This summary aims to give you an overview of the information contained in this document. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full text of this document. You should read the entire document before you decide to invest in the **[REDACTED]**. *There are risks associated with any investment. Some of the particular risks in investing in the* **[REDACTED]** *are set out in "Risk Factors" in this document. You should read that section carefully before you decide to invest in the* **[REDACTED]**.

OVERVIEW

We are a globally leading precision intelligent manufacturing enterprise with operations across multiple frontier sectors and an extensive worldwide delivery network. According to Frost & Sullivan, in 2025, we are the fifth largest global manufacturer of precision components for smart devices and electronic products by revenue, the second largest global manufacturer of precision components for new energy batteries by revenue, and the fourth largest global manufacturer of precision components for humanoid robots by product value. We endeavor to enable next-generation products through precision and intelligent manufacturing. We provide end-to-end mass production solutions from ultra-high-precision components and functional modules to system-level assemblies for established customers around the globe through continual innovation of processes and cross-sector transferability. Since our establishment, we have captured market opportunities from the innovation and transformation in the global technology industry. Leveraging our precision manufacturing expertise, we have built a manufacturing platform anchored on four core capabilities: precision tooling, multi-material processing, flexible manufacturing and digitalized quality control. Centered around this platform, we have established three mutually reinforcing and synergistic business lines in (i) precision components for smart devices and electronic products, (ii) key mechanical components and connectivity components for new energy and (iii) hardware for embodied intelligence and emerging technologies.

The following table sets forth our business highlights:

| Global Industry Leadership

5th largest – precision components for smart devices and electronic products by revenue[(1)]

2nd largest – precision components for new energy batteries by revenue[(1)]

4th largest – precision components for humanoid robots by product value[(1)]

| Technological Moats

20+ core precision manufacturing processes

Cross-sector application experience

Automotive – and aerospace-grade precision manufacturing

Meet customers' requirement for **ppb-level** quality control in end applications

| Cross-sector Customer Reach

Serving **60+** established customers around the globe

Customers in smart devices and electronic products, new energy batteries, embodied intelligence, satellite communication, among others

| Robust Financial Performance

Revenue CAGR of **27.8%** from 2010 to 2025, achieving a revenue of **RMB18.8 billion** in 2025

| R&D and Innovation

R&D investment **7.4%** of revenue[(2)];

~11,000 R&D and engineering personnel, **~1,300** with over **10** years of relevant experience[(3)]

2,014 registered patents globally[(3)]

Prototyping cycle for hardware for humanoid robots **as short as 2 weeks**

| Global Footprint

12 manufacturing bases and **9** R&D centers worldwide, with **1,660** overseas employees[(3)]

Close ties with key customers and industry clusters in **GBA**[(4)], **Silicon Valley**[(5)], and other regions

| Rapid Growth in New Energy Battery Sector

Accounts for **36.5%** of revenue[(2)], increasing from 25.8% in 2023

Growth in global electricity demand has made energy storage battery end application a key growth opportunity

| First-Mover Leadership in Embodied Intelligence

Delivered **689k** humanoid robot components in 2025

Provide core components to **multiple established humanoid robot companies in North America and the PRC**

| Expansion in AI and Emerging Technologies

Mass production and delivery of hardware for **AI data center infrastructure**[(6)] and precision mechanical components for **commercial satellite communications**

Notes:

(1) Among global manufacturers in 2025. (2) In 2025. (3) As of December 31, 2025. (4) Guangdong–Hong Kong–Macao Greater Bay Area, a megalopolis consisting of nine cities and two special administrative regions in South China. It has a rich ecosystem of startups, incubators and accelerators in the fields of agile tech, biotech, medical tech and innovation. (5) Located in California, the United States. It is the world's leading hub for high technology and innovation. (6) Primarily including high-speed interconnect modules, connectors, optical transceiver housings and core liquid cooling components.

OUR COMPETITIVE STRENGTHS

We believe that our business success and market position are underpinned by the following key strengths: (i) cross-sector transferability of foundational processes, continuously opening new growth frontiers; (ii) stringent quality assurance and global R&D and manufacturing network; (iii) long-term collaborative relationships with established customers around the globe, with high customer loyalty and enhanced integration; (iv) early entrant to mass production of precision components for humanoid robots, with well-rounded positioning across the embodied intelligence sector; (v) strategic expansion into AI data center infrastructure and commercial satellite communication sectors, with AI-empowered manufacturing upgrades across our manufacturing bases; and (vi) dedicated founder, experienced management team and entrepreneurial corporate culture.

OUR STRATEGIES

We plan to implement the following strategies: (i) consolidate our dual-pillar advantage in smart devices and electronic products as well as new energy, maintaining our industry leadership; (ii) focus on cultivating emerging downstream applications, with key positioning in hardware for embodied intelligence and emerging technologies; (iii) continuous technological innovation, leading solution upgrades centered on market demand; (iv) continuously enhance intelligent manufacturing capabilities, deepen AI empowerment and improve manufacturing and operational efficiency; (v) adhere to the key customer strategy and focus on building an ecosystem of established customers around the globe; and (vi) steadily enhance global layout, build a multi-dimensional coordinated operating system and advance industry consolidation.

OUR PRODUCTS

We are a globally leading precision intelligent manufacturing enterprise with operations across multiple frontier sectors and an extensive worldwide delivery network. We engage in the development, manufacturing and sales of (i) precision components for smart devices and electronic products, (ii) key mechanical components and connectivity components for new energy, and (iii) hardware for embodied intelligence and emerging technologies. Our manufacturing is efficient and thus is able to swiftly produce components of varying specifications. As such, our products are high-precision, high-performance and high value-added, and many of our products are specifically designed and produced based on customizations and needs of our customers.

Precision components for smart devices and electronic products, including precision mechanical components, product enclosures, functional modules and electronic connectors for diversified consumer electronics. Our customers include established smartphone, personal computer and smart wearable brands around the globe. Our precision components are used in their flagship products on a long-term basis. We have been involved in the joint design and mass production of precision components for innovative products such as foldable smartphones, smart watches and AI glasses.

Key mechanical components and connectivity components for new energy, focusing on precision casings, enclosures, vent lids and high-voltage electrical connectivity products that are critical to the safety and reliability of new energy batteries. Our products have been acknowledged by and mass-delivered to established power battery manufacturers around the globe. We have extended the precision manufacturing and quality control capabilities accumulated in the power battery sector into the energy storage battery sector, delivering key mechanical components and connectivity components to leading energy storage system integrators and battery companies in China and overseas. The end application in energy storage has become a meaningful growth driver for our business.

Hardware for embodied intelligence and emerging technologies, including precision components and assembly services for humanoid robots, hardware for AI data center infrastructure (such as high-speed cables, connectors, optical transceiver housing and liquid cooling core components) as well as precision mechanical components for frontier sectors such as commercial satellite communication. We have provided core components to established humanoid robot manufacturers around the globe and are rapidly expanding our customer base in the AI data center infrastructure and commercial satellite communication sectors.

OUR RESEARCH AND DEVELOPMENT

We continually invest in R&D and translate these efforts into tangible product capabilities and commercial outcomes. Our R&D efforts encompass innovation across precision tooling, multi-material processing and process/material development as well as automation and flexible mass production. We have achieved numerous R&D breakthroughs since our inception.

Our R&D breakthroughs were recognized by the market and government authorities. We were recognized as a national-level High and New Technology Enterprise as early as 2008. In 2023, we were awarded China Patent Excellence Awards by the China National Intellectual Property Administration for three of our inventions, namely (i) a method for cutting metal tubes, (ii) waterproof reversible USB socket and (iii) board-to-board radio frequency plug, socket and connector assembly. In the same year, we were also awarded as the IP Demonstration Enterprise in Guangdong Province. Subsequently, in 2025, we were selected among the List of Enterprises for the National Intellectual Property Model Program.

OUR MANUFACTURING

We primarily operate on a made-to-order basis, with a limited number of stocks of standardized products prepared based on demand forecasts. Our manufacturing management approach centers on timely planning, close collaboration across sales, procurement and manufacturing teams, as well as comprehensive multi-tiered quality control processes. We generally complete core manufacturing processes in-house, including key tooling manufacturing, module assembly, commissioning, functional testing and final inspection, to ensure our products comply with relevant technical specifications and quality standards. Meanwhile, to optimize capacity and enhance efficiency while safeguarding our core technologies, we selectively entrust certain non-core manufacturing procedures to qualified third party contract manufacturers.

SALES AND MARKETING

We have developed a comprehensive sales network and adopt a direct sales model, enabling us to reach a wide range of customers, enhance our brand reputation and strengthen our competitive position in the market. Our product pricing is based on various factors, primarily including (i) product cost, including materials, labor and manufacturing costs; (ii) technology value add, affected by the product specifications, complexity of product design and the processing techniques involved; (iii) market factors, such as the competitive landscape and market conditions; and (iv) the purchase volume of our customers.

OUR CUSTOMERS AND SUPPLIERS

Our customers primarily comprise (i) global manufacturers and brands in the smart devices and electronic products, new energy battery and humanoid robots sectors, as well as (ii) final assembly, testing and packaging vendors that integrate our products as part of the assembly process of the end products. Revenue from our five largest customers in each year during the Track Record Period amounted to RMB7,989.0 million, RMB10,531.2 million and RMB12,157.0 million, respectively, accounting for 58.2%, 62.2% and 64.6% of our total revenue for the same years. Revenue from our largest customer in each year during the Track Record Period amounted to RMB2,301.0 million, RMB3,154.6 million and RMB4,470.2 million, respectively, accounting for 16.8%, 18.6% and 23.8% of our total revenue for the same years.

Our suppliers primarily consist of suppliers of raw materials such as copper, aluminum and plastic, equipment providers, contract manufacturers and suppliers of auxiliary materials and packaging materials. Purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB1,093.5 million, RMB1,914.4 million and RMB2,199.0 million, respectively, accounting for 10.4%, 14.3% and 12.9% of our total purchases for the same years. Purchases from our largest supplier in each year during the Track Record Period amounted to RMB353.8 million, RMB517.3 million and RMB706.4 million, respectively, accounting for 3.4%, 3.9% and 4.1% of our total purchases for the same years.

COMPETITION

The precision manufacturing industry is highly competitive. The value chain of the precision manufacturing industry includes upstream, such as basic materials and processing equipment, midstream, such as precision components, functional modules and integrated assembly, as well as downstream applications. Market drivers include, among other things, (i) technical upgrade and industrial intelligence; (ii) explosive growth in emerging sectors including embodied intelligence and AI data center infrastructure; (iii) continuous product iteration in the smart devices and electronic products as well as new energy battery sectors; and (iv) policy support and supply chain reconfiguration.

Companies in this industry compete intensely around various aspects such as equipment accuracy, tooling precision and process stability, talent acquisition and retention, customer certification and supply chain capabilities, R&D investment and technology upgrades as well as global market presence. See "Industry Overview."

RISK FACTORS

Our business and the **[REDACTED]** involve certain risks, including risks relating to (i) the industries in which we operate are highly competitive. If we fail to compete effectively and successfully, our business, results of operations and financial condition may be materially and adversely affected; (ii) our business depends on global economic conditions, demand in our customers' sectors and the effective adoption and customization by customers. Any deterioration in macroeconomic conditions, demand fluctuations in these sectors and delays in these sectors' product iteration may materially and adversely affect our financial condition and results of operations; (iii) we rely on a limited number of customers for a substantial portion of our revenue; (iv) failure to effectively maintain and upgrade our manufacturing equipment, implement capacity expansion plans, efficiently utilize our manufacturing bases or manage unanticipated interruptions to our manufacturing facilities or operational processes could materially and adversely affect our business, financial condition and results of operations; and (v) unexpected shortages, quality deficiencies or price fluctuations in the supply of certain raw materials and key components may delay or prevent order fulfillment and could adversely affect our cost of sales, business operations and profitability.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

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

Summary of Consolidated Statements of Profit or Loss

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

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Revenue	13,722,455	16,934,153	18,818,694
Cost of sales	(11,223,602)	(13,930,006)	(15,466,484)
Gross profit	2,498,853	3,004,147	3,352,210
General and administrative expenses	(909,582)	(974,029)	(1,074,946)
Selling and marketing expenses	(120,566)	(137,158)	(141,460)
Research and development expenses	(1,238,549)	(1,224,279)	(1,393,677)
Net impairment (losses)/reversals on financial assets	(3,812)	(28,593)	76,771
Other income	171,756	211,882	150,204
Other gains/(losses), net	21,814	313,540	(68,552)
Operating profit	419,914	1,165,510	900,550
Finance income	25,772	28,728	26,623
Finance costs	(288,666)	(235,536)	(165,705)
Finance costs, net	(262,894)	(206,808)	(139,082)
Share of losses of investments in associates	(5,103)	(10,512)	(10,925)
Profit before income tax	151,917	948,190	750,543
Income tax expenses	(760)	(107,952)	(81,018)
Profit for the year	**151,157**	**840,238**	**669,525**

Non-IFRS Financial Measure

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

We define adjusted net profit (non-IFRS measure) as profit for the year adjusted by adding back share-based compensation expenses. Our adjusted net profit (non-IFRS measure) amounted to RMB163.9 million, RMB839.9 million and RMB683.4 million in 2023, 2024 and 2025, respectively. See "Financial Information – Non-IFRS Measure."

Key Items of Consolidated Statements of Financial Position

The following table sets forth selected information from our summary consolidated statements of financial position as of the dates indicated, which has been extracted from our audited consolidated financial statements included in Appendix I to this document.

	As of December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Total current assets	9,564,398	10,467,272	12,137,823
Total non-current assets	9,008,450	9,701,140	12,130,896
Total assets	**18,572,848**	**20,168,412**	**24,268,719**
Total current liabilities	9,498,582	10,045,628	13,018,949
Total non-current liabilities	2,942,847	1,797,847	2,460,145
Total liabilities	**12,441,429**	**11,843,475**	**15,479,094**
Net current assets/(liabilities)	**65,816**	**421,644**	**(881,126)**
NET ASSETS	**6,131,419**	**8,324,937**	**8,789,625**
Share capital	1,203,882	1,355,718	1,361,280
Treasury shares	–	–	(100,000)
Other reserves	2,841,377	4,087,387	4,158,467
Retained earnings	1,758,076	2,527,544	2,925,817
Non-controlling interests	328,084	354,288	444,061
TOTAL EQUITY	**6,131,419**	**8,324,937**	**8,789,625**

Our net current assets increased by 540.6% from RMB65.8 million as of December 31, 2023 to RMB421.6 million as of December 31, 2024, primarily due to (i) a decrease in borrowings of RMB440.5 million, (ii) an increase in other current assets of RMB344.4 million, and (iii) an increase in financial assets at fair value through profit or loss of RMB309.4 million, partially offset by (i) an increase in trade and notes payables of RMB973.4 million and (ii) a decrease in cash and cash equivalents of RMB190.3 million.

Our net current assets of RMB421.6 million as of December 31, 2024 changed to net current liabilities of RMB881.1 million as of December 31, 2025, primarily due to (i) an increase in borrowings of RMB2,100.2 million, which was used to bridge the funding for our capital expenditures in 2025, and (ii) an increase in trade and notes payables of RMB760.8 million, partially offset by an increase in trade and notes receivables of RMB1,406.5 million.

Our net assets increased by 35.8% from RMB6,131.4 million as at December 31, 2023 to RMB8,324.9 million as at December 31, 2024, primarily due to (i) issue of shares of RMB1,343.3 million and (ii) profit for the year of RMB840.2 million.

Our net assets further increased by 5.6% from RMB8,324.9 million as at December 31, 2024 to RMB8,789.6 million as at December 31, 2025, primarily due to (i) profit for the year of RMB669.5 million, and (ii) exercise of restricted shares of RMB64.2 million, partially offset by (i) dividends of RMB205.0 million, and (ii) repurchase of shares of RMB100.0 million.

Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows for the years indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Net cash generated from operating activities	2,078,105	2,167,552	418,638
Net cash used in investing activities	(1,220,713)	(1,948,779)	(2,715,127)
Net cash (used in)/generated from financing activities	(339,842)	(496,791)	1,956,886
Net increase/(decrease) in cash and cash equivalents	517,550	(278,018)	(339,603)
Cash and cash equivalents at the beginning of year	1,203,239	1,737,946	1,547,638
Effects of exchange rate changes on cash and cash equivalents	17,157	87,710	62,572
Cash and cash equivalents at the end of the year	1,737,946	1,547,638	1,270,607

Key Financial Ratios

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

	As of/For the Year ended December 31,		
	2023	**2024**	**2025**
Gross profit margin (%)	18.2	17.7	17.8
Return on equity (%)	2.5	11.6	7.8
Interest coverage ratio	1.5	5.0	5.5

See "Financial Information — Key Financial Ratios" for calculation of the above financial ratios.

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Mr. Chen was interested in approximately 32.88% of the total issued share capital of our Company through (i) direct interest of 0.25% and (ii) indirect interest of 32.63% through Everwin Yuefu Investment, which is owned by Mr. Chen as to 90.00%. Immediately following the completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the **[REDACTED]**), Mr. Chen and Everwin Yuefu Investment will hold in aggregate approximately **[REDACTED]**% of the issued share capital of our Company. Mr. Chen and Everwin Yuefu Investment will remain as our Single Largest Group of Shareholders upon completion of the **[REDACTED]**. For further details about our Single Largest Group of Shareholders, please see the section headed "Relationship with our Single Largest Group of Shareholders."

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE

Since September 2010, the date of the listing of the A Shares of our Company on the Shenzhen Stock Exchange, and up to the Latest Practicable Date, our Directors confirmed that we had no instances of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC and, to the best knowledge of our Directors having made all reasonable inquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the Shenzhen Stock Exchange. As advised by our PRC Legal Advisor, since our A-Share Listing and up to the Latest Practicable Date, there had been no instances of any material non-compliance with the applicable rules of the Shenzhen Stock Exchange and other applicable PRC securities laws and regulations. Based on the independent due diligence conducted by the Sole Sponsor and our PRC Legal Advisor's view above, nothing has come to the Sole Sponsor's attention that would cause Sole Sponsor to disagree with our Directors' confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange.

USE OF [REDACTED]

Assuming an **[REDACTED]** of HK$**[REDACTED]** per Share (being the mid-point of the range of the **[REDACTED]** stated in this Document), we estimate that we will receive net **[REDACTED]** of approximately HK$**[REDACTED]** from the **[REDACTED]** after deducting the **[REDACTED]** commission and other estimated expenses paid and payable by us in connection with the **[REDACTED]** and assuming that the **[REDACTED]** is not exercised. In line with our strategies, we intend to use our **[REDACTED]** from the **[REDACTED]** for the following purposes:

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used for establishing the production capacity layout and expansion for our products and the R&D of emerging technologies over the next five years;

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used for upgrading our intelligent manufacturing capabilities over the next five years;

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used for strengthening our global footprint and localized service capabilities over the next five years;

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used for strategic investments and acquisitions;

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used for repaying certain existing short-term interest-bearing bank borrowings, which incurred for working capital purposes; and

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used for working capital and general corporate purposes.

See "Future Plans and Use of **[REDACTED]**."

[REDACTED] STATISTICS

The statistics in the following table are based on the assumptions that (i) the **[REDACTED]** has been completed and **[REDACTED]** H Shares are newly issued in the **[REDACTED]**, (ii) the **[REDACTED]** is not exercised, and (iii) **[REDACTED]** Shares are in issue and outstanding following the completion of **[REDACTED]**.

	Based on the minimum [REDACTED] of HK$[REDACTED] per [REDACTED]	**Based on the maximum [REDACTED] of HK$[REDACTED] per [REDACTED]**
Market capitalization of our Shares(1)	HK$**[REDACTED]**	HK$**[REDACTED]**
Market capitalization of our H Shares(2)	HK$**[REDACTED]**	HK$**[REDACTED]**
Unaudited **[REDACTED]** adjusted consolidated net tangible assets attributable to owners of the Company per Share(3)(4)	HK$**[REDACTED]**	HK$**[REDACTED]**

Notes:

(1) The calculation of market capitalisation of our Shares is based on the assumption that 1,361,350,101 A Shares have been in issue with an average closing price of RMB33.11 for the five business days immediately preceding the Latest Practicable Date and **[REDACTED]** H Shares are expected to be in issue immediately after completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised).

(2) The calculation of market capitalization of our H Shares is based on **[REDACTED]** H Shares expected to be in issue immediately upon completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised).

(3) The unaudited **[REDACTED]** adjusted consolidated net tangible assets of the Group attributable to owners of the Company as of December 31, 2025 per Share is calculated based on **[REDACTED]** Shares (including 2,918,000 treasury shares) were in issue assuming that the **[REDACTED]** has been completed on December 31, 2025 but takes no account of any Shares which may be allotted and issued by the Company pursuant to the exercise of the **[REDACTED]**, any Shares that may be issued by the Company pursuant to the exercise of options or other awards that have been or may be granted from time to time under the 2025 Share Option Incentive Scheme and the Employee Stock Ownership Scheme (Phase VI) or any Shares which may be issued or repurchased by the Company after December 31, 2025.

(4) Except as disclosed above, no adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to December 31, 2025. In particular, the unaudited **[REDACTED]** adjusted consolidated net tangible assets of the Group attributable to the owners of the Company have not been adjusted to illustrate the effect of the following:

    Pursuant to the resolution of the Board of Directors dated April 17, 2026, it was resolved that a dividend of RMB0.12 per share totaling RMB163.36 million would be paid as final dividend for 2025. This dividend is not recorded in the financial statements of the Company for the year ended December 31, 2025 or this unaudited **[REDACTED]** financial information. Had this dividend been adjusted in the unaudited **[REDACTED]** financial information, the net tangible assets of the Group would decrease by RMB163.36 million and the net tangible assets per share would decrease by RMB**[REDACTED]** (equivalent to HK$**[REDACTED]**).

DIVIDENDS AND DIVIDEND POLICY

Pursuant to our Articles of Association, as amended in April 2026, we intend to declare cash dividends once a year after our annual general meeting, provided that (i) we have positive distributable profits and sufficient cash flows such that the payment of cash dividends will not affect our ability to continue as a going concern, (ii) we have positive accumulated distributable profits, and (iii) our auditors issue a standard unqualified audit opinion on our annual financial statements. Where the conditions for cash dividends are satisfied, we target to distribute no less than 10% of the distributable profits realized in the relevant year by way of cash dividends. We currently do not have any fixed dividend pay-out ratio. We declared and paid dividends of RMB3.0 million, RMB16.8 million and RMB205.0 million with respect to the years ended December 31, 2023, 2024 and 2025, respectively.

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, **[REDACTED]** commissions and other fees incurred in connection with the **[REDACTED]**. We estimate that our **[REDACTED]** expenses will be approximately RMB**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the mid-point of the indicative **[REDACTED]** range) and no exercise of the **[REDACTED]**), representing **[REDACTED]**% of the gross **[REDACTED]** (based on the mid-point of our indicative **[REDACTED]** range for the **[REDACTED]** and assuming that the **[REDACTED]** is not exercised) of the **[REDACTED]**. We expect to incur such **[REDACTED]** expenses of RMB**[REDACTED]** in relation to the **[REDACTED]**. Our Directors do not expect such expenses to materially impact our results of operations in 2026. By nature, our **[REDACTED]** expenses will be composed of (i) **[REDACTED]** commission of approximately RMB**[REDACTED]**, and (ii) non-**[REDACTED]** related expenses of approximately RMB**[REDACTED]**, which will consist of fees and expenses of legal advisors and Reporting Accountant of approximately RMB**[REDACTED]** and other fees and expenses of approximately RMB**[REDACTED]**.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

We have maintained stable business operation and development since December 31, 2025. Revenue for the three months ended March 31, 2026 increased, compared to the same period in 2025. We continued to invest in the R&D of new products for embodied intelligence and emerging technologies, which adversely affected our net profits. In addition, we recorded certain foreign exchange losses as a result of RMB appreciation against US dollars.

Save as above, our Directors confirm that since December 31, 2025, being the date of the latest combined financial information of our Group, and up to the date of this document, there has been no material adverse change in our business model, financial or trading position and prospects of the overall precision manufacturing industry. We also confirm that there have been no events since December 31, 2025, which would materially affect the financial information shown in the Accountants' Report, the text of which is set out in Appendix I to this document.