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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 [REDACTED] in the [REDACTED].

There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in the “Risk Factors” of this document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED].

OUR MISSION

Innovating materials to drive the green energy revolution for a low-carbon future.

OUR VISION

Leading global innovation in new energy materials.

Overview

We are a globally leading new energy materials company specialized in the R&D and manufacturing of advanced functional current collectors. Leveraging our proprietary technologies and R&D capabilities across the entire current collector value chain, we provide battery manufacturers and EV OEMs with advanced functional current collector products and technology solutions. As the lithium-ion battery industry enters the “TWh Era,” downstream market participants are imposing increasingly stringent requirements on technical specifications and performance metrics in terms of safety, energy density, cycle life, cost and charging speed. To address these requirements, we develop and supply advanced functional current collectors designed to enhance safety and energy density while reducing costs and minimizing the consumption of natural resources and energy.

Our roots can be traced back to a professional team with extensive experience in the new energy materials industry. Our co-founder and chairman, Dr. LI Xuefa, has over 20 years of experience in the new energy materials sectors, with extensive entrepreneurial experience and demonstrated leadership capabilities. His profound technical expertise in materials science, combined with strategic insight into market trends, has enabled us to achieve industrial-scale breakthroughs in frontier R&D and successfully commercialize our innovations. Under his leadership, we have established ourselves as a global leader in advanced functional current collectors, and are expanding their applications beyond the lithium-ion battery industry into other fast-growing sectors, such as photovoltaics, high-end electronics and aerospace.

We have built comprehensive technology and manufacturing capabilities, supported by independently developed advanced technologies, proprietary and innovative production processes, core equipment co-engineered with strategic suppliers and fully validated mass production capabilities. These capabilities enable us to deliver high-quality products consistently, support rapid scaling of production and maintain stringent quality standards required by the new energy materials industry. We have successfully turned R&D breakthroughs in advanced functional current collectors into large-scale production capacity for high-performance lithium-ion batteries as well as next-generation solid-liquid batteries. Our products and technologies are instrumental in supporting the global transition toward green energy and a low-carbon future. According to Frost & Sullivan, we ranked third globally among manufacturers of functional interface current collectors (“FICC”) by shipment volume in 2025. We ranked first globally among manufacturers of composite current

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collectors as of December 31, 2025, with an annual production capacity of 62.9 million sq.m. for atomic deposition current collectors (“ADCC”), a specialized type of composite current collector treated with atomic deposition to enhance safety performance, increase energy density and reduce costs. Our sustained investment in R&D, together with a consistent record of product reliability and performance, has earned us strong recognition among leading customers worldwide, and supported a series of significant achievements, including:



Notes:

- (1) In terms of annual production capacity as of December 31, 2025, according to Frost & Sullivan.
- (2) In terms of shipment volume in 2025, according to Frost & Sullivan.
- (3) As of the Latest Practicable Date.
- (4) According to Frost & Sullivan.
- (5) From 2023 to 2025.

We are a pioneer in innovating advanced functional current collectors. Our technology leadership is supported by our forward-looking R&D roadmap and systematic research processes, supported by experienced R&D personnel and sustained investment in R&D, which together provide a solid foundation for long-term technological advancement and industry leadership. We adopt a collaborative R&D model that integrates feedback from customers, suppliers and research institutions with our proprietary R&D and engineering data. Through iterative validation and optimization, we create synergies that enhance knowledge sharing and accelerate technology and product development cycles. As of December 31, 2025, we had 183 R&D and technical personnel,

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representing 21.3% of our total workforce. As of the Latest Practicable Date, we had 444 patents granted and 1,124 patents under application worldwide. See “Business — Our Technology and R&D Capabilities.”

OUR PRODUCTS AND SOLUTIONS

We design, develop and manufacture a wide range of innovative current collectors to improve the performance, safety and sustainability of lithium-ion batteries. Our products primarily consist of (i) FICC, which feature nano-carbon coatings to improve conductivity, adhesion and electrochemical stability at the electrode interface, enabling fast charge and discharge performance, higher safety and longer battery life, and (ii) ADCC, including composite copper and aluminum foils produced with high-precision atomic deposition, which provide batteries with lighter, more robust and more flexible yet structurally durable materials, thereby enabling higher safety, higher energy density, lower cost, and reduced consumption of metals and natural resources. We also offer a range of other high-performance advanced functional current collectors, such as bipolar current collectors and dry electrode current collectors. These next-generation advanced functional current collectors serve as key components in lithium-ion batteries, offering a superior alternative to traditional current collectors by providing notable advantages in battery safety, cycle life, driving range, resource efficiency and cost reduction. Through cutting-edge research and advanced manufacturing techniques, we ensure the delivery of superior materials that contribute to the sustainability and efficiency of energy solutions worldwide. Our commitment to quality and innovation provides customers with reliable and high-performing products that support their sustainable energy transition initiatives. In addition to our product offerings, we also provide integrated technology solutions tailored to specific application scenarios in EV, energy storage and electronics industries. As of December 31, 2023, 2024 and 2025, we served 54, 147 and 231 customers globally.

During the Track Record Period, we primarily derived revenue from the sales of our current collector products and the provision of technology solutions. We also generated revenue from the sales of byproducts derived during the production process. The following table sets forth our revenue breakdown for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentage)</i>					
Sales of products	21,946	100.0	250,248	97.0	548,541	94.8
FICC	19,629	89.4	235,143	91.1	491,262	84.9
ADCC	572	2.6	1,796	0.7	1,849	0.3
Other products ⁽¹⁾	—	—	42	0.1	16,092	2.8
Byproducts ⁽²⁾	1,745	8.0	13,267	5.1	39,338	6.8
Provision of technology solutions	—	—	7,735	3.0	30,085	5.2
Total	21,946	100.0	257,983	100.0	578,626	100.0

Notes:

- (1) Other products primarily included bipolar current collectors and battery cells.
- (2) Byproducts mainly represented offcuts and scrap materials.

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The following table sets forth the sales volume and average selling price, net of tax (“ASP”) of our major products during the Track Record Period:

	2023		2024		2025	
	Sales Volume	ASP	Sales Volume	ASP	Sales Volume	ASP
		(RMB in thousands)		(RMB in thousands)		(RMB in thousands)
FICC (tonnes)	461.3	42.5	5,864.6	40.1	12,452.2	39.5
ADCC ('000 sq.m.)	27.4	20.9	109.9	16.3	208.2	8.9

OUR COMPETITIVE STRENGTHS

We believe that the following strengths contribute to our leading market position, ensuring our success and distinguishing us from our competitors: (i) global technology leader in advanced functional current collectors; (ii) market-oriented, forward-looking technologies to support diversified product portfolio; (iii) leveraging strategic customer collaborations to accelerate the adoption of advanced battery materials; (iv) world-leading engineering and manufacturing capabilities enabling scalable commercialization and high yield rate; (v) industry-leading, proprietary production equipment and reliable supply chain; and (vi) industry veterans with global vision and strong support from prominent shareholders. See “Business — Our Competitive Strengths.”

GROWTH STRATEGIES

We plan to implement the following growth strategies: (i) accelerate capacity building and global market expansion to reinforce market leadership; (ii) strengthen forward-looking R&D efforts to develop next-generation product portfolio; (iii) enhance supply chain management and upgrade manufacturing capabilities to improve cost efficiency; and (iv) strengthen strategic partnerships and expand into new applications and markets. See “Business — Growth Strategies.”

RESEARCH & DEVELOPMENT

We are committed to R&D and innovation, aiming to advance in both fundamental and product-specific technologies that improve the performance, reliability, durability and customer experience of our current collector products. As of December 31, 2025, we had 183 R&D and technical personnel, representing 21.3% of our total workforce. In 2023, 2024 and 2025, our R&D expenses were RMB66.2 million, RMB93.6 million and RMB146.6 million, representing 301.8%, 36.3% and 25.3% of our total revenue for the same years, respectively. Our endeavors in R&D resulted in significant technological achievements, evidenced by our extensive intellectual property portfolio and industry expertise.

INTELLECTUAL PROPERTY

Our success and competitive advantages depend in part on our ability to develop and protect our core technologies and intellectual property. We own a large portfolio of intellectual property, including patents, registered trademarks, confidential technical information and expertise in the development of current collectors. As of the Latest Practicable Date, we had 444 patents granted globally, comprising 112 invention patents, 328 utility model patents and four design patents, and 1,124 patents under application worldwide, covering key areas such as polymer substrate improvement, structural innovations to enhance battery safety, current collector designs based on atomic deposition, advancements in electroplating solution processes and equipment design and

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optimization, electrode component design, nano-carbon coating formulations, processes and technologies and collaborative research projects with universities on battery safety mechanisms. We acquire patents through self-development.

During the Track Record Period and up to the Latest Practicable Date, we were not involved in any material legal, arbitral or administrative proceedings or claims of infringement of any intellectual property rights in which we may be a claimant or a respondent. For a summary of key intellectual property rights corresponding to the core technologies applied in our products, see “Business — Intellectual Property.”

CUSTOMERS AND SUPPLIERS

Our customer base encompasses top-tier battery manufacturers, globally renowned automotive OEMs, leading consumer electronics brands and specialized innovators developing next-generation battery systems. During the Track Record Period, our major customers were primarily located in China, South Korea and Europe. In 2023, 2024 and 2025, revenue from the five largest customers in each year during the Track Record Period was RMB18.7 million, RMB199.2 million and RMB417.6 million, respectively, accounting for 85.1%, 77.2% and 72.1% of our total revenue, respectively. Revenue from the single largest customer in each year during the Track Record Period was RMB7.9 million, RMB128.3 million and RMB155.0 million, accounting for 36.0%, 49.7% and 26.8% of our total revenue, respectively.

We source key raw materials and consumables used for our operations, primarily including copper foils, aluminum foils, polymer substrates, target materials, copper oxide powder as well as binders, graphite, and carbon black required for slurry formulation, from qualified suppliers. During the Track Record Period, our major suppliers were primarily located in China and South Korea. In 2023, 2024 and 2025, purchases from the five largest suppliers in each year during the Track Record Period were RMB44.1 million, RMB254.4 million and RMB438.6 million, respectively, accounting for 75.6%, 74.0% and 78.3% of our total purchases, respectively. Purchases from the single largest supplier in each year during the Track Record Period were RMB33.5 million, RMB135.3 million and RMB221.8 million, accounting for 57.4%, 39.3% and 39.6% of our total purchases, respectively.

COMPETITIVE LANDSCAPE

We operate in the advanced functional current collector market, which is characterized by high technological barriers and increasing concentration as leading players scale up production and strengthen supply chain integration. The global market for advanced functional current collectors comprises two major segments: composite current collectors and functional interface current collectors, each with distinct competitive dynamics.

Driven by the need to improve interface stability, cycle life and fast-charging capabilities, along with growing demand for EVs, energy storage systems, consumer batteries and other emerging applications, advanced functional current collectors are experiencing rapid adoption in next-generation lithium-ion batteries. Global consumption increased from 1,332.0 million sq.m. in 2021 to 9,287.8 million sq.m. in 2025, and is expected to reach 60,666.0 million sq.m. by 2031, representing a CAGR of 34.4% from 2026 to 2031. This growth reflects the accelerating penetration of advanced materials in high-performance battery technologies.

Functional interface current collectors represent the more commercially mature segment of the advanced functional current collector market. By applying functional interface layers to conventional copper or aluminum foils, Functional interface current collectors enhance interface stability, conductivity and fast-charging performance of lithium-ion batteries while maintaining

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compatibility with existing battery manufacturing processes. As a result, they have achieved broader commercial adoption and currently represent the primary source of demand in the advanced functional current collector market. According to Frost & Sullivan, the global consumption volume of functional interface current collectors increased from 49.5 thousand tons in 2021 to 352.6 thousand tons in 2025, and is expected to reach 1,813.0 thousand tons by 2031, representing a CAGR of 27.6% between 2026 and 2031.

The composite current collector market is at an early stage of commercialization, with 2024 considered as the initial year of this product. Driven by demand for enhanced safety performance, high-energy-density batteries and reduced overall battery weight, global consumption is expected to increase from 105.6 million sq.m. in 2026 to 14,289.5 million sq.m. by 2031, representing a CAGR of 166.9% during the period.

According to Frost & Sullivan, the global functional interface current collector market is highly concentrated, with the top five manufacturers accounting for 87.7% of global shipments in 2025. In terms of shipment volume, we ranked third globally in 2025 with shipments of 12.5 thousand tons and a market share of 11.0%. In the composite current collector segment, Chinese companies dominate the global market through significant R&D investment, proprietary material patents and deposition innovations. With an annual production capacity of 62.9 million sq.m., we ranked first globally among composite current collector manufacturers as of December 31, 2025.

We believe we are well-positioned to capture growth opportunities in the advanced functional current collector industry through our leading production capacity, proprietary material technologies and integrated supply chain capabilities. Our ability to deliver customized solutions for high-energy-density batteries, combined with strong partnerships across the value chain, enables us to address evolving customer needs in sectors such as automotive, energy storage, photovoltaics, high-end electronics and aerospace. Leveraging these competitive advantages, we aim to consolidate our leadership position and drive innovation across emerging application scenarios.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary of historical financial information data set forth below has been derived from, and should be read in conjunction with, our consolidated audited financial statements, including the accompanying notes, set forth in the Accountants’ Report set out in Appendix I to this document, as well as the information set forth in the section headed “Financial Information.” Our historical financial information was prepared in accordance with IFRS Accounting Standards.

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Summary Data of Consolidated Statements of Profit or Loss and Other Comprehensive Income

The following table sets forth a summary of our consolidated results of operations for the years presented:

	Year ended December 31,		
	2023	2024	2025
		<i>(RMB in thousands)</i>	
Revenue	21,946	257,983	578,626
Cost of sales	(30,742)	(320,905)	(628,287)
Gross loss	(8,796)	(62,922)	(49,661)
Other income and gains	9,321	6,739	8,095
Other expenses	—	—	(1,017)
Selling expenses	(13,040)	(20,209)	(22,873)
Administrative expenses	(115,971)	(51,706)	(102,015)
R&D expenses	(66,238)	(93,618)	(146,579)
Impairment of financial assets	—	(2,832)	(4,772)
Finance costs	(16,010)	(19,079)	(17,410)
Loss before tax	(210,734)	(243,627)	(336,232)
Income tax credit/(expense)	929	518	(318)
Loss for the year	<u>(209,805)</u>	<u>(243,109)</u>	<u>(336,550)</u>
Attributable to:			
Owners of the Company	<u>(209,805)</u>	<u>(243,109)</u>	<u>(336,550)</u>
Other comprehensive loss			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	—	(64)	(276)
Other comprehensive loss for the year, net of tax	—	(64)	(276)
Total comprehensive loss for the year attributable to owners of the Company	<u>(209,805)</u>	<u>(243,173)</u>	<u>(336,826)</u>

Non-IFRS Measure

To supplement our consolidated financial statements, which are presented in accordance with IFRS Accounting Standards, we also use adjusted net loss (non-IFRS measure) as an additional financial measure, which is not required by or presented in accordance with IFRS Accounting Standards. 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, providing useful information to investors and others to help them understand and evaluate our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net loss may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards. We define adjusted net loss (non-IFRS measure) as net loss for the year adjusted by adding back share-based payment

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expenses and [REDACTED] incurred in connection with the [REDACTED]. The following table reconciles our adjusted net loss (non-IFRS measure) for the years presented to the most directly comparable financial measure calculated and presented in accordance with IFRS Accounting Standards, which is net loss for the year:

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Loss for the year	(209,805)	(243,109)	(336,550)
Add:			
Share-based payment expenses ⁽¹⁾	66,463	—	35,484
[REDACTED]	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>
Adjusted net loss (non-IFRS measure)	<u><u>(143,342)</u></u>	<u><u>(243,109)</u></u>	<u><u>(283,172)</u></u>

Notes:

(1) Share-based payment expenses represented the non-cash employee benefit expenses incurred in connection with our award to directors, management and employees.

[REDACTED]

See “Financial Information — Description of Major Components of Our Results of Operations — Non-IFRS Measure.”

Our adjusted net loss (non-IFRS measure) was RMB143.3 million, RMB243.1 million and RMB283.2 million in 2023, 2024 and 2025, respectively. These amounts are primarily attributable to the net loss for the year as reported under IFRS Accounting Standards, as further adjusted by share-based payment expenses in connection with awards granted to directors, management and employees, and [REDACTED] including professional fees and other costs incurred in connection with the [REDACTED]. The adjustments reflect non-cash or non-recurring items that we believe are not indicative of our underlying operating performance for the relevant years.

Revenue

We generated revenue from (i) sales of products, consisting primarily of FICC, ADCC, other products and byproducts generated during our production process, and (ii) provision of technology solutions in connection with our ADCC. See “— Our Products and Solutions.”

Revenue by Geographic Location

We began to expand into overseas markets in 2023. Our overseas activities primarily comprised product sales and the provision of technology solutions for ADCC. The following table sets forth a breakdown of our revenue by geographical location, each expressed in absolute amount and as a percentage of our total revenue, for the years indicated:

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	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
Chinese Mainland	21,611	98.5	248,673	96.4	459,318	79.4
Asia-Pacific (excluding Chinese Mainland)	204	0.9	1,232	0.5	89,019	15.4
Europe	—	—	7,735	3.0	29,977	5.2
Americas	131	0.6	343	0.1	312	0.0
Total	21,946	100.0	257,983	100.0	578,626	100.0

See “Financial Information — Description of Key Components of Our Results of Operations — Revenue.”

Gross Profit/(Loss) and Gross Profit/(Loss) Margin

We recorded gross loss of RMB8.8 million, RMB62.9 million and RMB49.7 million in 2023, 2024 and 2025, respectively, representing a gross loss margin of 40.1%, 24.4% and 8.6% for the respective years. The following table sets forth our gross profit/(loss) in absolute amounts and gross profit/(loss) margin for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentages)</i>					
Sales of products	(8,796)	(40.1)	(65,378)	(26.1)	(69,089)	(12.6)
Provision of technology solutions	—	—	2,456	31.8	19,428	64.6
Total	(8,796)	(40.1)	(62,922)	(24.4)	(49,661)	(8.6)

See “Financial Information — Description of Key Components of Our Results of Operations — Gross Loss and Loss Margin.”

BUSINESS SUSTAINABILITY

Despite our rapid revenue growth during the Track Record Period, we remained loss-making and recorded net operating cash outflows. We recorded gross loss of RMB8.8 million, RMB62.9 million and RMB49.7 million in 2023, 2024 and 2025, respectively, while our gross loss margin narrowed from 40.1% in 2023 to 24.4% in 2024 and further to 8.6% in 2025. We incurred loss before income tax of RMB210.7 million, RMB243.6 million and RMB336.2 million in 2023, 2024 and 2025, respectively, while our loss before income tax margin narrowed from 960.2% in 2023 to 94.4% in 2024 and 58.1% in 2025. We also recorded net cash used in operating activities of RMB164.8 million, RMB338.2 million and RMB297.1 million in 2023, 2024 and 2025, respectively.

Reasons for Historical Loss

Our historical gross loss position, loss before income tax and net operating cash outflows were primarily attributable to (i) substantial upfront R&D investments as a technology-driven company to develop and optimize our advanced functional current collector products and solutions, improve product performance and production processes, support customer validation and expand

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our product pipeline; (ii) our capital-intensive manufacturing model, which required substantial upfront investment in production bases, specialized production lines and customized equipment; (iii) relatively low production capacity utilization during production ramp-up, as our production volume had not yet increased proportionately with our expanded capacity and our existing production capacity had not yet reached the critical mass required to fully realize economies of scale; (iv) production and operational arrangements still being optimized during the initial stage of commercialization; and (v) external cost and commercial pressures during the early commercialization stage, including high raw material, consumables and service costs relative to revenue, developing supplier and customer arrangements, pricing pressure and changes in product and customer mix, and working capital investment required for rapid business expansion.

Path to Profitability

In the foreseeable future, we plan to improve our financial performance and progress toward profitability by expanding our revenue and business scale, improving our gross margin through higher production utilization and cost optimization, and enhancing operating efficiency while maintaining disciplined investment in R&D and commercialization. In particular, we plan to expand our revenue and business scale by (i) increasing sales volume and market adoption of our core products to support higher production utilization and better absorption of fixed manufacturing costs as order scale increases; (ii) deepening cooperation with existing customers and expanding our customer base by supporting customer validation and evolving product requirements across new battery platforms and application scenarios; (iii) advancing commercialization of ADCC and other next-generation products, including bipolar current collectors, dry electrode current collectors and pipeline products for solid-state battery applications; and (iv) broadening overseas markets and application scenarios, including photovoltaics, high-end electronics and aerospace. In light of the decrease in ASPs of our major products during the Track Record Period, we also intend to manage the impact of pricing pressure through higher sales volume, product mix optimization and expansion of technology solutions.

We plan to improve our gross margin and operating efficiency by (i) increasing production utilization and manufacturing efficiency to better absorb fixed manufacturing costs; (ii) enhancing production planning, line scheduling, equipment operation and labor allocation, improving product yield and material utilization, and reducing repeated production adjustments, downtime and production waste; (iii) optimizing raw material procurement, improving material utilization and reducing production costs through supplier qualification, volume-based procurement, long-term procurement arrangements, procurement specifications more compatible with our production processes, process optimization and stricter quality control; (iv) optimizing our product and order mix toward higher value-added products and solutions and customer portfolios with clearer technical requirements, more stable demand and better compatibility with our production capabilities; (v) improving R&D efficiency through milestone-based project management and closer coordination among R&D, production and quality control teams; (vi) enhancing sales and marketing efficiency through more targeted resource allocation; (vii) improving administrative efficiency through budgeting, standardized workflows and disciplined headcount and expense control; and (viii) strengthening operating cash flow management through customer credit assessment, payment tracking, inventory planning and management of procurement, prepayments and deposits based on actual production and project needs.

See “Business — Business Sustainability” and “Financial Information” for further details.

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DISCUSSION OF CERTAIN KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth selected information from our consolidated balance sheets as of the dates indicated, which have been extracted from our consolidated financial statements included in Appendix I to this document:

	As of December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Total non-current assets	640,340	820,928	948,503
Total current assets	587,004	498,236	995,990
Total assets	1,227,344	1,319,164	1,944,493
Total non-current liabilities	238,607	269,743	194,823
Total current liabilities	171,261	334,627	428,129
Total liabilities	409,868	604,370	622,952
Net current assets	415,743	163,609	567,861
Net assets	817,476	714,794	1,321,541
Equity attributable to owners of the Company			
Paid-in capital/Share Capital	221,880	232,940	322,140
Reserves	595,596	481,854	999,401
Total equity	817,476	714,794	1,321,541

Our net current assets decreased from RMB567.9 million as of December 31, 2025 to RMB482.5 million as of April 30, 2026. This was primarily attributable to an increase in trade and bills payables in line with our increased procurement of raw materials to support production ramp-up. Such decrease was partially offset by increases in trade and bills receivables, reflecting growth in customer orders, and pledged deposits, which increased in line with trade and bills payables.

Our net current assets increased from RMB163.6 million as of December 31, 2024 to RMB567.9 million as of December 31, 2025. This was primarily due to (i) an increase in cash and cash equivalents from the [REDACTED] of the pre-[REDACTED] investment, (ii) an increase in financial assets at fair value through profit or loss following our purchase of wealth management products, (iii) growth in trade and bills receivables in line with business expansion, and (iv) a decrease in interest-bearing bank and other borrowings resulting from the conversion of convertible bonds in connection with the pre-[REDACTED] investment, which was partially offset by an increase in trade and bills payables due to higher raw material purchases driven by sales growth.

Our net current assets decreased from RMB415.7 million as of December 31, 2023 to RMB163.6 million as of December 31, 2024. This was primarily due to (i) an increase in trade and bills payables and interest-bearing borrowings, and (ii) an increase in other payables and accruals mainly related to construction and equipment payments, partially offset by an increase in prepayments and deposits reflecting raw material purchases.

Our net assets decreased from RMB817.5 million as of December 31, 2023 to RMB714.8 million as of December 31, 2024, primarily due to total comprehensive loss for the year of RMB243.1 million, partially offset by capital contributions from shareholders of RMB140.5

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million. Our net assets increased from RMB714.8 million as of December 31, 2024 to RMB1,321.5 million as of December 31, 2025, primarily due to (i) capital contributions from shareholders of RMB757.9 million and (ii) conversion of convertible bonds of RMB150.1 million, partially offset by total comprehensive loss for the year of RMB336.8 million.

See “Financial Information — Discussion of Certain Key Items of Consolidated Statements of Financial Position.”

Cash Flow

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

	Year ended December 31,		
	2023	2024	2025
	<i>(RMB in thousands)</i>		
Net cash used in operating activities	(164,786)	(338,199)	(297,065)
Net cash (used in)/generated from investing activities	(474,936)	65,480	(313,433)
Net cash generated from financing activities	622,259	206,315	783,636
Net increase/(decrease) in cash and cash equivalents	(17,463)	(66,404)	173,138
Cash and cash equivalents at beginning of year	237,118	219,655	153,187
Effect of foreign exchange rate changes, net	—	(64)	(276)
Cash and cash equivalents at the end of the year	219,655	153,187	326,049

In 2025, our net cash used in operating activities was RMB297.1 million. Our net cash used in operating activities is calculated by adjusting our loss before income tax of RMB336.2 million with non-cash and non-operating items and movements in working capital. Adjustments of non-cash and non-operating items primarily comprised (i) depreciation of property plant and equipment of RMB59.2 million, (ii) share-based payment expense of RMB35.5 million, and (iii) finance costs of RMB17.4 million, partially offset by government grants and subsidies. Our movements in working capital primarily comprised (1) an increase in trade and bills receivables of RMB334.1 million, (2) an increase in prepayments, deposits and other receivables of RMB43.6 million, and (3) an increase in inventories of RMB43.1 million, partially offset by (a) an increase in trade and bills payables of RMB298.6 million and (b) an increase in other payables and accruals of RMB47.8 million.

In 2024, our net cash used in operating activities was RMB338.2 million. Our net cash used in operating activities is calculated by adjusting our loss before income tax of RMB243.6 million in 2024 with non-cash and non-operating items and movements in working capital. Adjustments of non-cash and non-operating items primarily comprised (i) finance costs of RMB19.1 million, (ii) depreciation of property, plant and equipment of RMB37.2 million, (iii) depreciation of right-of-use assets of RMB7.2 million, (iv) impairment of trade receivables of RMB2.8 million, and (v) write-down of inventories of RMB8.5 million, partially offset by investment income from financial assets at fair value through profit or loss and government grants and subsidies of RMB4.6 million. Our movements in working capital primarily comprised (1) an increase in inventories of RMB77.3 million, (2) an increase in trade and bills receivables of RMB151.4

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million, and (3) an increase in prepayments, deposits and other receivables of RMB10.5 million, partially offset by (a) an increase in trade and bills payables of RMB61.7 million and (b) an increase in other payables and accruals of RMB14.1 million.

In 2023, our net cash used in operating activities was RMB164.8 million. Our net cash used in operating activities is calculated by adjusting our loss before income tax of RMB210.7 million with non-cash and non-operating items and movements in working capital. Adjustments of non-cash and non-operating items primarily comprised (i) finance costs of RMB16.0 million, (ii) depreciation of property, plant and equipment of RMB18.0 million, (iii) depreciation of right-of-use assets of RMB6.9 million, and (iv) share-based payment expenses of RMB66.5 million, partially offset by investment income from financial assets at fair value through profit or loss and government grants and subsidies of RMB7.2 million. Our movements in working capital primarily comprised (1) an increase in inventories of RMB30.5 million, (2) an increase in trade and bills receivables of RMB17.2 million, and (3) an increase in prepayments, deposits and other receivables of RMB40.2 million, partially offset by (a) an increase in trade and bills payables of RMB29.8 million and (b) an increase in other payables and accruals of RMB5.3 million.

See “Financial Information — Liquidity and Capital Resources — Cash Flows.”

KEY FINANCIAL RATIOS

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

	Year ended/As of December 31,		
	2023	2024	2025
Revenue growth (%)	N/A	1,075.5	124.3
Net loss margin ⁽¹⁾ (%)	(956.0)	(94.2)	(58.2)
Adjusted net loss margin (non-IFRS measure) ⁽²⁾ (%)	(653.2)	(94.2)	(48.9)
Current ratio ⁽³⁾	3.4	1.5	2.3
Quick ratio ⁽⁴⁾	3.2	1.2	2.0
Gearing ratio ⁽⁵⁾ (%)	33.4	45.8	32.0

Notes:

- (1) Net loss margin is calculated by dividing net loss by our revenue for the year indicated.
- (2) Adjusted net loss margin (non-IFRS measure) is calculated by dividing adjusted net loss (non-IFRS measure) by our revenue for the year indicated.
- (3) Current ratio is calculated by dividing current assets by current liabilities as of the relevant end of year.
- (4) Quick ratio is calculated by subtracting inventories from current assets and then dividing the result by current liabilities as of the end of the year.
- (5) Gearing ratio is calculated by dividing total liabilities by total assets as of the relevant end of year and multiplied by 100%.

APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the [REDACTED] for the granting of [REDACTED] of, and permission to deal in, our H Shares to be [REDACTED] pursuant to the [REDACTED] (including any H Shares which may be [REDACTED] pursuant to the exercise of the [REDACTED]) and the H Shares to be converted from Domestic [REDACTED] Shares, on the basis that, among others, we satisfy the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules, with reference to (i) our revenue of RMB578.6 million (equivalent to approximately HK\$662.0 million) in 2025 exceeds HK\$500 million, and (ii) our expected market capitalization at the time of [REDACTED], which, based on the low-end of the indicative [REDACTED] range, exceeds HK\$4,000,000,000.

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[REDACTED]

The statistics in the following table are based on the assumptions that [REDACTED] H Shares will be [REDACTED] pursuant to the [REDACTED], [REDACTED] Shares will be converted into H Shares and the [REDACTED] are not exercised:

	Based on the [REDACTED] of HK\$[REDACTED]	Based on the [REDACTED] of HK\$[REDACTED]
Market capitalization of our Shares ⁽¹⁾	HK\$[REDACTED]	HK\$[REDACTED]
Unaudited [REDACTED] adjusted consolidated net tangible assets per Share ⁽²⁾	HK\$[REDACTED]	HK\$[REDACTED]

Notes:

- (1) The calculation of market capitalization is based on [REDACTED] Shares expected to be in [REDACTED] immediately upon completion of the [REDACTED].
- (2) The unaudited [REDACTED] adjusted consolidated net tangible assets per Share is arrived at after making the adjustments referred to in “Appendix II — Unaudited [REDACTED] Financial Information” and on the basis that [REDACTED] Shares are in [REDACTED] assuming the [REDACTED] had been completed on December 31, 2025 for the purpose of the [REDACTED] financial information, without taking into account any Shares which may be [REDACTED] upon the exercise of the [REDACTED].

OUR SINGLE LARGEST SHAREHOLDERS GROUP

As of the Latest Practicable Date, Mr. Zhang was interested in approximately 24.64% of our total issued share capital, indirectly through Jiangyin Ruiyuanda (22.00%) and Yangzhou Nayuan (2.64%). Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Mr. Zhang, Jiangyin Ruiyuanda and Yangzhou Nayuan will be entitled to control the exercise of [REDACTED]% of the voting rights at the general meetings of our Company and will constitute the Single Largest Shareholders Group of our Company upon [REDACTED]. See “Relationship with Our Single Largest Shareholders Group” for further details.

PRE-[REDACTED] INVESTORS

We have engaged in Pre-[REDACTED] Investments with our Pre-[REDACTED] Investors. For further details of the identity and background of the Pre-[REDACTED] Investors and the principal terms of the Pre-[REDACTED] Investments, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments.”

[REDACTED]

[REDACTED] represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] will be approximately HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the indicative [REDACTED] range) and no exercise of the [REDACTED]), which accounts for approximately [REDACTED]% of the gross [REDACTED] from the [REDACTED]. We estimate the [REDACTED] to consist of approximately HK\$[REDACTED] in [REDACTED] and HK\$[REDACTED] in non-[REDACTED] (which consist of fees and expenses of legal advisors and our Reporting Accountant of approximately HK\$[REDACTED] and other fees and expenses of approximately HK\$[REDACTED]). In 2025, we incurred [REDACTED] of HK\$[REDACTED], HK\$[REDACTED] of which was charged to our consolidated statements of profit or loss and other comprehensive income, and HK\$[REDACTED] of which was attributable to the [REDACTED] of Shares and will be deducted from equity. We expect to incur additional [REDACTED] of approximately HK\$[REDACTED] after the Track Record Period, approximately HK\$[REDACTED] of which is expected to be charged to our consolidated statements of profit or

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loss and other comprehensive income, and approximately HK\$[REDACTED] of which is attributable to the [REDACTED] of Shares and will be deducted from equity upon [REDACTED]. The [REDACTED] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

RISK FACTORS

Our business and the [REDACTED] involve certain risks, as set out in the “Risk Factors” section of this document. You should read that section in its entirety carefully before you decide to invest in our H Shares. We believe the most significant risks we face include but are not limited to the following: (i) our ability to develop new products with advanced technology that adapt to changing market demand and customer needs in a cost-effective and timely manner is critical to our business and competitive position; (ii) our competitiveness depends on significant R&D investment, which may impact our short-term profitability; (iii) we may not be able to obtain or maintain adequate intellectual property rights protection for our products, or the scope of such protection may not be sufficiently broad; (iv) we may become involved in lawsuits to protect or enforce our intellectual property, which could be expensive, time-consuming and unsuccessful and our patent rights relating to our products could be found invalid or unenforceable if being challenged; (v) if third parties claim that we infringe upon their intellectual property rights, we may incur liabilities and financial penalties and may have to redesign or discontinue selling relevant products; (vi) changes in intellectual property laws or their interpretation could affect the scope and value of our patent and copyright protection; (vii) we may be unable to protect the confidentiality of our trade secrets and know-how, and we may be subject to claims that we, or our employees or our business partners have wrongfully used or disclosed trade secrets or know-how allegedly owned by others; (viii) we may not be able to protect our intellectual property rights globally; (ix) we have a limited track record of commercialization, and there is no assurance that we will be able to maintain our continued growth in the future; and (x) our ability to attract new customers or retain existing customers will affect our business, financial condition and results of operations. See “Risk Factors” for details.

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED], after deducting the [REDACTED] and estimated expenses payable by us in connection with the [REDACTED], assuming the [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED]) and assuming that the [REDACTED] is not exercised. We intend to use the net [REDACTED] from the [REDACTED] for the following purposes: (i) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], of the net [REDACTED] is expected to be used to expand our production capacity and upgrade production lines to meet the growing market demand of our products; (ii) approximately [REDACTED]%, or HK\$[REDACTED], of the net [REDACTED] is expected to be used to strengthen our technological leadership and enhance our R&D and talent pool for sustainable innovation and competitiveness and (iii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], of the net [REDACTED] is expected to be used for working capital and for general corporate purposes. See “Future Plans and Use of [REDACTED]” for details.

DIVIDEND POLICY

No dividend was paid or declared by our Company or other entities comprising our Group during the Track Record Period. Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. We currently do not have a formal dividend policy or any fixed dividend pay-out ratio. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. As advised by our PRC Legal Advisor, according to relevant PRC laws, any future net profit that we make will

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have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will, therefore, only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

RECENT DEVELOPMENTS

Post the Track Record Period and up to the Latest Practicable Date, we had maintained steady growth in our business operations. For the four months ended April 30, 2026, the sales volume of our FICC products increased to 6,900.6 tonnes, representing an increase of 286.7% from 1,784.8 tonnes for the same period in 2025, while the production volume of our FICC products increased to 6,871.8 tonnes, representing an increase of 211.7% from 2,204.8 tonnes for the same period in 2025. Our production capacity utilization rates for FICC increased from 28.1% for the four months ended April 30, 2025 to 78.0% for the four months ended April 30, 2026, respectively, primarily reflecting higher customer orders and production volume for FICC.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work that our Directors consider appropriate, and after due and careful consideration, our Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the end date of the periods reported on in the Accountants' Report in Appendix I to this document, and there has been no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this document.