma Hongmin (馬洪敏) and 10% Yu Hongbin (余紅斌)。 Qixin Weibang is owned as to 1% by Xianyun Shanghai and 99% by Qingdao Shengxin Joint Investment Center (Limited Partnership)* (青島盛芯聯合投資中心(有限合夥)), which is owned as to approximately 60.1% by Li Jinglin (李景林) and approximately 39.9% by Ye Feng. Shaoxing Gansheng is owned as to approximately 1.0% by Xianyun Shanghai as its general partner and none of its remaining 46 limited partners holds more than 30% of its partnership interests. Ningbo Zhenhai is owned as to 0.5% by Xianyun Shanghai as its general partner, 40% by Ningbo Zhenhai Weiyuan Kunpeng Equity Investment Partnership (Limited Partnership)* (寧波市鎮海威遠鯤鵬股權投資合夥企業(有限合夥)) ("**Zhenhai Weiyuan**"), 40% by Ningbo Marine Industry Fund Management Co., Ltd.* (寧波海洋產業基金管理有限公司) ("**Ningbo Marine**") and 19.5% by Yu Renrong (虞仁榮).

	Ningbo Zhenhai Industrial Investment Private Equity Fund Management Co., Ltd Ningbo Zhenhai Industrial Investment Private Equity Fund Management Co., Ltd.* (寧波市鎮海產業投資私募基金管理有限公司) is the general partner of Zhenhai Weiyuan, and is wholly owned by Ningbo Zhenhai District State Owned Capital Investment and Operation Co., Ltd* (寧波市鎮海區國有資本投資運營有限公司) which is wholly owned by Ningbo Zhenhai State-owned Assets Management Service Center* (寧波市鎮海區國有資產管理服務中心). Ningbo Marine is a wholly-owned subsidiary of Ningbo Development & Investment Group Co., Ltd.* (寧波開發投資集團有限公司), which is in turn held as to approximately 91.0% by State-owned Assets Supervision and Administration Commission of Ningbo Municipal People's Government (寧波市人民政府國有資產監督管理委員會).
Jiangsu Jiequan	Jiangsu Jiequan is a limited partnership established in the PRC, principally engaged in equity investment. Its general partner is Suzhou Zhixin Fangwei Investment Management Partnership Enterprise (Limited Partnership)* (蘇州致芯方維投資管理合夥企業(有限合夥)) ("**Suzhou Zhixin**"). Suzhou Zhixin's general partner is Suzhou Zhixin Hongcheng Investment Management Partnership Enterprise (General Partnership)* (蘇州致芯宏成投資管理合夥企業(普通合夥)) which is owned as to 47% by Liu Yue (劉越) as its general partner, 19% by Chen Datong (陳大同), 17% by Wu Haibin (吳海濱) and 17% by Zhang Fengge (張鳳戈). Suzhou Zhixin is owned as to approximately 96.7% by Hua Capital Management Ltd* (元禾璞華(蘇州)投資管理有限公司) which is owned as to 51% by Suzhou Zhixin Huachuang Enterprise Management Co., Ltd (蘇州致芯華創企業管理有限公司) and two other shareholders each holding less than 30% of its equity interest. Suzhou Zhixin Huachuang Enterprise Management Co., Ltd.* (蘇州致芯華創企業管理有限公司) is owned as to approximately 46.8% by Liu Yue (劉越) and 5 other shareholders, each holding less than 30% of its equity interest. Jiangsu Jiequan is owned as to approximately 0.9% by Suzhou Zhixin as its general partner. None of its remaining 11 limited partners holds more than 30% of its partnership interests.

Suzhou Guyu	Suzhou Guyu is a limited partnership established under the laws of the PRC, principally engaged in equity investment. Suzhou Guyu's general partner is Suzhou Guyu Haochen Equity Investment Management Partnership Enterprise (Limited Partnership)* (蘇州古玉浩宸股權投資管理合夥企業(有限合夥)) ("**Suzhou Guyu Haochen**") which is owned as to 70% by Tianjin Dingruo Investment Center (Limited Partnership)* (天津鼎若投資中心(有限合夥)) ("**Tianjin Dingruo**") as its general partner and 30% by Kunshan Bangchen Equity Investment Partnership Enterprise (Limited Partnership)* (昆山邦宸股權投資合夥企業(有限合夥)). The general partner of Tianjin Dingruo is Beijing Xinyue Fangda Investment Management Co., Ltd.* (北京新越方德投資管理有限公司) which is wholly owned by Lin Zheying (林哲瑩), our non-executive Director, and Tianjin Dingruo is owned as to 99% by Lin Zheying. Kunshan Bangchen Equity Investment Partnership Enterprise (Limited Partnership)'s general partner is Lin Zheying holding approximately 33.3% of its partnership interest and is owned as to 50% by Zhu Longying (朱龍英) and approximately 16.7% by Li Chun (李淳). Suzhou Guyu is owned as to approximately 1.3% by its general partner Suzhou Guyu Haochen. None of its remaining 17 limited partners holds more than 30% of its partnership interests.
Shanghai Ma Ci	Shanghai Ma Ci is a limited partnership established in the PRC, principally engaged in equity investment. The general partner of Shanghai Ma Ci is Ms. Hu Qinfang (胡琴芳) holding approximately 19.6% of its partnership interest. Ms. Hu Qinfang is an employee of our Company. Ms. Zhang Xingjian (張興建) is our executive Director holding approximately 2.2% of Shanghai Ma Ci's partnership interest as a limited partner. None of its remaining 9 limited partners holds more than 30% of its partnership interests.
Suzhou Xiuyu	Suzhou Xiuyu is a limited partnership established in the PRC, principally engaged in equity investment. The general partner of Suzhou Xiuyu is Miao Zhuang (苗壯) holding 40% of its partnership interest. None of its remaining three limited partners holds more than 30% of its partnership interests.

Dongguan Qinhe	Dongguan Qinhe is a limited partnership established in the PRC, principally engaged in equity investment. The general partner of Dongguan Qinhe is Dongguan Qinhe Qingshi Equity Investment Partnership Enterprise (Limited Partnership)* (東莞勤合清石股權投資合夥企業(有限合夥)) ("**Dongguan Qinhe Qingshi**"). Dongguan Qinhe Qingshi's general partner is Qingshi Asset Management (Shanghai) Co., Ltd.* (清石資產管理(上海)有限公司), which is wholly owned by Nantong Qinghui Enterprise Management Co., Ltd.* (南通清匯企業管理有限公司). Nantong Qinghui Enterprise Management Co., Ltd. is owned as to 85% by Nantong Qingshi Science and Technology Innovation Development Center (Limited Partnership)* (南通清石科創發展中心(有限合伙)), which is owned as to 60% by Nantong Yanze Technology Development Co., Ltd.* (南通彥澤科技發展有限公司) as its general partner with no other limited partner holding more than 30% of its partnership interests. Nantong Yanze Technology Development Co., Ltd is wholly owned by Wu Weiping (吳偉萍). Dongguan Qinhe Qingshi is owned as to 35% by Feng Xiaoyong (馮小勇) and 45% by Shanghai Moqin Intelligent Technology Co., Ltd.* (上海摩勤智能技術有限公司), which is wholly owned by Huaqin Technology Co., Ltd (華勤技術股份有限公司) (stock code: 603296.SH) Dongguan Qinhe is owned as to 49% by Shanghai Moqin Intelligent Technology Co., Ltd and 30% by Dongguan Emerging Strategic Industries Investment Partnership (Limited Partnership)* (東莞市新興戰略性產業投資合夥企業(有限合夥)), which is owned as to 99% by Dongguan Kechuang Private Equity Fund Management Co., Ltd.* (東莞市科創私募基金管理有限公司) as its general partner. Dongguan Kechuang Private Equity Fund Management Co., Ltd is a wholly-owned subsidiary of Dongguan Technology Innovation Investment Group Co., Ltd.* (東莞科技創新投資集團有限公司), which is in turn wholly owned by Dongguan Investment Holding Limited (東莞市投資控股集團有限公司). Dongguan Investment Holding Limited is wholly owned by State-owned Assets Supervision and Administration Commission of Dongguan Municipal People's Government (東莞市人民政府國有資產監督管理委員會).
Kunshan Hengze	Kunshan Hengze is a limited partnership established in the PRC, principally engaged in equity investment. Kunshan Hengze's general partner is Shanghai Silk Craftsman Textile Sales Center* (上海帛匠紡織品銷售中心), which is wholly owned by Li Xiangjin (李相進). Kunshan Hengze is owned as to approximately 0.05% by Shanghai Silk Craftsman Textile Sales Center and approximately 69.7% by Liao Zhanlong (廖展龍). None of its remaining three limited partners holds more than 30% of its partnership interests.

Shenzhen Juyuan	Shenzhen Juyuan is a limited partnership established in the PRC, principally engaged in equity investment. Shenzhen Juyuan's general partner is Shenzhen Ruixin Investment Partnership (Limited Partnership)* (深圳瑞芯投資合夥企業(有限合夥)), which is owned as to 70% by China Fortune-Tech Capital Co., Ltd. (中芯聚源私募基金管理(上海)有限公司) as its general partner with no other limited partner holding more than 30% of its partnership interest. China Fortune-Tech Capital Co., Ltd. is owned as to 35% by Shanghai Xinqi Investment Center (Limited Partnership)* (上海芯齊投資中心(有限合夥)). Shanghai Xinqi Investment Center (Limited Partnership)'s general partner is Gongqingcheng Juchuang Investment Partnership Enterprise (Limited Partnership)* (共青城聚創投資合夥企業(有限合伙)), which is owned as to 10% by Gao Yonggang (高永崗) as its general partner with four other limited partners each holding less than 30% of its partnership interest. Shanghai Xinqi Investment Center (Limited Partnership) is owned as to 99.5% by Gongqingcheng Xingwei Investment Partnership Enterprise (Limited Partnership)* (共青城興微投資合夥企業(有限合夥)), which is held as to 55% by Gao Yonggang (高永崗) as its general partner with none of the remaining partners individually holding more than 30% of its partnership interest. Shenzhen Juyuan is owned as to 1% by Shenzhen Ruixin Investment Partnership (Limited Partnership). None of its remaining 13 limited partners holds more than 30% of its partnership interests.
Beijing Xingtou	Beijing Xingtou is a limited partnership established in the PRC, principally engaged in equity investment. Beijing Xingtou's general partner is Xingtou (Beijing) Capital Management Co., Ltd.* (興投(北京)資本管理有限公司), which is wholly owned by China Industrial International Trust Asset Management Company Limited (興業國信資產管理有限公司). China Industrial International Trust Asset Management Company Limited is a wholly-owned subsidiary of China Industrial International Trust Limited (興業國際信托有限公司), which is owned as to 73% by Industrial Bank Co., Ltd (興業銀行股份有限公司) (stock code: 601166.SH). Beijing Xingtou is owned as to approximately 0.1% by Xingtou (Beijing) Capital Management Co., Ltd and approximately 75.3% by China Industrial Asset Management Co., Ltd (興業財富資產管理有限公司), which is wholly owned by CIB Fund Management Co., Ltd. (興業基金管理有限公司). Xingye Fund Management Co., Ltd is owned as to 90% by Industrial Bank Co., Ltd (興業銀行股份有限公司) (stock code: 601166.SH).

ACQUISITIONS AND DISPOSALS

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

ACTING IN CONCERT ARRANGEMENT

Pursuant to the Concert Party Agreement entered into among Mr. Chao, Mr. Cheng and Magneto (together, the "**Concert Parties**") dated June 28, 2022, all the Concert Parties (i) acknowledged and confirmed that, since June 28, 2022, they had been acting in concert in matters in relation to, *inter alia*, the Company's operation and management, and exercising the Shareholders' rights, including but not limited to the right to vote at general meetings of our Company and the right to propose resolutions, in accordance with the consensus achieved among them, (ii) the effective period of the Concert Party Agreement is from the date of execution until three years after the **[REDACTED]** of the Company, and (iii) in the event of any disagreement among the Concert Parties, the parties shall act in accordance with the opinion of Mr. Chao.

[REDACTED] FLOAT AND FREE FLOAT

Satisfaction of the [REDACTED] Float Requirement

Rule 8.08(1) of the Listing Rules provides that there must be an open market in the securities for which **[REDACTED]** is sought. Rule 19A.13A further provides that where a new applicant is a PRC issuer with no other listed shares at the time of listing, such requirement will normally mean that the portion of H shares for which listing is sought that are held by the public at the time of listing must represent at least 25%.

Following the conversion of the Unlisted Shares into H Shares and upon completion of the **[REDACTED]** (assuming that the **[REDACTED]** is not exercised):

(i) **[REDACTED]** H Shares to be directly held by the Controlling Shareholders will not be counted as part of the **[REDACTED]** float;

(ii) a total of **[REDACTED]** and will be held by our Shareholders who are not our core connected persons (nor are accustomed to take instructions from core connected persons of the Company in relation to the acquisition, disposal, voting or other disposition of their shares, and their acquisition of shares were not financed directly or indirectly by core connected persons of the Company). These H shares will be counted towards the **[REDACTED]** float; and

(iii) the new issue of **[REDACTED]** H Shares pursuant to the **[REDACTED]**, will be counted as part of the **[REDACTED]** float. It follows that the total number of the H Shares expected to be held by the **[REDACTED]** immediately following the completion of the **[REDACTED]** (before any exercise of the **[REDACTED]**) represents approximately **[REDACTED]** of the total number of our issued Shares, which is higher than the prescribed percentage of H Shares required to be held in public hands under Rule 19A.13A(1) of the Listing Rules.

Satisfaction of the Free Float Requirement

Rule 8.08A of the Listing Rules provides that there must be sufficient shares for which **[REDACTED]** is sought by a new applicant that are held by the public and available for **[REDACTED]** upon **[REDACTED]**. Rule 19A.13C further provides that where a new applicant is a PRC issuer with no other listed shares at the time of listing, such requirement will normally mean that the portion of H shares for which **[REDACTED]** is sought that are held by the **[REDACTED]** and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Pursuant to the PRC Company Law, all Shares issued by our Company prior to the **[REDACTED]** will be subject to a lock-up period of one year from the **[REDACTED]**. Therefore, all Shares held by our existing Shareholders upon the **[REDACTED]** shall not be counted towards the free float.

It is expected that immediately following completion of the **[REDACTED]** (assuming the **[REDACTED] [REDACTED]** is not exercised), the H Shares **[REDACTED]** on the Stock Exchange that are not subject to such disposal restrictions represent approximately **[REDACTED]** of the total number of H Shares and have an expected market value at the time of **[REDACTED]** of (i) **[REDACTED]** based on an **[REDACTED]** of **[REDACTED]** per **[REDACTED]**, being the low-point of the indicative **[REDACTED]** range, (ii) **[REDACTED]** based on an **[REDACTED]** of **[REDACTED]** per **[REDACTED]**, being the **[REDACTED]** of the indicative **[REDACTED]** range, and (iii) **[REDACTED]** based on an **[REDACTED]** of **[REDACTED]** per **[REDACTED]**, being the high-point of the indicative **[REDACTED]** range.

Accordingly, our Company will be able to satisfy the requirements under Rule 19A.13C of the Listing Rules.

CAPITALIZATION OF OUR COMPANY

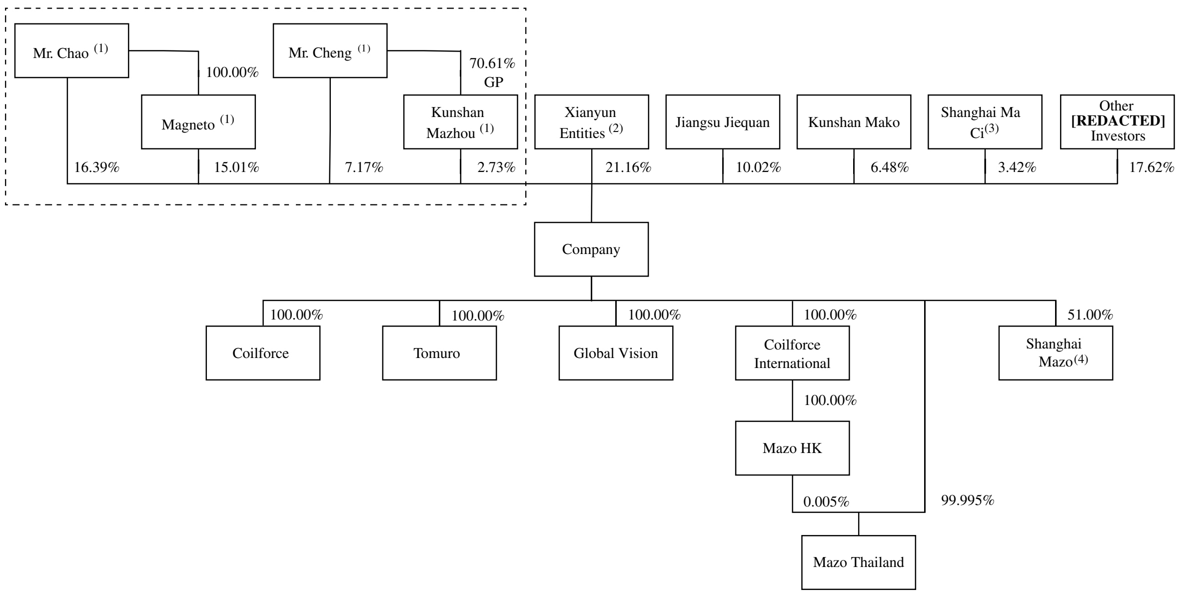
The table below is a summary of the capitalization of our Company as of the Latest Practicable Date and the **[REDACTED]** (assuming the **[REDACTED]** is not exercised):

	As of the Latest Practicable Date		As of the [REDACTED] (assuming the [REDACTED] is not exercised)					
Shareholder	Number of Unlisted Shares	Ownership Percentage	Number of H Shares	Approximate ownership percentage in H Shares	Number of Unlisted Shares	Approximate ownership percentage in Unlisted Shares	Total Number of Shares	Approximate ownership percentage in total issued share capital
Controlling Shareholders	34,547,718	41.30%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
– Mr. Chao	13,714,234	16.39%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
– Mr. Cheng	6,000,000	7.17%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
– Magneto	12,553,484	15.01%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
– Kunshan Mazhou	2,280,000	2.73%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Xianyun Entities	17,698,035	21.16%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
– Qixin Weibang	14,394,536	17.21%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
– Shaoxing Gansheng	1,795,380	2.15%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
– Ningbo Zhenhai	1,508,119	1.80%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Jiangsu Jiequan	8,378,439	10.02%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Kunshan Mako	5,420,000	6.48%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Suzhou Guyu	3,901,959	4.66%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Han	3,000,000	3.59%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Shanghai Ma Ci	2,858,340	3.42%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Suzhou Xiuyu	2,627,272	3.14%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Dongguan Qinhe	2,010,826	2.40%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Kunshan Hengze	1,196,920	1.43%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Shenzhen Juyuan	1,005,413	1.20%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Beijing Xingtou	1,005,413	1.20%	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED] taking part in the **[REDACTED]**	–	–	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	**83,650,335**	**100.00%**	[REDACTED]	**100.00%**	[REDACTED]	**100.00%**	[REDACTED]	**100.00%**

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and Corporate Structure Immediately before the Completion of the [REDACTED]

The following chart illustrates our simplified shareholding and corporate structure immediately prior to the completion of the **[REDACTED]**:



Note:

(1) Mr. Chao, Mr. Cheng, Magneto and Kunshan Mazhou are our group of Controlling Shareholders, and in aggregate held approximately 41.30% of the total issued share capital of our Company as of the Latest Practicable Date.

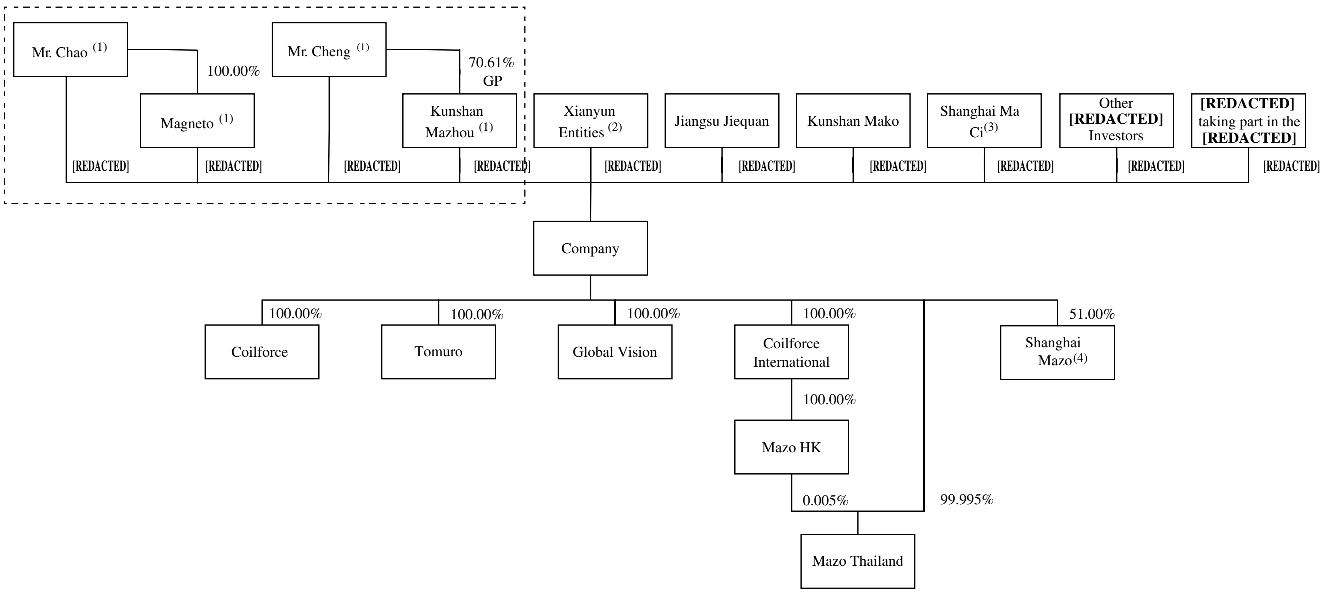
(2) Please see "– **[REDACTED]** Investments – Information regarding our **[REDACTED]** Investors" in this section for the shareholding structure of each of Xianyun Entities.

(3) Please see "– **[REDACTED]** Investments – Information regarding our **[REDACTED]** Investors" in this section for the shareholding structure of Shanghai Ma Ci.

(4) The remaining 29.5% and 19.5% of the equity interest in Shanghai Mazo was held by Zhang Wei (張偉) and Shen Wenbin (沈文斌), respectively. Shen Wenbin is our employee and Zhang Wei is an Independent Third Party. See section headed "Appendix V – Statutory and General Information" for details.

Shareholding and Corporate Structure upon Completion of the [REDACTED]

The following chart illustrates our simplified shareholding and corporate structure immediately following the completion of the **[REDACTED]**, assuming the **[REDACTED]** is not exercised:



Note: Please see notes (1), (2), (3) and (4) of the sub-section headed "– Shareholding and Corporate Structure Immediately before the Completion of the **[REDACTED]**".