OVERVIEW

The history of the Group began in August 2011, when Jiangsu Union, a currently wholly-owned subsidiary of the Company, was established and commenced its exploration into the semiconductor packaging and testing industry. The Company was founded in Hefei, the PRC in December 2015 and acquired the entire equity interest in Jiangsu Union in July 2016. In August 2022, the A Shares of the Company were listed on the STAR Market with stock code 688403. Over the years, the Group has evolved into a globally leading company specializing in semiconductor packaging and testing service and focusing on advanced packaging and testing solutions for DDICs.

MILESTONES

The following sets out the summary of the Company's key business development milestones:

Year	Milestone
2011	Jiangsu Union, a currently wholly-owned subsidiary of the Company, was established in Yangzhou, the PRC.
2015	The Company was established and headquartered in Hefei, the PRC.
2016	The Company acquired the entire equity interest in Jiangsu Union and Jiangsu Union became a wholly-owned subsidiary of the Company.
2017	The Group's packaging and testing base in Hefei, the PRC completed construction and commenced operation, making the Group one of the earliest companies in the Chinese mainland to possess 12-inch wafer bumping capabilities.
2020	The Group's monthly average production capacity of gold bumping (12 inches) exceeded 10,000 pieces.
2022	The A Shares of the Company were listed on the STAR Market (stock code: 688403).
2023	The Group's monthly average production capacity of gold bumping (12 inches) exceeded 30,000 pieces.
2024	The Company obtained IATF 16949:2016 certification in automotive chip packaging.
2025	The Group's monthly average production capacity of gold bumping (12 inches) exceeded 50,000 pieces, incorporating alternative bumping processes, including copper-nickel-gold and palladium-gold. The Group launched its initiative in the DRAM packaging sector.

MAJOR SUBSIDIARY

The following sets out the principal business activities, place of establishment and date of establishment of the Company's major subsidiary.

Name of subsidiary	Place of establishment	Date of establishment	Equity interest attributable to the Company	Principal business activities
Jiangsu Union	PRC	August 29, 2011	100%	Display driver IC packaging and testing

MAJOR SHAREHOLDING CHANGES OF THE COMPANY

Early Development and Conversion into a Joint Stock Company

On December 18, 2015, the Company was established under the laws of the PRC as a limited liability company with an initial registered capital of RMB1,000,000 which was held as to 50.45% by Yangzhou Xinruilian, 25.99% by Jiaxing Gaohe Equity Investment Fund Partnership (Limited Partnership) (嘉興高和股權投資基金合夥企業(有限合夥), now known as Jiaxing Gaohe Venture Capital Partnership (Limited Partnership) (嘉興高和創業投資合夥企業(有限合夥)) (an Independent Third Party), 15.90% by Yangzhou Jiahui Investment Management Consulting Co., Ltd. (揚州嘉慧投資管理諮詢有限公司) (an Independent Third Party), 3.84% by Jiangsu Gaotou Bangsheng Venture Capital Partnership (Limited Partnership) (江蘇高投邦盛創業投資合夥企業(有限合夥)) (an Independent Third Party) and 3.82% by Yangzhou Jinhai Technology Microfinance Co., Ltd. (揚州市金海科技小額貸款有限公司) (an Independent Third Party). Between 2015 and 2021, the Company underwent several rounds of capital increases and equity transfers, upon completion of which its registered capital increased to RMB667,882,624.40.

On March 30, 2021, the Company was converted into a joint stock company with limited liability. Upon completion of the conversion, the Company had a total share capital of RMB667,882,625 divided into 667,882,625 Shares, which were held as to approximately 26.07% by Yangzhou Xinruilian, 5.65% by Converge Achievement, 3.53% by Ms. Yang, 1.87% by Potential International, 1.66% by Hefei Xincheng and 61.22% by 31 other then Shareholders of the Company, each holding less than 10% of the then total issued share capital and an Independent Third Party.

Listing on the STAR Market

In August 2022, the A Shares of the Company were listed on the STAR Market (stock code: 688403) (the "**A-Share Listing**"). The Company offered a total of 166,970,656 A Shares under the A-Share Listing, representing approximately 20% of the Company's enlarged share capital immediately following the completion of the A-Share Listing. Immediately upon the completion of the A-Share Listing, the share capital of the Company increased to RMB834,853,281.

Issuance of Convertible Bonds in 2024 and Redemption in 2026

To satisfy funding needs of the Company for, among other things, the expansion projects of the Company's bumping manufacturing, wafer testing and flip chip packaging, on August 7, 2024, the Company conducted public issuance of convertible bonds (the "**Convertible Bonds**") and raised gross proceeds of RMB1,148,700,000. The Convertible Bonds were listed on the Shanghai Stock Exchange (bond code: 118049) on September 2, 2024. The conversion period of the Convertible Bonds commenced from the first trading day after six months from the date of completion of the issuance of the Convertible Bonds to the maturity date of the Convertible Bonds, i.e., from February 13, 2025 to August 6, 2030 with the initial conversion price of RMB7.70 per A Share, which was determined after taking into account, among other things, the average trading price of A Shares prior to the date of the offering circular in respect of the Convertible Bonds and was subject to adjustments under the circumstances including, among other things, dividend distribution, increase in the share capital and new share issuance.

During the conversion period, the Company has the right to conditionally redeem part or all of the Convertible Bonds at its principal amount together with accrued and unpaid interest. On April 27, 2026, the Company exercised its conditional redemption rights to redeem all outstanding Convertible Bonds at a total consideration of RMB1,653,769.12. During the conversion period from February 13, 2025 to April 27, 2026, a total of 150,727,890 A Shares were issued by the Company to the holders of the Convertible Bonds upon exercise of the conversion rights, and the Company's total issued share capital increased to RMB990,938,171 in April 2026. The Convertible Bonds were delisted from the Shanghai Stock Exchange on April 28, 2026.

MATERIAL ACQUISITION, MERGER AND DISPOSAL

Throughout the Track Record Period and up to the Latest Practicable Date, the Company did not conduct any material acquisition, merger or disposal.

LISTING ON THE STAR MARKET AND REASONS FOR THE H SHARE [REDACTED]

Since August 2022, the A Shares of the Company have been listed on the STAR Market.

On May 11, 2026, the Anhui Regulatory Bureau of the CSRC (中國證券監督管理委員會安徽監管局) issued a caution letter (the "**Caution Letter**"), and on May 14, 2026, the Shanghai Stock Exchange issued a circulated criticism (the "**Circulated Criticism**"), to the Company, Mr. Cheng (in his capacity as the chairman of the Board and general manager of the Company), Ms. Yan Liu (in her capacity as the finance director of the Company) and Mr. Xi Xie (in his capacity as the Board secretary) in relation to the Company's failure to carry out the requisite review procedures in a timely manner and make timely disclosure in respect of the investments in Hefei WinRock Electric Limited (合肥萬諾康電子有限公司) and Hefei Xinfeng Technology Inc. (合肥鑫豐科技有限公司), each a related party of the Company, in July 2025 and December 2025, respectively, which constituted related party transactions of the Group. For details of the related parties of the Company, please refer to Note 37 to the Accountants' Report as set out in Appendix I to this document.

Following the identification of such related party transactions in March 2026, the Company had completed the requisite corporate review and approval procedures (including approvals from the Board and/or the Shareholders), made public disclosure on details of the relevant investments and reported the matter to the relevant regulatory authorities. The Company has also implemented further comprehensive rectification measures, including: (i) reviewing and enhancing its internal policies and procedures relating to related party transactions, including but not limited to the identification of related parties and the periodic review of the list of related parties; (ii) strengthening internal coordination, compliance review and internal audit mechanisms; and (iii) organizing targeted and ongoing training for the Directors, senior management and relevant personnel of the Company on applicable PRC regulatory requirements and corporate governance practices in respect of related party transactions. As of the Latest Practicable Date, no further regulatory actions had been taken against the Company by the relevant authorities in relation to the Caution Letter and the Circulated Criticism. As advised by the PRC Legal Advisor, the Caution Letter and the Circulated Criticism do not constitute administrative penalty under PRC laws and are not regarded as material non-compliance. The Company has completed the rectifications with respect to the Caution Letter and the Circulated Criticism in the prescribed timeframe and submitted a rectification report to each of the Anhui Regulatory Bureau of the CSRC and the Shanghai Stock Exchange, respectively.

The Directors confirm that, since the A-Share Listing and up to the Latest Practicable Date, there had been no instances of material non-compliance of the Company with the applicable rules of the Shanghai Stock Exchange and other applicable PRC securities laws and regulations. To the best knowledge of the Directors, there are no material matters in relation to the compliance record of the Company on the Shanghai Stock Exchange that should be brought to the attention of the

Stock Exchange or potential investors of the [REDACTED]. The PRC Legal Advisor is of the view that, since the A-Share Listing and up to the Latest Practicable Date, there had been no instances of material non-compliance of the Company with the applicable rules of the Shanghai Stock Exchange and other applicable PRC securities laws and regulations. Based on the independent due diligence conducted by the Sole Sponsor and the PRC Legal Advisor's view above, no material matter has come to the Sole Sponsor's attention that would reasonably cause them to disagree with the Directors' confirmation with regard to the compliance records of the Company on the Shanghai Stock Exchange.

The Company seeks to [REDACTED] its H Shares on the Stock Exchange to raise additional capital for business growth and expansion, diversify its fundraising channels, deepen its strategic layout of globalization, and optimize its capital structure and shareholder composition to support sustainable development and governance. See "Business — Our Growth Strategies" and "Future Plans and Use of [REDACTED]" in this document for more details.

PUBLIC FLOAT AND FREE FLOAT

Pursuant to Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules, as the Company has Shares apart from the H Shares for which the [REDACTED] is sought, the H Shares for which the [REDACTED] is sought that are held by the public, at the time of the [REDACTED], must (a) represent at least 10% of the Company's total number of issued Shares (excluding treasury shares); or (b) have an expected market value of not less than HK$3 billion.

The total number of the H Shares to be issued pursuant to the [REDACTED] represents approximately [REDACTED]% of the total issued share capital of the Company (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the 2023 Restricted Share Incentive Plan). It is expected that upon [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the 2023 Restricted Share Incentive Plan), the H Shares that are held by the public represent approximately [REDACTED]% of the total issued share capital of the Company, which is higher than the prescribed percentage of the H Shares required to be held by the public of 10% under Rule 19A.13A(2) of the Listing Rules, thereby satisfying Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules.

Based on an [REDACTED] of HK$[REDACTED] per H Share, being the low end of the indicative [REDACTED] range, the Company will satisfy the free float requirement under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules.

CORPORATE STRUCTURE

Corporate Structure Immediately before the [REDACTED]

The following chart sets forth the shareholding and corporate structure of the Group immediately before the [REDACTED]:

Notes:

(1) As of the Latest Practicable Date, (i) the remaining partnership interest in each of Yangzhou Xinruilian and Hefei Bairuifa was held by Ms. Ji Nian (紀念) as a limited partner, and (ii) the remaining equity interest in each of Bai Rui Fa Investment and Converge Achievement was owned by Mr. Shen Kuo-wei (沈國威), the spouse of Ms. Ji Nian and the son of Mr. Shen Chien-wei (a non-executive Director).

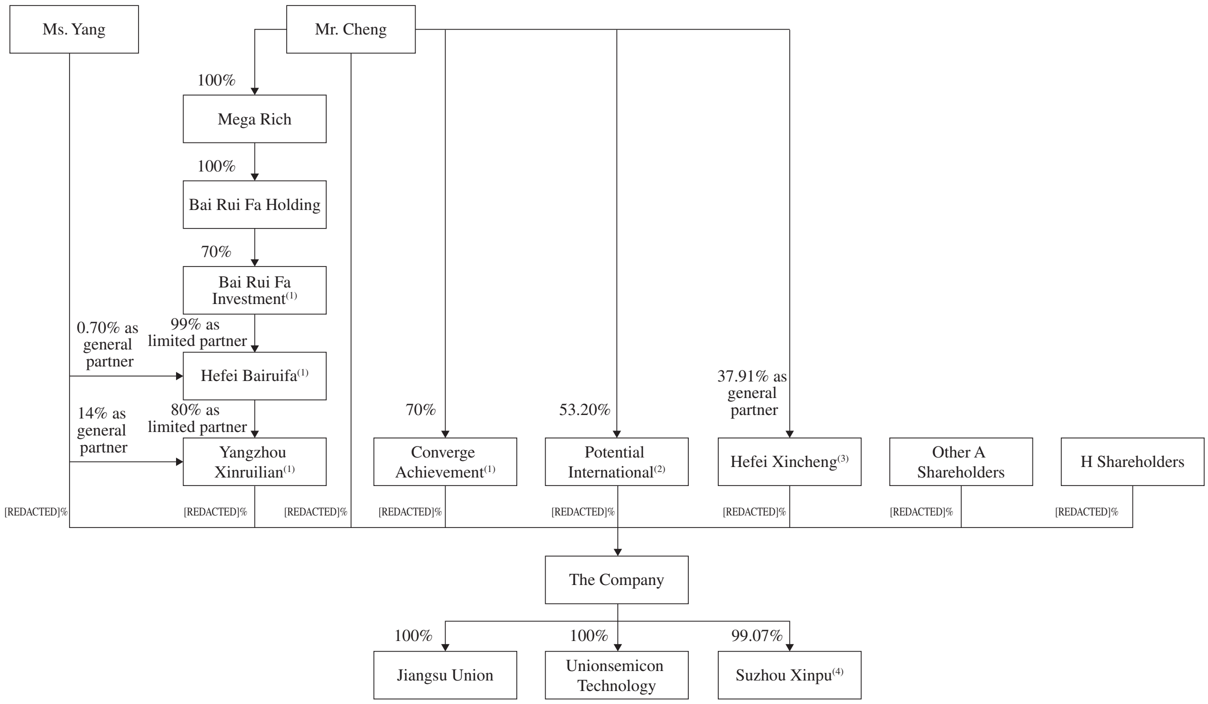
(2) Potential International is an employee shareholding platform established prior to the A-Share Listing. As of the Latest Practicable Date, the remaining equity interest in Potential International was held as to approximately 4.80% by Mr. Lin Wen-hao (an executive Director, the deputy general manager and director of R&D center of the Company) and 42.00% by 18 other shareholders, each a current or former employee of the Group and an Independent Third Party.

(3) Hefei Xincheng is an employee shareholding platform established prior to the A-Share Listing. As of the Latest Practicable Date, Hefei Xincheng was held as to approximately 37.91% by Mr. Cheng as its general partner, 15.86% by Hefei Baoxin Enterprise Management Consulting Partnership (Limited Partnership) (合肥市寶芯企業管理諮詢合夥企業(有限合夥), "**Hefei Baoxin**") as a limited partner, 13.61% by Hefei Huixin Enterprise Management Consulting Partnership (Limited Partnership) (合肥匯芯企業管理諮詢合夥企業(有限合夥), "**Hefei Huixin**") as a limited partner and 32.62% by 42 other individuals, each a current or former employee of the Group and an Independent Third Party. Hefei Baoxin was held as to approximately 25.11% by Mr. Cheng as its general partner and 74.89% by 24 other individuals, each a current or former employee of the Group and an Independent Third Party. Hefei Huixin was held as to approximately 22.52% by Mr. Cheng as its general partner and 77.48% by 37 other individuals, each a current or former employee of the Group and an Independent Third Party.

(4) As of the Latest Practicable Date, Suzhou Xinpu was owned as to 99.07% by the Company as its sole limited partner and 0.93% by Suzhou Industrial Park Lanpu Venture Capital Management Partnership (Limited Partnership) (蘇州工業園區蘭璞創業投資管理合夥企業(有限合夥)), an Independent Third Party, as its sole general partner. Suzhou Xinpu has been consolidated into the accounts of the Company.

Corporate Structure Immediately after the [REDACTED]

The following chart sets forth the shareholding and corporate structure of the Group immediately after the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to the 2023 Restricted Share Incentive Plan):



Notes:

(1)–(4) See "— Corporate Structure — Corporate Structure Immediately before the [REDACTED]" in this section.