
RISK FACTORS

An [REDACTED] in the H Shares involves various risks. You should consider carefully all the information set out in this document and, in particular, the risks described below before making an [REDACTED] in the H Shares.

The occurrence of any of the following events could materially and adversely affect our business, financial position, results of operations or prospects. If any of these events occurs, the [REDACTED] price of the H Shares could decline and you may lose all or part of your [REDACTED]. You should seek professional advice from your relevant advisors regarding your prospective [REDACTED] in the context of your particular circumstances.

RISKS RELATING TO OUR INDUSTRY AND BUSINESS

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

In 2023, 2024 and 2025, our revenue was RMB229.6 million, RMB259.2 million and RMB323.7 million, respectively, and our gross profit was RMB65.5 million, RMB72.3 million and RMB96.3 million, respectively. However, our historical growth rate may not be sustainable or indicative of our future growth rate, and in future periods, our growth could be slower than we expect or decline. We believe that continued growth in our revenue as well as our ability to improve margins and profitability, will depend upon, among other factors, our ability to address the challenges, risks, and difficulties described herein. We cannot provide assurance that we will be able to successfully manage any such challenges or risks to our future growth. Any of these factors could cause our revenue growth to slow down or decline and may adversely affect our margins and profitability.

We rely on the market demand for our products from their downstream end markets. Any slowdown or decrease in downstream demand, or technological developments resulting in substitute products, may have a material impact on us.

Our mineral processing reagent products are currently most extensively used the mining industry for the extraction and concentration of valuable metals such as copper, lead, zinc, gold and silver. There is no assurance that the downstream demand for these valuable metals will remain at the same level as in the past or continue to increase in the future. In addition, changes in technology, the development of other substitute mineral processing reagent used for the extraction and concentration of copper, lead, zinc, gold and silver, or valuable metals in general, could adversely affect the demand for our mineral processing reagent material products. Any of these events could have a material adverse effect on our businesses, financial condition and results of operations.

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We face competition in our business.

The flotation reagents market is highly competitive and characterized by a low overall concentration, and we expect that the competition will be even more intense in the future. Existing and potential competitors may seek to increase their market shares through various measures, such as continued research and development efforts, increased production capacity, optimized production process and active marketing campaigns. Our competitors may also seek to increase their market shares through the reduction of price. Some of our direct and indirect competitors may have greater resources, longer operating history, better financing capabilities, well developed technologies and stronger customer relations. Competition from these market players could result in lower sales volume, price reductions, reduced margins and loss of market share for us. To respond to competition, we may be required to increase investments in sales and marketing, capacity expansion, quality control and R&D. We cannot assure you that such measures will be effective or achieve the expected results. If we are unable to compete successfully in a cost-efficient manner, or at all, our business, financial condition and results of operations could be adversely affected.

We may be unable to secure new sales or maintain our existing customers in the future.

Our sales are typically conducted on a purchase order basis, which require us to continuously secure new contracts and sales opportunities as existing ones expire. Our customer engagement may be affected by a variety of reasons, including their level of satisfaction with our products, our pricing and quality and those of competing products, overall economic conditions, downstream demand, or changes to our customers' operations. We cannot guarantee that we will be able to retain our existing customers, attract new one, renew existing contracts or obtain new contracts of comparable terms and quality, or that our customers will maintain their current level of business with us. The loss of key customers or a substantial reduction in the number or value of contracts could materially and adversely affect our financial condition and results of operations. In addition, if any of our customers encounters liquidity or financial difficulties, they may delay or default on payments, which could negatively impact our cash flows and financial position. We may also face challenges in diversifying our customer base or expanding relationships with other customers. Failure to mitigate these risks could materially and adversely affect our business, financial condition and operating results.

Failure to recover trade receivables in a timely manner may adversely impact our financial condition and results of operations.

We face inherent credit risks associated with delayed payments from our customers. As of December 31, 2023, 2024 and 2025, our trade and bill receivables was RMB25.9 million, RMB42.2 million and RMB48.3 million, respectively. Furthermore, our trade receivables turnover days were 43 days, 48 days and 51 days in 2023, 2024 and 2025. In 2023, 2024 and 2025, we recorded allowances for credit losses of trade receivables of RMB4.4 million, RMB4.3 million and RMB4.1 million, respectively. We cannot assure you that we will be successful in maintaining our trade receivables turnover days at reasonable levels. If the creditworthiness of our customers declines, or if a significant portion of our customer base fails to settle their obligations in full for any reason, we may incur additional impairment losses in the future. There is no guarantee that we will be able to fully recover outstanding amounts or that customers will settle their debts on time. If settlements are delayed or not made at all, our business, financial position, and results of operations could be materially and adversely affected.

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We may not be able to keep abreast of the latest development and advancement of technology, which may materially and adversely impact our ability to address the diverse needs of our customers.

Our ability to offer new products which suits the evolving needs of the market depends largely on our R&D capabilities. We have continuously made investments in our R&D activities to develop new products and relevant technologies, which we believe are crucial to our future development. In 2023, 2024 and 2025, our research and development expenses accounted for 3.0%, 2.1% and 1.3% of our total revenue during the respective periods. We cannot assure you that such investments will yield immediate tangible benefits or our R&D efforts will be effective. Even if such efforts are successful, we may not be able to apply our newly developed technologies to our products in ways that are accepted by our customers. Under such circumstances, our previous investment in it may be wasted. If we are unable to maintain or enhance our research and development capabilities, our competitiveness may be undermined, which could adversely affect our business, results of operations, financial condition and prospects.

In addition, we cannot assure you that our existing and/or potential competitors will not develop products which are similar or superior to our products or are more competitively priced. As it is often difficult to project the time frame for developing new products and the duration of market window for these products, there is a substantial risk that we may have to abandon a potential product that is no longer commercially viable, even after we have invested significant resources in the development of such product. If we fail in our product launching efforts, our business, results of operations, financial condition and prospects may be materially and adversely affected.

Our development strategies may not succeed, which may materially and adversely affect our business, financial condition and results of operations.

We have implemented business strategies, including developing new products and expanding our operations. We have been and will continue introducing new products and improving existing ones to meet market demand and customer needs. However, there can be no assurance that our strategies align with market development, including technological advancements, industry trends and customer preferences. If any of our business strategies are proven to deviate from such market development, it could have a negative impact on our business, financial condition and results of operations. In addition, we may fail to obtain the necessary resources to fund our future plans or employ suitable personnel to manage our expanded business. If we are unable to develop and introduce new products and improve existing products in a cost-effective and timely manner, our business, financial condition, results of operations and competitive position would be materially and adversely affected.

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Failure to successfully execute capacity expansion plans and our equipment maintenance and upgrades or to effectively utilize our production facilities may have a material adverse effect on our business, financial condition and results of operations.

Our growth prospects and future profitability depend on, among other things our ability to upgrade the production capability and increase production capacity, either generally or with respect to demand from customers for particular products. To successfully upgrade our production capability and expand production capacity, we need to make cost-effective and efficient upgrade and expansion plans, expand and construct new facilities, maintain and purchase production equipment, and hire and train professionals necessary to operate such facilities or equipment, all of which may be affected by several factors including, but not limited to, the following: availability of working capital for constructing facilities or purchasing equipment; delays in completion of construction and shortages or delays in the delivery of equipment; difficulties or delays which may arise in installing the equipment; and implementation of new production processes. There is no assurance that our upgrade or expansion plan, if implemented, will be operationally or financially successful and substantiated by sufficient market demand for or profit margin of our products. If we are unable to implement the upgrade or expansion plan cost-effectively and efficiently, our business and profitability may be adversely affected. Any delay or cancellation of our expansion plan or any failure to fulfill commitments in any agreement we enter into with respect to our expansion plans could also subject us to penalties or disputes with relevant counterparties. In addition, if we do not receive sufficient orders from our customers to effectively utilize our production facilities, we may be subject to low utilization rates or over-capacity for our production facilities, which may harm our profitability and results of operations. Furthermore, if market demand declines in the future, we may not be able to recoup the costs incurred for construction of any new production facilities or expansion of any existing facilities and maintenance of expanded production capacity. As a result, our business, financial condition, results of operations and prospects may be materially and adversely affected.

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

Sales to our customers overseas accounted for 18.7%, 19.6% and 19.8% of our total revenue for 2023, 2024 and 2025, respectively. Expanding our global footprint and growing overseas sales is an important part of our future growth, but these efforts may not be successful. Overseas operations are subject to a number of risks, including but not limited to: foreign exchange control and exchange rate fluctuations; increased costs associated with maintaining the ability to understand the local markets and develop and maintain effective marketing and distributing presence in various countries; difficulties and costs related to providing after-sales services and customer support in these markets; difficulty with staffing and managing overseas operations; failure to develop and implement appropriate risk management and internal control structures tailored to overseas operations; difficulty and cost relating to compliance with different commercial and legal requirements of the overseas markets in which we offer or plan to offer our products; failure to obtain or maintain permits for our products or services in these markets; inability to obtain, maintain or enforce intellectual property rights; stringent environmental protection and product compliance regulations; unanticipated changes in prevailing economic conditions and regulatory requirements; and trade barriers such as export requirements, tariffs, taxes and other restrictions and expenses.

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As a result, we cannot guarantee that our expansion plan into overseas markets can be successfully implemented. The occurrence of any of these risks could negatively impact our overseas expansion and consequently our business, financial condition and results of operation.

The failure to protect our intellectual property rights could have an adverse impact on our business and competitiveness.

We rely on a combination of trademark, trade secret and other intellectual property laws as well as confidentiality agreements with our employees, R&D partners and others to protect our intellectual properties. We consider our intellectual properties are crucial business assets and key to customer loyalty and essential to our future growth. We may in the future have difficulty obtaining patents, copyrights, registered trademarks and other intellectual property rights, and the patents, copyrights and registered trademarks we receive may be insufficient to provide us with meaningful protection or commercial advantage. Furthermore, we may be involved in litigations and other proceedings initiated by us against third parties for their infringement of our intellectual property rights. We cannot provide assurance that any patent, copyright, registered trademark or other intellectual property right owned by, or licensed to, us will not be invalidated, circumvented or otherwise challenged in the countries where we operate, or we will be successful in defending ourselves in intellectual property infringement claims. If we are unable to protect our proprietary technology and intellectual property, our market position would be undermined, and our business, financial condition and results of operations may be materially and adversely affected.

Third parties may assert or claim that we have infringed their intellectual property rights.

We may be exposed to intellectual property rights infringement or misappropriation claims by third parties during the course of our operations. Defense against any of these claims would be both costly and time-consuming and could divert the efforts and resources of our management and other personnel. An adverse determination in any such litigation or proceedings to which we may become a party could subject us to liabilities to third parties, require us to seek consents or licenses from third parties, pay ongoing fees or royalties, or subject us to injunctions prohibiting the provision and marketing of the relevant products. In addition, we could face disruptions to our business operations as well as damage to our reputation as a result of such claims, and our business, financial condition and results of operations could be materially and adversely affected.

Price fluctuation of our raw materials could adversely affect our business, financial condition and results of operations.

We may not be able to obtain stable, high-quality raw materials at reasonable prices at all times. Particularly, chemical raw materials are subject to typical commodity chemical cycles and may experience periodic price fluctuations, which may affect the production costs of flotation reagents. For details, See "Industry Overview — Overview of flotation reagents industry — Cost analysis." We cannot assure you that the prices of principal raw materials needed for our products would become favorable to us in the future and we cannot assure you that we will not experience significant fluctuation in the prices of raw materials in the future. Under such circumstances, we may need to adjust the prices of our products accordingly. In addition, we cannot assure you that we will be able to pass all or a portion of our costs to our customers due to factors such as competition, or we will be able to find alternative sources in a timely and cost-effective manner, or at all. We factor raw material price volatility into our product pricing and generally discuss pricing

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with customers and attempt to make adjustments to align with raw material price trends. However, since the selling price of our products closely follows the prevailing prices of raw material and the prices have experienced fluctuations in recent years, we cannot assure you that we will be able to respond appropriately to fluctuations in the prices of raw materials. In such event, the substantial and frequent fluctuation in the prices of raw materials may result in us not being able to recover the costs of our raw materials from the sales of our products.

We depend on a stable and adequate supply of raw materials. Inadequate or interrupted supply for our raw materials could adversely affect our business, financial condition and results of operations.

During the Track Record Period, our purchase and changes in inventories amounted to RMB148.9 million, RMB169.1 million and RMB208.3 million in 2023, 2024 and 2025, respectively, accounting for approximately 90.7%, 90.5% and 91.6% respectively, of our total cost of sales over the respective periods. As a result, our production volume and production costs depend on our ability to source principal raw materials at competitive prices. The current or expected supply of our principal raw materials may fluctuate depending on a number of factors beyond our control, including but not limited to the availability of resources in the raw materials market, market demand, potential speculation, market disruptions, natural disasters and other factors.

If our current suppliers for any particular raw material are unable or unwilling to satisfy our requirements on a timely basis, we could suffer shortages or significant cost increases. Our raw material suppliers could fail to satisfy our needs for various reasons beyond our control, including fires, natural disasters, weather, manufacturing problems, epidemic, strikes or transportation interruptions. A failure of supply could also occur due to suppliers' financial difficulties, including bankruptcy. In addition, changing raw material suppliers may require long lead time, including time required to obtain approval from customers to change raw material suppliers. We may not be able to locate alternative suppliers in sufficient quantities, of suitable quality, or at an acceptable price. If that happens, it will result in increased pressure on our costs and significant delay in our production and delivery of our products, resulting in liabilities of damages and damages to our reputation, which will adversely and materially affect our businesses, financial condition and results of operations.

If we fail to maintain optimal inventory levels and manage our inventory effectively, we may incur additional impairment and suffer inventory obsolescence.

To operate our business successfully and meet our customers' demands and expectations, we must maintain a certain level of finished products inventory to ensure timely delivery to our customers. We are also required to maintain an appropriate level of raw materials and consumables for our production. As of December 31, 2023, 2024 and 2025 the balance of our inventories amounted to RMB15.4 million, RMB15.9 million and RMB16.6 million respectively, among which, raw materials and consumables amounted to RMB5.0 million, RMB5.0 million and RMB7.4 million as of the same dates. However, forecasts are inherently uncertain. If our forecasted demand is lower than what eventually transpires, we may not be able to maintain an adequate inventory level of our finished products or manufacture our products in a timely manner, and we may lose sales and market share to our competitors.

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On the other hand, we may also be exposed to increased inventory risks due to accumulated excess inventory of our products, raw materials and consumables. Excess inventory levels may lead to increases in inventory costs, risks of inventory obsolescence and provisions for write downs, which will materially and adversely affect our business, results of operations, financial condition and prospects.

In order to maintain an appropriate inventory level of finished products and raw materials to meet market demand, we adjust our production schedule from time to time based on the expected delivery schedule of raw materials, customers' orders and anticipated market demand. We also carry out inventory review and aging analysis and carry out physical stock take on a regular basis. However, we cannot guarantee that these measures will always be effective, we will be able to maintain an appropriate inventory level, or the price of raw materials would not continue to decrease. In such event, our businesses, results of operations and financial condition may be adversely affected.

We are subject to environmental, handling of hazardous substances, chemical manufacturing, health and safety laws and regulations and production standards and any inability to comply with such requirements and standards may subject us to liabilities.

Our business and/or operational activities, such as the production and sales of our products, storage and transportation of our products and raw materials, are governed by laws and regulations, administrative determinations, court decisions and similar constraints, especially the extensive environmental, handling of hazardous substances, chemical manufacturing, health and safety laws and regulations and stringent standards in relation to the production and sale of our products which are promulgated by the PRC government. Meanwhile, to comply with the extensive environmental laws and regulations relating to air and water quality, sewage management and public health and safety in the PRC, we must obtain approval for environmental impact assessment reports and environmental acceptance approval of our facilities and undergo annual inspection of production facilities by relevant PRC authorities to ensure the safety of our equipment. If we fail to obtain such environmental approval or complete the annual inspection, the relevant authorities may suspend the operation of our production facilities and impose a fine on us. In addition, the relevant laws and regulations, administrative determinations and court decisions in the PRC, which we are subject to, continue to evolve, which may involve stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed production facilities as well as a heightened degree of responsibility for companies and their officers, directors and employees. Any changes or amendments to such laws or regulations may cause us to incur additional capital expenditures or costs that we may not be able to pass on to customers, or other obligations or liabilities, which could decrease our capital and our ability to pursue developments in other areas.

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Given the magnitude, complexity and continuous amendments to these laws and regulations, compliance therewith may be onerous and may involve substantial financial resources as well as other resources to establish efficient compliance and monitoring systems. The liabilities, costs, obligations and requirements associated with these laws and regulations may therefore be substantial and may delay the commencement of, or cause interruptions to, our operations. Non-compliance with the laws and regulations applicable to our operations may even result in substantial penalties or fines, suspension or revocation of our relevant licenses, termination of government contracts or suspension of their operations. Such events could impact our results of operations, financial condition and reputation, all of which could adversely affect our ability to be profitable and attract new customers.

Failure to maintain an effective quality control system could have a material adverse effect on our business, financial condition and results of operations.

As the quality of our products is critical to the success of our businesses, we must maintain an effective quality control system for our production and other operational activities. We have obtained ISO 9001, ISO 14001 and ISO 45001 certificates. However, the effectiveness of our quality control system depends significantly on a number of factors, including the design of the system and the related training programs, as well as our ability to ensure that our employees adhere to our quality control policies and guidelines. Any failure or deterioration of our quality control system could result in defects in our products, which in turn may subject us to contractual, product liability and other claims. Any such claims, regardless of whether they are ultimately successful, could cause us to incur significant costs, harm our business reputation and result in significant disruption to our operations. Furthermore, if any such claims were ultimately successful, we could be required to pay substantial monetary damages or penalties, which could have a material adverse effect on our businesses, financial condition, results of operations and reputation.

We are exposed to risks in relation to work safety and occurrence of accidents as well as other operational, transportation, occupational and environmental-related risks, which could materially and adversely affect our business, financial condition and results of operations.

Our business and production are subject to various risks, including operational and transportation-related risks and occupational and environmental hazards. We may experience various types of operational difficulties in connection with the production of our products. Some of our raw materials and chemicals are hazardous and their storage and use in the production process involve inherent risks. Accidents could materially affect our production and may give rise to personal injuries and environmental hazards.

Our operations may also be subject to production difficulties such as capacity constraints, mechanical and systems failures, construction and upgrade delays and delays in the delivery of machinery, any of which could cause suspension of production and reduced output. Scheduled and unscheduled maintenance programs may also affect our production output. Any significant manufacturing disruption could adversely affect our ability to produce and sell our products, which could have a material adverse effect on our business, financial condition and results of operations.

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In addition, our business operations are dependent on access to adequate transportation channels. We rely on road and maritime transportation to receive raw materials from suppliers and deliver our products to customers. However, there can be no assurance that the existing or planned transportation systems and service capacity of our logistics service providers will be sufficient to meet our transportation requirements. Any shortage, disruption or limitation of transportation capacity may limit the volume of supply delivered to us or products delivered to our customers and may cause us to have shortage in inventories or accumulate inventories and scale back production. Furthermore, any disruption to, or decrease in, the availability or capacity in the transportation networks, such as outbreak of a contagious or epidemic disease and natural disasters, major highway accidents, strikes, seasonal congestion during holidays or any significant rise in transportation costs, may also result in delay in transportation and delivery of our products, disruption of raw material supplies, as well as temporary closure of our production facilities for quarantine or for preventive purposes. The time required to rectify such problems could be lengthy and could result in significant increases in cost or reduction in sales which could have a material adverse effect on our businesses and results of operations.

Due to the nature of our business, we engage in certain inherently risky and hazardous activities, including, among other things, using heavy machinery and handling hazardous chemicals. As a result, we are subject to risks associated with these activities, including toxic gas and liquid leakages, equipment failures, industrial accidents, fires and explosions. These risks and hazards may result in personal injuries and fatalities, damage to or destruction of properties or production facilities, and pollution and other environmental damages. Any of these consequences, if significant, could result in business interruption, legal liability and damage to our reputation and corporate image.

During the Track Record Period and up to the Latest Practicable Date, we have not experienced any significant incidents or accidents in relation to workers' safety, and there had been no material violation of any environmental laws and regulations applicable to our operations. However, we cannot assure any of these risks would not occur in the future, the occurrence of which may harm our business operations and reputation, which could inhibit our ability to take on other contracts or otherwise grow our business.

We depend on certain third parties for various services and products in connection with our business.

We rely on third-party suppliers for various goods and services including utilities, energy, raw materials and transportation services which are in line with industry practice. We endeavor to source goods and services from third-party providers whom we believe are able to meet our quality, delivery schedule and other requirements. However, the goods and services provided by any of the third-party service providers may not be provided in a timely manner or of satisfactory quality. If the third-party providers do not perform satisfactorily, substantially reduce the amount and scope of goods and services provided to us, substantially increase their prices or terminate their business relationship with us, we may need to replace the third-party providers or take other remedial measures which could increase our costs of operations. As we do not have direct control over the third-party providers, if they become involved in unauthorized provision of goods or services not complying with our requirements or that of our customers, our reputation may be affected. Our reputation will also be adversely affected if the third-party providers do not comply with applicable laws and regulations. This, in turn, may materially and adversely affect our business, reputation, financial condition and results of operations.

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Future acquisition, investment or partnerships activities may present managerial, integration, operational and financial risks, which may prevent us from realizing the full intended benefit of the acquisitions we make.

We may seek to expand our operation through strategic acquisitions, investments, partnerships or establishment of new businesses. Such acquisitions, investments or partnerships involve numerous risks and uncertainties, including valuation risks where we may overvalue target companies or pay excessive acquisition premiums; integrating risks relating to difficulties in incorporating acquired businesses, personnel, technologies and operations into our existing business; and operational risks such as failure to maintain product quality or retain key employees. The integration process may also disrupt our existing operations and divert our management team's attention from other business concerns. There is no assurance that we will realize the anticipated benefits, synergies, cost savings or efficiencies from such acquisitions, investments or partnerships within the expected timeframe, or at all. We may also be exposed to unknown liabilities of acquired businesses and incur higher than anticipated acquisition and integration costs. If we fail to successfully execute or integrate such acquisitions, investments or partnerships or realize the expected benefits therefrom, our business, financial condition, results of operations and prospects may be materially and adversely affected.

Our leased property interest may be defective and our right to lease the property affected by such defects may be challenged, which could cause disruption to our business.

During the Track Record Period, we leased a property for warehousing purposes. This leased property is built on collective land (集體用地). If our lessor has not been authorized for leasing such property, our leases could be invalidated. If this occurs, we may face challenges from the legal owners of the property or other third parties, and may be forced to vacate the relevant property and relocate to a different site. We may incur additional expenses during the process, and our business, financial condition and results of operations may be negatively affected. For details, see "Business — Property Leased — Properties."

Our property valuation is based on certain assumptions which, by their nature, are subjective and uncertain and may materially differ from actual results.

Valuations of our selected property interest as of January 31, 2026 prepared by Colliers Appraisal and Advisory Services (Shanghai) Co., Ltd., an independent property valuer, are set forth in the valuation report set out as Appendix IV to this document. The valuations are made based on assumptions which, by their nature, are subjective and uncertain and may differ from actual results. In addition, unforeseeable changes in general and local economic conditions or other factors beyond our control may affect the value of our properties. As a result, the valuation of our properties may differ materially from the price we could receive in an actual sale of the properties in the market and should not be taken as their actual realizable value or an estimation of their realizable value.

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We may be materially and adversely affected if we fail to detect or prevent fraudulent or illegal activities or other misconduct by our employees, customers, suppliers or other third parties.

We are exposed to risks arising from potential fraud, illegal conduct or other improper acts by our employees, customers, suppliers or other third parties. Such misconduct may involve intentional, reckless or negligent violations of laws and regulations, including fraud, corruption, bribery, tax evasion or other unlawful activities. We may not be able to detect or prevent such behavior, and the measures we implement to prevent misconduct may be insufficient to address unknown or unmanageable risks, or to protect us from investigations, enforcement actions, or litigation arising from non-compliance with applicable laws or regulations. If any of these events occur, we, our business partners or current or former employees could be subject to administrative, civil or criminal penalties as well as legal costs and other remedial actions. Actual or alleged misconduct could also result in negative publicity, damage our brand and reputation and materially and adversely affect our business and operating results.

Our business may be adversely affected if we fail to obtain, or experience material delays in obtaining or renewing requisite government approvals or licenses for carrying out our operations.

We are required to obtain and maintain certain licenses, permits, registration, certificates and approvals for our business operations. We must meet various specific conditions in order for the government authorities to issue or renew any such license, permits, registration, certificates or approvals, or complete necessary inspections. We cannot guarantee that we will be able to adapt to new rules and regulations that may come into effect from time to time with respect to our business operations or that we will not encounter material delays or difficulties in fulfilling the necessary conditions to obtain and/or renew all necessary license, certificates, permits or registration for our operations in a timely manner, or at all, in the future. Therefore, in the event that we fail to obtain or renew, or encounter significant delays in obtaining or renewing, the necessary government approvals for any of our operations, we will not be able to continue with our relevant business development plans or production activities, and our business, financial condition and results of operations may be adversely affected.

Our business and operations require significant capital resources on an ongoing basis and are subject to uncertainties.

We operate in capital intensive industries that require substantial capital and other long-term expenditures, including expenditures for maintaining production facilities as well as machinery and equipment. We also require significant capital to build, maintain, operate and expand our production facilities, purchase machinery and equipment, and develop new technologies and products. In 2023, 2024 and 2025, our capital expenditures were RMB4.6 million, RMB4.9 million and RMB8.5 million, respectively. To the extent that if we construct new production facilities or expand our production capacities, we expect to fund the related financial commitments and other capital and operating expenses from a combination of cash on hand, cash generated from operations, bank borrowings and net [REDACTED] from the [REDACTED]. However, no assurance can be given that we will be able to generate sufficient cash from our operations or obtain the necessary financing or that such financing will be at interest rates and on other terms that are reasonable to us or consistent with our expectations. To the extent we cannot finance our

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operations, expansions or acquisitions at reasonable rates or at all in the future, our business may be harmed. We cannot assure you that we will not experience any higher working capital needs in the future or such cost and expenses associated with our expansion plans can be offset by corresponding increases in revenue, and our business, financial position, results of operations and prospects and working capital may be affected.

We may face risks associated with our investments, including exposure to fair value changes.

We may from time to time invest in financial products, such as wealth management products. As of December 31, 2023, 2024 and 2025, our financial assets at fair value through profit or loss amounted to RMB12.5 million, RMB14.5 million, and nil, respectively. We are exposed to credit risk and market risk in relation to such investments, and the fair values of our investments may fluctuate significantly. Any net changes in their fair value are recorded in our consolidated statements of profit or loss and therefore directly affect our results of operations. If we record significant fair value losses, our financial condition and results of operations may be adversely affected.

Any government subsidies that we enjoy in the regions where we operate may be altered or terminated.

During the Track Record Period, we received government subsidies. For the years ended December 31, 2023, 2024 and 2025, our government subsidies and VAT additional deduction amounted to RMB3.9 million, RMB2.0 million and RMB1.8 million, respectively. Our eligibility for government grants is dependent on various factors, including the conditions we have to meet, the relevant government policies and the availability of funding at different authorities. We cannot guarantee that we will continue to receive similar levels of government grants, or at all. If we no longer receive any government grants in time or at all, or if the amount of government grants we receive decreases significantly, our business, results of operations and financial condition will continue to be adversely affected.

Our insurance coverage may not be sufficient to cover all potential losses.

We maintain certain insurance policies that we believe are in line with industry practice and adequate for our operations. However, we cannot assure you that our insurance coverage is sufficient to cover all potential losses we may suffer. If we were to incur significant losses that are not covered by our insurance, or that exceed our policy limits, our business, financial condition and results of operations could be materially and adversely affected. Furthermore, we cannot assure you that we will be able to renew our insurance policies on commercially reasonable terms, or at all.

Increases in labor costs and the enforcement of stricter labor laws and regulations in the region we operate may adversely affect our business and our profitability.

We are incorporated and substantially all of our operations are located in the PRC, and China's overall economy and the average wage in China have increased in recent years and are expected to continue to grow. We expect that our labor costs, including wages and employee benefits, will continue to increase. Unless we are able to pass on these increased labor costs to our customers, our profitability and results of operations may be materially and adversely affected.

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We have been subject to stricter regulatory requirements in terms of entering into labor contracts with our employees and paying various statutory employee benefits, including pensions, housing funds, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance to designated government agencies for the benefit of our employees. We may need to change or adapt our labor practices from time to time in response to new labor laws, regulations, rules and policies, but we may not be able to do so in a timely and efficient manner. Failure to do so may adversely affect our businesses and results of operations.

Under the PRC Social Insurance Law and the Administrative Measures on Housing Provident Fund, employees are required to participate in pension insurance, work-related injury insurance, medical insurance, unemployment insurance, maternity insurance, and housing provident funds, and employers are required, together with their employees or separately, to pay the contributions to social insurance and housing provident funds for their employees. Also, the PRC Labor Contract Law and the Interim Provisions on Labor Dispatch imposed certain restrictions on the use of dispatched labor including but not limited to the form of employment, numbers of dispatched workers, etc. During the Track Record Period, we had not been subject to any administrative penalties in connection with PRC labor laws and regulations. However, we cannot assure you that our historical and current labor-related practices will at all times be deemed in full compliance with relevant PRC laws and regulations by PRC government authorities mainly due to the evolving interpretation and implementation of these laws and regulations. In the event of us being deemed as noncompliant with the relevant laws and regulations, we may be required to rectify within a prescribed time period and to pay fines, late payment fees and/or other penalties if we fail to do so.

We may be involved in legal or other proceedings arising out of our operations, including product liability claims, from time to time and may face significant liabilities as a result.

We may, from time to time, be involved in disputes with various parties involved in our business operations, including but not limited to our customers, suppliers, employees, logistics service providers and banks. These disputes may lead to legal or other proceedings, which may result in damages to our reputation, substantial costs and diversion of our resources and management's attention. In addition, we may encounter additional compliance issues in the course of our operations, which may subject us to administrative proceedings and unfavorable results, and result in liabilities and delays relating to our production or product launch schedules. We cannot assure you as to the outcome of such legal proceedings, and any negative outcome may materially and adversely affect our business, financial condition and results of operations.

We are also exposed to potential product liability claims in the event that there is any damage caused by defective products. A successful product liability claim against us could require us to pay for substantial damages. Product liability claims against us, whether or not successful, are costly and time-consuming to defend. In the event that our products prove to be defective, we may be required to redesign or recall such products. We cannot assure you that a product liability claim will not be brought against us in the future. A product liability claim, with or without merit, could result in significant adverse publicity against us, and could have a material adverse effect on the marketability of our products and our reputation, which in turn, could have a material adverse effect on our business, financial condition and results of operations.

RISK FACTORS

Our success depends upon the retention of our Directors, senior management, as well as our ability to attract and retain qualified and experienced employees and resignation of any of the Directors, members of our senior management or key employees would adversely affect our business operation and financial performance.

Our continued success is highly dependent upon the efforts of our Directors, senior management and other key employees. If any of them leaves and we are unable to promptly hire and integrate a qualified replacement, or if we are unable to attract and retain additional qualified personnel for our future growth, our growth may be limited and/or our business, financial position and results of operations may be materially and adversely affected. For further details on our Directors and senior management, see "Directors and Senior Management."

Although each of our senior management, department heads, major technical and marketing personnel has entered into non-compete agreement with us, we cannot assure that such non-competition provisions shall be enforceable in the event of dispute arising between our senior management and other key employees and us, as we may not have provided adequate compensation to them for their non-competition obligations, which is required under relevant PRC laws. As such, if any of our senior management and other key employees joins a competitor or forms a competing company, we may lose customers, know-how and key professionals and staff members, without any recourse, in which case our business, financial position and operating results could be materially and adversely affected.

Negative news or publicity may adversely affect our reputation, business and growth prospects.

Any negative news or publicity in relation to us, or any of our Directors, management, Controlling Shareholder and joint ventures or business partners or counter-parties, or any of their respective affiliates (including, where applicable, any joint venture or business partner or counter-party thereof), among others, whether or not they act on our behalf or otherwise utilize or share our brand name, and even if proven untrue, could adversely affect our reputation, business and growth prospects.

We cannot assure you that such negative news or publicity would not damage our reputation or brand image. Given our specialized industry and market, negative news, publicity and word of mouth could spread quickly and negatively impact our reputation, brand image or relationship with third parties, which could have a material adverse effect on our business, financial condition and results of operations. Even if we are not a party to, not involved in, and not liable to these litigations, disputes and allegations, we cannot assure you that any of such negative news or publicity will not affect our reputation, brand image or relationship with third parties, which could in turn have a material adverse effect on our business, financial condition and results of operations.

RISK FACTORS

We are subject to various risks relating to third-party payments.

In February 2026, one of our customers settled its payments with us through a third-party payor (the "**Third-party Payment Arrangement**"). See "Business — Sales and Customers — Third-party Payment Arrangements" for details. We are subject to various risks relating to the Third-party Payment Arrangement. For example, we may face potential disputes with or claims from third-party payor as well as potential claims from their liquidators. If any such claims are brought against us, we may have to spend significant financial and managerial resources to defend such claims, and we may suffer significant financial losses if we fail to do so. We also face potential money laundering and sanctions risks as we have limited knowledge about the source and purpose of the funds utilized by the third-party payors. We cannot assure you that we will not be liable to any penalties or other legal consequences or investigation or enquiry by any government authorities in relation to money laundering or other compliance issues associated with the third-party payor or the Third-party Payment Arrangement. Any of these risks may materially and adversely affect our reputation, business, financial condition and results of operations.

We are exposed to risks from natural disasters, health epidemics, and other contagious disease outbreaks.

Our business is subject to general economic and social conditions in China and other countries and regions where we operate. Natural and man-made disasters and other force majeure events which are beyond our control may adversely affect the economy, infrastructure and livelihood of the people there. For instance, typhoons, sandstorms, snowstorms, fires and droughts pose significant risks to the regions, including the cities where we conduct our operations. The potential occurrence or recurrence of any of these events could result in a slowdown of global economy or cause substantial disruptions to our operations, which could materially and adversely affect our business, financial condition, results of operations and prospects. Additionally, acts of war and terrorism may also injure our employees, cause loss of lives, damage our facilities, disrupt our distribution channels and destroy our markets. The potential for war or terrorist attacks may also harm or cause uncertainty to our business in ways that we cannot predict.

We could be adversely affected as a result of any sales we make to certain countries that are, or become subject to, sanction administered by the United States, the United Nations and other relevant sanctions authorities.

The United States, the United Nations and other jurisdictions or organizations, have, through executive order, legislation or other governmental means, implemented measures that impose economic sanctions against such countries or against targeted industry sectors, groups of companies or persons, and/or organizations within such countries.

RISK FACTORS

Although we primarily operate within the PRC, we have from time to time engaged, and may in the future engage, in certain international business that could expose us to international sanction risks. During the Track Record Period, we had direct sales to customers in Russia and Zimbabwe, and indirect sales involving end customers in Myanmar and North Korea through PRC domestic trading partners. North Korea is subject to a comprehensive U.S. sanctions program, including an embargo under the North Korea Sanctions Regulations and multiple Executive Orders of the United States. While Russia, Myanmar and Zimbabwe are not comprehensively sanctioned countries, they are subject to listed-based sanctions programs and/or sectoral sanctions programs administered by the OFAC of the United States. In particular, sanctions relating to Russia have become extensive since the Russia-Ukraine war in 2022 – covering broad sectors like energy, financial services, and technology. Our Russian sales involved receipt of multiple payments through an account maintained at a bank that is a branch of an SDN. Please see “Regulatory Overview—Overview of Sanctions Laws in the United States” and “Business — Impact of U.S. Sanctions Laws on Certain Sales Transactions” in this prospectus for further details.

Sanctions laws prohibit business in or with certain countries or governments, and with certain persons or entities that have been sanctioned by the United States, the United Nations or other governments and international or regional organizations. Sanctions laws and regulations are constantly evolving, and new persons and entities are regularly added to sanctions lists. The interpretation and enforcement of U.S. sanctions laws, including secondary sanctions authorities, involve a significant degree of discretion on the part of OFAC and other U.S. government agencies. The assessments by our Legal Advisor as to U.S. Sanctions and Export Control Laws in relation to our indirect sales to North Korea and our dealings involving a Russian blocked person involve a degree of judgment, particularly in light of the absence of definitive guidance as to what constitutes a ‘significant’ transaction for purposes of applicable U.S. sanctions laws for transactions of this nature and scale. There can be no assurance that OFAC or other relevant U.S. government authorities will not take a different view of our conduct. Accordingly, the extent to which any of our past or future transactions may be subject to sanctions restrictions or secondary sanctions liability is subject to the discretionary enforcement and interpretation of OFAC and other relevant authorities.

Further, new requirements or restrictions could increase the scrutiny on our business or result in one or more of our business activities, including our historical, existing or future activities being deemed subject to sanctions restrictions or otherwise non-compliant. If we fail to keep abreast of the latest developments in sanctions laws and regulations, we may not be able to minimize our sanctions risk exposures effectively. If any of our future activities are determined to constitute a violation of the sanctions imposed by the relevant sanctions authorities or to provide a basis for sanctions designation against us, our business and reputation could be adversely affected. Also, any association with purchasers, customers, suppliers and service providers in countries subject to any form of sanctions programs could subject us to actual or perceived reputational harm. Any such reputational harm could result in the loss of investors, customers, suppliers or service providers, which could in turn harm our business, financial condition or prospects.

RISK FACTORS

In addition, economic sanctions laws imposed by the United States, the United Nations, and other jurisdictions may expose us to potential compliance risks. In the event that we fail to detect and, as appropriate, remediate such violations of sanctions laws, we may become subject to penalties and sanctions imposed by relevant government authorities or may be required to alter our business practices, and there can be no assurance that we can always be in compliance with all such sanctions laws in the future. We also cannot predict with certainty the interpretation or implementation of any sanctions laws or policies or their future changes. Any alleged violations of sanctions laws or engagement in sanctionable activities could adversely affect our reputation, business, results of operations and financial condition.

RISKS RELATING TO DOING BUSINESS IN THE COUNTRIES AND REGIONS WHERE WE OPERATE

Changes in global or regional political and economic policies could have an adverse effect on our business, financial condition and results of operations.

Our business, financial condition and results of operations are subject to the economic, political, social and legal environments of the countries and regions in which we operate. Any adverse developments in these areas could materially and adversely affect our operations and prospects. Governments around the world have implemented, and may continue to implement, various policies and regulatory measures to promote economic growth, manage industrial development and guide resource allocation. In addition, regional economic downturns or shifts in government priorities, such as environmental protection or reduced support for mining activities, could lead to slower adoption of our solutions. These factors may adversely affect our revenue growth, profitability and ability to maintain a competitive position in the global market.

In addition, recently the global economic, political and social conditions have been evolving and are expected to continue evolving rapidly and are subject to constant uncertainties. Geopolitical tension and conflicts, energy crisis, inflation risk, interest rate increases and instability in the financial system impose new challenges and uncertainties on the global economy. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term. Our raw material costs may also be affected by geopolitical developments and regional instability. In particular, the recent conflict involving Iran and heightened tensions in the Middle East may contribute to volatility in petrochemical prices. To the extent such developments affect the market prices or availability of raw materials used in our operations, including petrochemical, our procurement costs may increase.

As a result, our business, financial condition and results of operations could be materially and adversely affected.

RISK FACTORS

Payment of dividends is subject to restrictions under PRC laws.

Under PRC laws, dividends may only be paid from distributable profits. Distributable profit is our profit as determined under PRC GAAP or IFRS, whichever is lower, less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make. Our distributable net profit referred to above represents the lowest of (i) our net profit attributable to our equity holders for a period plus distributable profits or net of accumulated losses, if any, at the beginning of such period, as determined under PRC GAAP, and (ii) our net profit attributable to our equity holders for the period plus distributable profits or net of accumulated losses, if any, at the beginning of such period, as determined under IFRS. As a result, even if we report an accounting profit, we may not have sufficient distributable profits to pay dividends to Shareholders. Any undistributed profits in a given year are retained and may be distributed in subsequent years, but there is no guarantee of future dividend payments.

Holders of our H Shares may be subject to PRC taxation.

Under the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》) and its implementation regulations, dividends paid by a PRC resident enterprise, such as our Company, to non-PRC resident enterprise investors are subject to a 10% withholding tax, unless a lower treaty rate applies. Pursuant to the PRC Individual Income Tax Law, dividends paid by a PRC company to non-PRC resident individual investors are subject to a 20% withholding tax. This rate may be reduced under an applicable tax treaty. To simplify tax administration for shares listed in Hong Kong, a withholding tax rate of 10% is generally applied to dividends paid to non-PRC resident individual investors. There remain uncertainties as to whether gains realized by non-PRC resident investors upon the sale or other disposition of our H Shares would be considered income derived from sources within the PRC and thus be subject to PRC income tax. If such gains are subject to PRC income tax, the applicable rate for non-resident enterprises would generally be 10%, and for non-resident individuals could be 20%, subject to any relief under applicable tax treaties. If you are a non-PRC resident investor, you should consult your own tax adviser regarding the tax implications of [REDACTED] in our H Shares.

RISK FACTORS

We may be affected by regulations on currency exchange.

Our revenue and expenses are substantially denominated in Renminbi, and the net [REDACTED] from the [REDACTED] and dividends we pay on the H Shares, if any, will be in Hong Kong dollars. Under China's existing foreign exchange regulations, following the completion of the [REDACTED], we will be able to make current account foreign exchange transactions, including paying dividends in foreign currencies without prior approval from SAFE, by complying with certain procedural requirements. However, the foreign exchange policies regarding payment of dividends in foreign currencies may change from time to time in the future. In addition, any insufficiency of foreign exchange may restrict our ability to obtain sufficient foreign exchange for dividend payments to shareholders, our ability to obtain foreign exchange through offshore financing and other foreign exchange related matters may also be affected.

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

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

The legal systems of certain geographic markets where we operate vary significantly and could affect our business, financial condition and results of operations.

Legal systems of the geographic markets where we operate vary significantly from jurisdiction to jurisdiction. Civil law systems comparatively may give limited precedential value to prior court decisions, while recent laws or regulations may be subject to reinterpretation. As a result, legal advice and risk assessment in one jurisdiction may not accurately predict outcomes in another. For example, enforcement of contractual obligations or intellectual property rights may be delayed, denied, or require additional compliance procedures. These legal uncertainties could complicate decision-making, expose us to unforeseen liabilities, or impede the timely execution of commercial agreements, materially and adversely affecting our operations, financial condition, results of operations, and prospects.

RISKS RELATING TO THE [REDACTED]

An active trading market for our H Shares may not be developed or maintained. Consequently, the trading price of our H Shares could fall below the [REDACTED] upon commencement of trading.

Prior to the [REDACTED], our H Shares were not traded on any other market. We cannot assure you that an active and liquid market for our H Shares will be developed or be maintained. Liquid and active trading markets usually result in less price volatility and more efficiency in carrying out purchase and sale orders. The trading price of our H Shares could vary significantly as a result of a number of factors, some of which are beyond our control. In the event of a drop in the of our H Shares, you could lose a substantial part or all of your [REDACTED] in our H Shares.

RISK FACTORS

Our H Shares will not commence trading on the Stock Exchange until [REDACTED]. During this period, investors may not be able to sell or otherwise deal in our H Shares. Accordingly, holders of our H Shares are at risk that the price may fall below the [REDACTED] due to adverse market conditions or other developments occurring between the time of sale and trading commencement.

The market price and trading volume of our H Shares may experience significant volatility, potentially leading to substantial and adverse impacts on their market value.

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

Immediate and substantial dilution may occur, and there is a risk of further dilution in subsequent periods.

In order to expand our business, we may consider issuing additional Shares in the future. Purchasers may experience dilution in the net tangible asset value per H Share of their H Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset value per H Share at that time. Furthermore, we may issue Shares pursuant to any existing or future share option incentive scheme, which would further dilute our Shareholders' interests in our Company.

The priorities and interests of our Controlling Shareholder may not necessarily align with those of other shareholders.

Immediately following the completion of the [REDACTED], our Controlling Shareholder will hold approximately [REDACTED] of the issued share capital of our Company. This concentration of ownership may discourage, delay or prevent a change in control of our Company, which could deprive other Shareholders of an opportunity to receive a premium for their Shares as part of a sale of our Company and might reduce the price of our H Shares. These events may occur even if they are opposed by our other Shareholders. In addition, the interests of our Controlling Shareholder may differ from the interests of our other Shareholders. It is possible that our Controlling Shareholder may exercise their substantial influence over us and cause us to enter into transactions or take, or fail to take, actions or make decisions that conflict with the best interests of our other Shareholders.

RISK FACTORS

The potential for substantial sales or the perception that such sales may occur in the public market could negatively impact the price of our H Shares and reduce our ability to raise additional capital in the future.

Future sales of a substantial number of our Shares, especially by our Directors, executive officers and Controlling Shareholder, or the perception or anticipation that such sales might occur, could negatively impact the market price of our Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate. Certain amount of the Shares controlled by our Controlling Shareholder are subject to certain lock-up periods beginning on the date on which trading in our Shares commences on the Stock Exchange. While we currently are not aware of any intention of such persons to dispose of significant amounts of their Shares after the expiry of the lock-up periods, we cannot assure you that they will not dispose of any Shares they may own now or in the future. In addition, certain existing Shareholders of our Shares are not subject to lock-up agreements. Market sale of Shares by such Shareholders and the availability of these Shares for future sale may have a negative impact on the market price of our Shares.

We cannot assure you when, whether and in what form or size we will pay dividends in the future.

Our ability to pay dividends will depend on whether we are able to generate sufficient earnings. Distributions of dividends shall be decided by our Board of Directors at their discretion and will be subject to the approval of the general meeting. A decision to declare or to pay dividends and the amount thereof depend on various factors, including but not limited to our results of operations, cash flows and financial position, operating and capital expenditure requirements, distributable profits as determined under IFRS (whichever is lower), our Articles of Association and other constitutional documents, the PRC Company Law and any other applicable laws and regulations in China, market conditions, our strategy and projection for our business, contractual restrictions and obligations, taxation, regulatory restrictions and any other factors from time to time deemed by our Board of Directors as relevant to the declaration or suspension of dividends. As a result, there can be no assurance whether, when and in what form we will pay dividends in the future. Subject to any of the above constraints, we may not be able to pay dividends in accordance with our dividend policy.

Risks and uncertainties may impact the accuracy of the forward-looking statements presented in this document.

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

RISK FACTORS

This document includes facts, forecasts, and other statistics that are sourced from various publicly available official data, as well as independent third-party providers, such as industry expert reports.

Certain facts, forecasts, statistics and data contained in this document have been derived from various official government publications. The information from the official government sources has not been prepared or independently verified by us, the Sole Sponsor, any of their respective directors and advisers, or any other persons or parties involved, and therefore, we make no representation as to the accuracy of such facts, forecasts, statistics and data. Furthermore, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as similar statistics presented elsewhere. In all cases, you should give due consideration as to how much weight or importance you should attach to or place on such facts, forecasts, statistics and data.

You should carefully review the entire document and base your [REDACTED] decision solely on the information contained herein. We strongly advise against relying on any details from press articles or other media coverage related to us or our Shares.

We do not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding our Shares or us. We make no representation as to the appropriateness, accuracy, completeness or reliability of any of the projections, valuations or other forward-looking information about us. To the extent such statements are inconsistent with, or conflict with, the information contained in this document, we disclaim responsibility for them. You should rely solely upon the information contained in this document and any formal announcements made by us in Hong Kong in making your [REDACTED] decision regarding our H Shares. By applying to purchase our H Shares, you will be deemed to have agreed that you will not rely on any information other than that contained in this document and any formal announcements made by us in Hong Kong with respect to the [REDACTED].