

BUSINESS

OVERVIEW

We are the world’s leading PCB solution provider to the data communications sector. We develop, manufacture and sell a wide variety of PCB products. Our products are key components in applications within the data communications and the smart vehicles sectors. The proliferation of AI has driven significant demand for data centers, particularly for high-performance computing and data interconnectivity applications, which has become a primary driver of our revenue growth. In addition, the fast advancement of vehicle electrification, intelligence and connectivity contributes to our long-term growth in the smart vehicles sector. The following sets forth our business highlights:

Market Position

Global Leadership

- 6th** for PCBs⁽¹⁾
- 1st** for PCBs for data communication⁽¹⁾⁽²⁾
- 1st** for data center PCBs⁽¹⁾⁽²⁾
- 1st** for MLPCBs⁽¹⁾

Growth Trend

Financial Performance

- 19.3%**
Revenue CAGR
for the past seven years
- Over 15%**
ROE for the past
seven years

Growth Momentum

- 52.5%**
2026Q1 PCB revenue
growth rate
- 23.9% ➔ 28.4%**
ROE growth from
2024 to 2025

Technology

- Proven capability for **PCB above 100 layers**
- Certified technology for **10 build-up layer HDI**
- Mass production for **44-layer** “N+N” PCB⁽³⁾
- Mass production for **54-layer** “N+M” PCB⁽³⁾
- The only company** achieving power
semiconductor embedded PCB mass production⁽⁵⁾

End Customers

- All Five** of the world’s largest telecommunications
equipment companies⁽⁴⁾
- All Five** of the world’s largest listed AI computing
infrastructure companies⁽⁴⁾
- Four** of the world’s five largest automotive
Tier 1 companies⁽⁴⁾
- Over 20 years** of relationship with some of
our major end customers

Notes:

- (1) According to CIC, in terms of revenue in 2025; PCBs for data communications, data center and MLPCBs are sub-segments of the global PCB market, accounting for 37.3%, 23.2% and 38.9% of the global PCB market in 2025, respectively.
- (2) Data communications sector comprises high-speed network switches and routers, AI-severs and HPC, general-purpose servers, and wireless telecommunication network and others; data center sector comprises high-speed network switches and routers, AI servers and HPC and general-purpose servers, according to CIC.
- (3) “N+N” and “N+M” refer to the symmetrical and asymmetrical structures, respectively, of multilayer PCBs; see “Glossary of Technical Terms.”
- (4) In terms of revenue from sales of telecommunication equipment in 2025, for telecommunication equipment companies; in terms of revenue in 2025, for AI computing infrastructure companies; in terms of revenue in 2025, for automotive Tier 1 companies; according to CIC.
- (5) According to CIC.

BUSINESS

Our Products

Our High-Performance and High-Reliability PCB⁽¹⁾



Diverse Applications

Data Communications



High-Speed Network Switches and Routers



AI Servers and HPC



General-Purpose Servers



Wireless Telecommunications Network

Smart Vehicles



Industrial Control



Note:

(1) Images are for illustration only and do not represent specific layer counts.

We specialize in PCB products for sectors with technological barriers, including high-speed network switches and routers, AI servers and HPC, general-purpose servers, wireless telecommunications networks and smart vehicles. In the data communications sector, our products are extensively used in applications such as hyperscale data centers, cloud service provider data centers, enterprise communications networks, on-premise networks and campus networks. In the smart vehicles sector, our products are used in critical systems including autonomous driving domain controller, ADAS, intelligent cockpits and batteries, motor and electronic control systems. The following sets forth details of our main application sectors:

High-Speed Network Switches and Routers. Our products address high-bandwidth and ultra-low latency data exchange in AI compute clusters, data centers, cloud and edge computing and hyperscale computing environments. Our offerings include oversize, high-layer-count and asymmetrical multilayer PCBs for backplanes, line cards and switch boards. We are a key PCB supplier for 400G/800G high-speed network switches. We have achieved mass production and commenced shipments of PCB products used in 1.6T switches, and are engaged in research, development and production capacity planning for PCBs used in 3.2T and future generation switches.

BUSINESS

AI Servers and HPC. To meet the rigorous requirements such as high power consumption, high current and low latency, we have developed key technologies including the use of ultra-low loss materials, signal integrity designs and power integrity optimization. We supply high-layer-count PCBs and oversize, high-layer HDI products for high-frequency and high-speed operating environments. Our products are widely integrated into critical and high-value components of AI Servers and HPC, such as server mainboards, OAM, UBB, DPU, PCIe/hyperscale switches and ASIC mainboards.

General-Purpose Servers. To meet long-term stability and cross-platform compatibility requirements, our manufacturing processes incorporate reliability validation and standardization protocols, producing high-layer-count PCB products with thermal stability and electrical signal integrity. Our products are used in key components of general-purpose servers, such as mainboards, storage control modules, smart network interface cards and power management units, enabling the establishment of efficient and reliable data computing infrastructure.

Wireless Telecommunications Networks. To address the demand for radio frequency signal transmission quality and reliability, we have developed capabilities in the selection and application of high-frequency and high-speed materials. Combined with our expertise in radio frequency circuit design and signal integrity optimization, we have developed PCB solutions for wireless telecommunication network. We provide high-performance and high-reliability PCB products for various applications, including radio access units, signal transport, network management and control and edge computing nodes, which are integrated into key telecommunications equipment such as base stations, antennas, filters and power amplifiers.

Smart Vehicles. To meet the automotive-grade standards for high-speed computing, high-voltage platforms, thermal dissipation and electromagnetic interference (“EMI”) shielding, we leverage our expertise and zero DPPM manufacturing discipline to deliver high-performance and high-reliability PCB solutions. Our multilayer PCBs, HDI PCBs and power semiconductor embedded PCBs, provide coverage for key vehicle systems, including battery, motor and electronic control systems, driving domain controllers and intelligent cockpits. Our PCBs for automotive intelligence and electrification systems are primarily utilized in smart vehicles with L2+ automated driving function.

Industrial Control. To address the requirements of industrial applications for long lifespan and environmental adaptability, we provide high-performance and high-reliability multilayer PCB products, which are widely used in demanding industrial control scenarios such as high-end industrial automation equipment.

Our Market Opportunities

According to CIC, the global PCB market, as measured by revenue, is expected to reach US\$123.3 billion by 2030, representing a CAGR of 7.7% from 2025 to 2030. Technological innovation continuously drives the growth of the global PCB market. Growth is primarily driven by: (i) large-scale deployment of AI infrastructure, such as data centers, which drives the need for increasing computing power and data connectivity; and (ii) advancement of automotive technology, such as electrification and intelligence, driving connected vehicle and autonomous driving applications.

BUSINESS

AI Infrastructure as a Key Driver for PCB Demand

The deployment of data centers constitutes a key growth driver for PCB. The global data center PCB market, as measured by revenue is expected to reach US\$31.3 billion by 2030, with a CAGR of 9.6% from 2025 to 2030, according to CIC. PCBs with capabilities for high-speed transmission, high-density interconnect and high-current capacity are key components for signal transmission and system integration in data centers. They are essential for addressing the demands for rapid data transmission, high data bandwidth, multi-chip interconnection, stable power delivery and efficient thermal dissipation under high power density conditions. As AI technology integrates into application scenarios such as data centers, cloud computing, industrial automation and intelligent terminals, demand for the transmission rates and bandwidth capacity of communication networks increases fueling expansion of the high-performance and high-reliability PCBs market. Given our focus on the data communications sector, we believe we are well-positioned to achieve sustainable growth.

Automotive Electrification and Smart Vehicle Stimulates the Increase in PCB Value and Market Expansion

According to CIC, automotive electrification and intelligence drive significant growth in PCB value per vehicle. The PCB value per smart vehicle is approximately six to eight times greater than a traditional vehicle. This increase is primarily due to increased demand for high-performance and high-reliability PCBs from systems such as ADAS, autonomous driving domain controllers, intelligent cockpits and automotive control modules, which require capabilities for automotive-grade high-speed computing, high-voltage platforms, effective thermal dissipation and electromagnetic interference shielding.

According to CIC, the global automobile PCB market is projected to reach US\$11.9 billion by 2030, with a CAGR of approximately 4.2% from 2025 to 2030. Within this market, the L2+ automobile PCB is one of the fastest-growing segments, with a projected market size of approximately US\$5.4 billion by 2030, at a CAGR of approximately 11.5% from 2025 to 2030. As the smart vehicles industry evolve, market demand for automotive-grade multilayer PCBs, HDI PCBs and power semiconductor embedded PCBs will continue to rise, which is highly aligned with our smart vehicle product strategy.

The Foundation of our Growth

We capture growth opportunities and distinguish ourselves through our high-performance and high-reliability solutions for applications with more sophisticated technical demands. Our success and continued growth are primarily attributable to three pillars:

R&D with insights and vision

Based on our monitoring and analysis of industry trends and future market demands, we develop a technology roadmap focusing on key technologies essential for high-layer-count, high-frequency and high-speed, HDI and high-current PCBs and have developed comprehensive technological capabilities, allowing us to adapt to industry changes and sustain our competitive strengths.

BUSINESS

Quality Assurance

We integrate smart manufacturing into our production systems to ensure product quality. Throughout the PCB manufacturing process, we implement quality monitoring from raw material inspection to final product testing. We utilize inspection equipment and real-time process monitoring systems to maintain product stability and consistency, which allows us to meet quality requirements of our global, industry-leading and diversified customer base.

In-depth Customer Collaboration

Through long-term partnerships, we have built a global end customer network and market reputation. We employ a full-lifecycle product development model from product definition and co-development to mass production, integrating our products into the development cycles of leading global companies in the data communications and smart vehicles sectors, and to establish a stable customer base. We have maintained stable, long-term relationships with five of our global end customers for 20 years or more.

Our Green Development

We adopt green development on energy conservation and low-carbon emission through a green management system from R&D to manufacturing and daily operation. We establish clear GHG emission controls and long-term carbon emission reduction targets, and commission regular inspections by independent third-party organizations. Our key performance indicators in sustainability, including power consumption per unit of product, fresh water consumption per unit of product, industrial water recycling rate and our copper recovery rate, all surpass the benchmarks of China’s Level 1 Cleaner Production Standard, the most stringent national standard. We received platinum (the highest-level) certification under the Alliance for Water Stewardship (“AWS”) International Water Stewardship Standard and recognitions of water security and climate change action by the Carbon Disclosure Project.

Our Financial Performance

We have successfully capitalized on the market opportunities, driving sustained growth in our revenue, gross profit and net profit. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026: (i) our revenue amounted to RMB8,938.3 million, RMB13,341.5 million, RMB18,945.2 million, RMB4,037.6 million and RMB6,214.2 million, respectively, (ii) our gross profit margin was 28.4%, 31.7%, 33.8%, 31.3% and 34.8%, respectively, and (iii) our net profit attributable to owners of the company amounted to RMB1,512.5 million, RMB2,587.2 million, RMB3,822.3 million, RMB762.5 million and RMB1,242.1 million; our net profit margin was 16.9%, 19.4%, 20.2%, 18.9% and 20.0%, respectively.

BUSINESS

OUR STRENGTHS

Dedication to the PCB Industry and Foresight in Capturing Industry Upgrades

We are the world’s leading provider of high-performance and high-reliability PCB solutions. Our operational strategy has been centered on PCB business since inception. We have capitalized on opportunities to drive growth guided by our strategies. In 1992, as one of the first PCB manufacturers from Taiwan to invest in the Chinese Mainland, we seized opportunities by establishing our first production base in Kunshan, which underpinned our large-scale manufacturing capabilities. In 1998, we developed products for communication backplanes, a segment with technological barriers and growth potential, establishing a technological foundation in high-layer-count, high-thickness and oversize PCBs. In 2000, we identified opportunities in the automotive industry and developed PCB products for automotive applications. In 2007, we exited the consumer electronics market and concentrate on data communications and smart vehicles sectors with growth potential, which allowed us to capture opportunities from global telecommunications infrastructure build-out. We remained dedicated to the innovation of and strengthened our core competencies in high-performance and high-reliability PCB products. We jointly promoted technology advancement in layer count, dimensions and circuit design for PCB products through customer collaboration. This has earned us a first-mover advantage in the AI wave.

The technical expertise and industry experience in PCB industry we accumulated are aligned with the data center and smart vehicle market demand. Our technological expertise in high-layer-count PCB, high-speed material application and high-precision processes addresses the high-performance and high-reliability requirements for PCBs in data centers and smart vehicles, transitioning into our core advantage in serving customers, strengthening our position in the industry and facilitated steady, long-term growth in a changing market.

A Diverse Customer Base Built on Long-Term collaboration with Global Industry Leaders

We have grown alongside our customers, and have fostered long-endured collaboration with industry leaders in the data communications and smart vehicles sectors to navigate market and technology cycles.

Long-Term Cooperation: Stable and Enduring Strategic Partnerships

We have forged stable and mutually beneficial strategic partnerships. In early years, we primarily served end customers in the telecommunications and automotive industries. As technology trends and market landscapes shifted, we supported our customers’ development and iteration in AI and smart vehicles. Today, we established strategic partnerships with the world’s leading AI server manufacturers, cloud service providers and smart vehicles companies. These engagements begin from technical alignment on current-generation products to future technology co-development, allowing us to align technology roadmap and production capacity with customers’ goals. The duration of our relationships with five of our major end customers amounted to 20 years or more. For example, over 25 years ago, we began our collaboration with a top-tier global data communications equipment provider. Starting with

BUSINESS

backplane products, our partnership has expanded into high-speed network switches and routers. Nearly 25 years ago, we began collaboration with a leading global Tier 1 smart vehicles supplier. We have served as one of their core PCB suppliers, providing automotive-grade zero DPPM products and technical support. Based on our product performance and collaborative innovation capabilities, we are integrated into customers’ long-term development. We have been recognized by over 10 industry-leading end customers with awards such as “Global Supplier Management (GSM) Supplier of the Year”, “Outstanding Partner of the Year” and “Outstanding Quality Supplier Award” in 2023, 2024 and 2025.

Broad Coverage: A Diverse and International Customer Network

Our end customers include all five of the world’s largest telecommunications equipment companies, all five of the world’s largest publicly listed AI computing infrastructure companies and four of the world’s five largest automotive Tier 1 companies, according to CIC. In the data communications sector, our key end customers include global computing solution providers, major cloud service providers, and leading network and data center infrastructure suppliers. In the smart vehicles sector, we serve global Tier 1 suppliers and leading NEV brands. Furthermore, a majority of our revenue is generated from overseas markets, where we serve diverse end customers, contributing to their technological and product upgrade.

Technological Advantages Underpinning Our Competitiveness in High-Performance and High-Reliability Products

Our core competitiveness in high-performance, high-reliability PCBs is integrated in our technological expertise and collaborative innovation culture. Led by our R&D team, we employ a cross-departmental development process to facilitate the transition of products from concept to stable mass production. We collaborate with partners across the industry value chain, universities and research institutions to drive performance enhancements, product upgrade and cost optimization. Furthermore, a key element of our R&D strategy is to operate ahead of current market and customer demands. We allocate resources to develop foundational technologies in emerging fields, sometimes before defined requirements or development cycles are initiated by customers for next-generation products.

Differentiated Advantages Built on Technological Expertise

We have made significant advancements in key PCB technologies and process optimizations:

High-Layer-Count PCB Technology. We have the capability to produce PCBs above 100 layers, and have achieved mass production of high-layer count boards exceeding 54 layers. Our technological strength include technology for N + N and N + M high-layer-count PCBs and capabilities such as layer-to-layer registration accuracy, press-fit reliability and impedance control consistency. Our technology meets the requirements of advanced data communication application scenarios, and is evolving to meet the rising product performance demands.

BUSINESS

High-Frequency and High-Speed Materials and Processes. The hybrid lamination processes for combining M9 high-speed materials with conventional FR-4 material enable us to construct composite board structures with ultra-low loss characteristics, meeting dielectric property requirements for high-speed signal transmission. We applied high-frequency and high-speed materials and processes to high-performance and high-reliability PCB products used in 400G/800G/1.6T high-speed network switches. We initiated material and process development for PCBs used in 3.2T and above switches with 448Gbps designed data rates.

HDI Technology. We have achieved mass production of seven build-up layer HDI PCBs. By using HVLP4 and higher-grade low-profile copper foils and a precision build-up process, we achieve high-density layer-to-layer interconnections, which enhance signal transmission speed and integrity. We also control product warpage to maintain physical stability and reliability. Our technology for 11 build-up layer HDI has been certified by end customers.

High-Current Technology. Leveraging high-thermal-stability copper substrates and materials, we optimize power delivery network design to achieve efficient current delivery and thermal management. Our solutions meet the high-current load requirements used in data centers and automotive power modules, providing stable and reliable support for high-power applications.

Our core technologies are adapted and applied in various application sectors. Our proprietary digital platform for design verification and optimization facilitates our R&D activities. This platform incorporates simulation model libraries and technology database through years of product development. It enables our R&D team to conduct digital design verification and optimization to improve R&D efficiency and shortens new product launch timeline. We are able to consistently develop and deliver high-performance and high-reliability PCB solutions required by our customers.

Collaborative R&D System

We build a collaborative R&D system with partners across industrial chain that aligns innovation with customers’ commercial and technical needs and suppliers’ capabilities.

Collaboration with End Customers. We have established synchronized development with key end customers in the data communications and smart vehicles sectors throughout the product lifecycle from concept definition to product launch, contributing to their technology applications and product designs. Our R&D team involves in the early stages of end customers’ product concept formation and align our PCB R&D with their technical demands, and during the subsequent product development, our field application engineers maintain communication with end customers, providing technical support to safeguard their product launch. This provides us with insight into end customers’ technical requirements and allows us to co-develop products at their early product development cycles, allowing us to strengthen our position as a stable and integral supply chain partner.

BUSINESS

Collaboration with Suppliers. We pursue joint R&D initiatives with equipment suppliers to drive the application of specialized high-performance PCB equipment and new processes. We have reinforced our relationship with suppliers from procurement to collaborative innovation, where we are involved in their equipment design and optimization to align with our critical process requirements. Our in-house R&D teams collaborate with suppliers to enhance the equipment function and performance, adapting it to our production requirements, thereby enabling greater process precision and stability.

Quality Management and Green, Intelligent Manufacturing to Support Product Quality

We maintain a quality management system spanning the entire product lifecycle and we integrate green and intelligent manufacturing principles into our production and operational workflows, enhancing product performance and reliability while building sustainable manufacturing capability. This contributes to our long-term leading position in production precision, quality consistency and sustainable development.

Quality as the Foundation for Long-Term Competitiveness

We timely deliver products and services that meet customer needs with our advancements in technology and expertise. To this end, we have established a quality management system that covers the product lifecycle, serving as our foundation to provide differentiated PCB solutions. We have implemented a supply chain management system and maintained long-term partnerships with leading CCL suppliers. We implement a supplier qualification process that includes credential verification, site visits, sample testing, and environmental, health and safety management verification. We also established a multi-dimensional evaluation system comprising quality monitoring and periodic assessments, thereby achieving holistic assessment of suppliers’ technical capabilities, quality consistency, product delivery and ESG regulatory compliance. Building on over 20 years of collaboration with our core suppliers, we have developed a global supply chain providing robust and reliable raw material supply.

During the initial stages of product R&D, our quality team is involved to provide customers with deployable quality solutions through planning and risk identification. During production, we adhere to standardized operating procedures. We have implemented automated and intelligent quality monitoring systems, equipped with inspection equipment and real-time monitoring, combined with daily management standards, setting benchmarks for product quality and ongoing optimization.

We achieved high average production yield for our high-layer-count PCBs used in high-speed network switches, routers and servers. We have established a quality traceability and improvement mechanism. Through quality reviews and customer feedback analysis, we provide systematic assurance for high product reliability among increased technical complexity. Our product quality has earned us the long-term trust of our global and leading customer base.

BUSINESS

Green and Intelligent Manufacturing for a Sustainable, Advanced Production System

We enhance our intelligent manufacturing capabilities. We have self-developed intelligent production lines and built a data interface integration platform to coordinate across production processes. We have established a unified communication architecture covering production and inspection equipment to ensure the real-time, stable production data collection and transmission. We deploy high-speed network to guarantee efficient data flow. Through proprietary IoT software, we connect our AI-powered visual inspection systems, robotic arms and environmental and energy monitoring units to enable remote monitoring and real-time equipment control. Our factories dynamically adjust production workflows to accommodate diverse tasks, enhancing resource utilization efficiency and market responsiveness. We have a proprietary closed-loop intelligent production system that integrates data collection, AI analytics, autonomous optimization and intelligent alerts.

We adhere to green manufacturing and endeavor to become a resource-efficient and environmentally friendly enterprise. Our production bases are equipped with facilities for wastewater treatment, water and production waste recycling and emissions control. Our environmental management team implements control measures for different pollutants. We have obtained internationally recognized certifications, including ISO 14001 Environmental Management System and ISO 50001 Energy Management System Certification. We have also received platinum (the highest-level) certification under the AWS International Water Stewardship Standard and recognitions for water security leadership and climate change action by the Carbon Disclosure Project. Our Kunshan WUS production base and Huangshi production base have been designated as national level green factories, while our Kunshan WUS KEPZ production base has been designated as provincial level green factory.

Experienced and Stable Management Team Supporting Long-Term Development

Our management team possesses over three decades of experience in the PCB industry, providing their expertise and consistent leadership to our development. Mr. WU Li-Gann and Ms. CHEN May Fong, our founders, were the pioneers of the Taiwan PCB industry, and were integral to its evolution from initial role in undertaking international manufacturing to becoming a globally leading PCB market. This experience provide them with a profound understanding of technological pathways and market shifts. Their entrepreneurial spirit and global vision have guided our growth and fostered our collaborative partnership with global customers.

Our management team embodies the founders’ spirit of diligence, integrity, technological focus and pioneering initiatives, and implement a technology-driven development philosophy, leading continuous technological advancements in the high-performance and high-reliability PCB sector and driving the expansion of our global production footprint, significantly enhancing our competitive advantages. Our core management and operational team leaders possess technical backgrounds, fostering a technology-centric culture that underpins our “technology first, quality centric, customer driven” strategy. The average tenure of our core management team is approximately 25 years, and the average tenure of our core technical personnel exceeds 10 years.

BUSINESS

We have established a competency-based, personalized training system for talent development, that aligns between individuals and their roles. Our team-building initiatives focus on the expansion of our talent pool, cultivating a balanced composition of senior, mid-level and junior professionals with unified professional ethos. Our culture cultivates a pragmatic work environment, supported by a holistic evaluation system and incentive programs to reward performance and align employees’ interests with our success.

Our business philosophy of “growth, prosperity, and success sharing” is foundational to our corporate identity and serves as our strategic direction guidance. Under our management team’s guidance, we achieve growth through technological breakthroughs and market expansion. We maintain competitiveness by assessing market feedback following each initiative, which further drives product portfolio optimization, technological direction, organizational structure, and long-term competitiveness. We will continue advancing technological innovation, enhancing our market presence, and solidifying our industry-leading position, thereby achieving sustained development amidst evolving technological advancement.

OUR STRATEGIES

New applications related to AI, is driving significant industry growth. Technological advancements are expected to drive the electronics industry value chain evolution. Consequently, the product forms, manufacturing systems and supply landscape for PCBs will continue to transform. We aim to become the world’s leading provider of high-performance and high-reliability PCB solutions, to capitalize on the opportunities from industry’s evolution, and to build sustainable, differentiated advantages. We plan to implement the following strategies:

Build Long-Term Competitiveness Through Technological Development

We adhere to a “technology first” principle and endeavor to enhancing our R&D capabilities for our high-performance and high-reliability PCB products and securing our market-leading position.

Capitalize on the Current AI Growth Opportunity to Solidify Our Market Position. We intend to capitalize on the opportunities arising from the accelerated AI infrastructure build-out and related equipment upgrades. High-layer-count PCBs have become the mainstream PCB architecture for next-generation data center equipment. We plan to focus on hardware such as high-speed network switches, routers and AI servers, increasing our R&D investment in high-performance PCB technologies. Amid the large-scale deployment of 800G high-speed network switches, commencement of delivery of 1.6T network switches, and research for 3.2T network switch technologies, as well as the AI server iteration, we aim to leverage our R&D team to enhance our high-end product performance, lead the technological evolution and solidify our technological leadership in high-performance PCB market for data centers.

BUSINESS

Leverage Advanced Technology to Create a Cross-Cycle Development Advantage. We intend to uphold technology as our fundamental growth driver. We plan to maintain our independent assessment and R&D practice, allocating resources to key areas to drive technology and product portfolio iteration and upgrade. In response to the ongoing evolution in data communications and smart vehicles, we plan to invest in foundational research, including in high-layer-count stack-up PCB architectures, the optimization of high-frequency and high-speed material properties and the reliability of HDI technology to enhance the breadth and depth of our technology reserves. We aim to maintain insight into industry trends and timely respond to identify and lead in technological shift. By pursuing research into technologies like CoWoP and innovating advanced process applications such as mSAP, we strive to establish a sustainable innovation advantage across market cycles.

Expand and Upgrade High-End Production Capacity and Advance Our Green and Intelligent Manufacturing System

To capitalize on the growth opportunities presented by the AI wave and smart vehicle development, we plan to expand our capacity and upgrade our production lines, building a leading green and intelligent manufacturing system to strengthen our market position. We plan our capacity expansion and upgrades focusing on investment in high-end products for data communications and smart vehicles sectors. We plan to enhance a multi-regional production presence, advancing capacity expansion at our production bases in Kunshan, Huangshi, Jintan and Thailand to form a global high-end production network, and to seize opportunities from rapid industry demand growth and mitigate geopolitical risks. We aim to empower our production with technology and adhere to green and intelligent manufacturing principles. By developing proprietary equipment software and introducing AI technologies, we plan to upgrade our production lines and implement lean manufacturing to increase the high-end product capacity at production base and reduce unit energy consumption and carbon emission intensity. We intend to conduct life-cycle carbon footprint assessments for our products and enhance supply chain ESG management, integrating intelligent and low-carbon principles throughout production.

Enhance Value Chain Collaboration and Pursue Strategic Investments and M&A

We intend to enhance our partnerships with customers and optimize our supply chain collaboration and management mechanisms. We plan to seek investment and M&A opportunities across the value chain to integrate resources, enhance competitiveness, and jointly promote business growth.

Enhance Collaboration with Diverse Downstream End Customers to Drive New Growth. We intend to enhance presence in strategic sectors like data communications and smart vehicles, providing service to leading end customers, typically including ultimate brand owners or product design companies in these sectors. Leveraging our technological strength

BUSINESS

and product experience, we plan to offer high-performance and high-reliability PCB solutions. We also aim to build a diversified end customer base by engaging with more high-growth end customers domestically and internationally, to enhance risk resilience, to sustain business growth and operational tenacity.

Enhance Collaborative R&D with Suppliers and Strengthen our Supply Chain. We plan to enhance our collaborations with our suppliers to promote the development and certification of new materials used for PCB manufacturing. We plan to diversify and solidify our supplier base. We intend to develop a multi-regional supplier network to manage market risks.

Identify Investment Opportunities in the Value Chain to Drive Growth. We intend to pursue investments in and acquisitions of target companies within PCB value chain to enable efficient resource integration and drive synergy and value creation, thereby consolidating and enhancing competitiveness. We plan to identify and evaluate potential targets globally.

Cultivate a Talent Team for our Future Growth

To build technological barriers and achieve sustainable development, we plan to continue our talent-led development tactics. We focus on internal talent development along with external recruitment, and utilize a training system and incentive mechanisms to accelerate talent team development for our future growth.

Systematic Training System. We emphasize on our competency-oriented training system. We intend to design learning plans for employees in key positions and enhance their capabilities through a training framework including onboarding programs, general and system-specific courses, professional skills training, job-type training and safety training. We plan to recruit talent in critical areas such as R&D and process engineering to strengthen talent pipeline and support our continuous development.

Performance-based Incentive Mechanisms. We plan to refine our incentive mechanisms. We intend to formulate assessment plans for various departments and individuals to build a performance-based evaluation system. Through mechanisms such as equity incentives and innovation awards, we aim to enhance the stability and cohesion of our core talent team and improve collaborative efficiency.

OUR PRODUCTS

Our PCB Products by Application Sectors

We provide PCB products integral to the functionality and performance of end customers' products in the following application sectors: (i) **data communications**, including high-speed network switches and routers, AI servers and HPC, general-purpose servers and wireless telecommunication network and others; (ii) **smart vehicles**, including automotive intelligence and electrification systems, and safety systems and others; and (iii) **industrial control and others**. We closely partner with end customers to develop and manufacture PCBs for their

BUSINESS

applications. We engage in our end customers’ product development process to address technical challenges, such as signal integrity, thermal management and dimensional stability. We are able to provide high-performance and high-reliability PCBs, which not only meet customers’ custom-developed requirements, but also serve as a key factor in ensuring the performance and stable and reliable operation of our end customers’ products, which is integral to their success in their respective application sectors.

For the years ended December 31, 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, sales of PCB products accounted for 95.9%, 96.3%, 95.8%, 96.2% and 95.3% of our total revenue, respectively. The following table sets forth our revenue by application sectors for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
(Unaudited)										
Sales of PCB products										
<i>Data Communications</i>	5,870,210	65.7	10,093,267	75.7	14,656,300	77.4	3,126,146	77.4	5,088,745	81.9
High-speed network switches and routers	2,524,874	28.2	3,892,081	29.2	8,169,083	43.1	1,559,046	38.6	3,171,199	51.0
AI servers and HPC	1,240,089	13.9	2,975,303	22.3	3,006,250	15.9	733,924	18.2	794,555	12.8
General-purpose servers	1,606,556	18.0	1,960,641	14.7	2,540,451	13.4	512,951	12.7	972,829	15.7
Wireless telecommunication network and others ⁽¹⁾	498,691	5.6	1,265,242	9.5	940,516	5.0	320,225	7.9	150,162	2.4
<i>Smart Vehicles</i>	2,158,009	24.1	2,408,447	18.1	3,044,579	16.1	655,388	16.2	734,923	11.8
Automotive intelligence and electrification systems ⁽²⁾	317,810	3.6	549,491	4.1	1,179,306	6.2	224,505	5.6	294,749	4.7
Safety systems and others ⁽³⁾	1,840,199	20.5	1,858,956	14.0	1,865,273	9.9	430,883	10.6	440,174	7.1
<i>Industrial Control and Others</i> ⁽⁴⁾	543,654	6.1	337,273	2.5	442,429	2.3	100,935	2.6	99,008	1.6
Subtotal	8,571,873	95.9	12,838,987	96.3	18,143,308	95.8	3,882,469	96.2	5,922,676	95.3
Others ⁽⁵⁾	366,436	4.1	502,554	3.7	801,913	4.2	155,158	3.8	291,480	4.7
Total	8,938,309	100.0	13,341,541	100.0	18,945,221	100.0	4,037,627	100.0	6,214,156	100.0

Notes:

- (1) Others primarily include testing applications in data communications, including design verification, product function verification, system-level testing and process reliability assessment.
- (2) Automotive intelligence systems primarily include intelligent cockpits, ADAS systems, and intelligent body control. Electrification systems primarily include power management systems, inverters, and charging systems.
- (3) Safety systems primarily include brakes, steering and airbag systems. Others primarily include engine and transmission control units, such as automotive lighting, body control systems, instrument panels and head-up displays.
- (4) Industrial control systems primarily include motor control and industrial automation logic controllers. Others primarily include power supply equipment and control panels for medical equipment.
- (5) Comprise revenue generated from sales of recyclable offcut materials and revenue generated from property sales and leasing business.

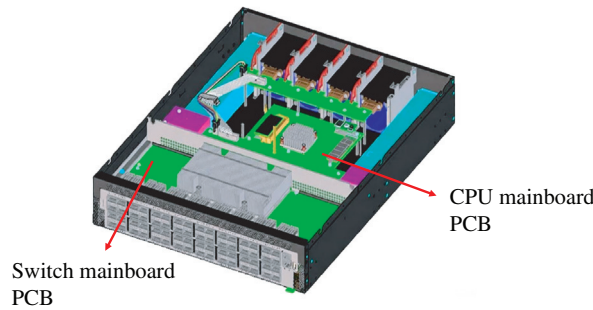
Data Communications

Data communications comprise applications facilitating the data transmission between the various components of facilities such as data centers (including high-speed network switches and routers, AI servers and HPC and general-purpose servers) and wireless telecommunications networks. Our PCBs meet the stringent requirements for high-speed data processing and transmission, high-current capacity, low latency and high reliability.

BUSINESS

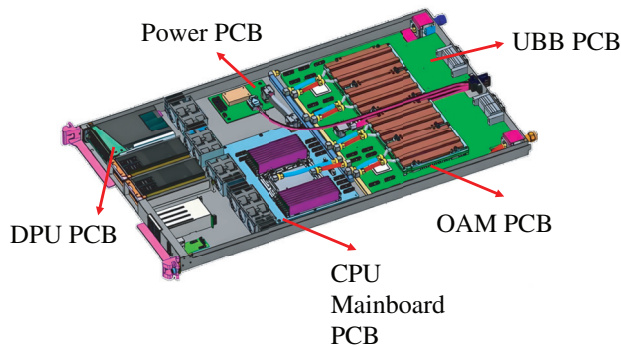
High-speed Network Switches and Routers

We provide PCBs for high-speed network switches and routers, which typically have high bandwidth and ultra-low latency as data center and enterprise network foundation. Our product portfolio includes PCBs for large-format, high-layer-count backplanes, line cards and switchboard midplanes. Our product portfolio focuses on the 400G and 800G switch markets. We achieved mass production and commenced small-batch shipments for 1.6T products, and are engaged in advanced R&D and production planning for 3.2T and generation products. The following picture illustrates our PCBs as utilized in the high-speed network switches:



AI Servers and HPC

We provide high-layer-count PCBs and HDI PCBs supporting the high-power requirements of intensive parallel processing capabilities of modern GPUs and custom ASICs used by cloud service providers. Our products include high-layer-count PCBs for motherboards and backplanes of baseboards and CPUs used in AI servers, as well as HDI PCBs for applications such as accelerator cards for accelerator modules. Leveraging low-loss dielectric materials and advanced manufacturing processes, our products deliver outstanding signal integrity and power integrity in high-speed, high-density computing environments. The following picture illustrates an example of our PCBs as utilized in AI servers:



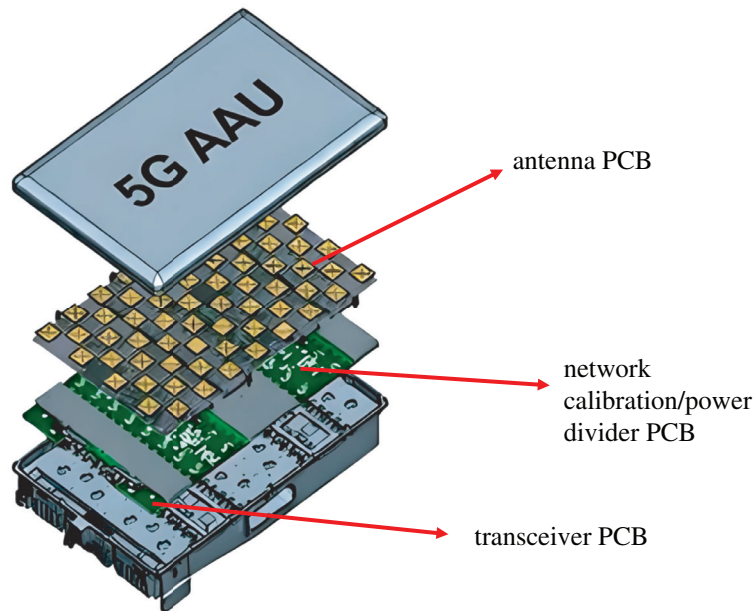
BUSINESS

General-Purpose Servers

Our PCBs for general-purpose servers support standard computing operations within general-purpose servers. To meet the core requirements of general-purpose servers for operational stability and cross-platform compatibility, we provide multilayer PCB products with resilient thermal management performance and electrical stability. These PCBs require reliable and stable electrical performance for uninterrupted operation. Our products are used in key components of general-purpose servers, such as mainboards, storage control modules and power management units, allowing customers to build efficient and dependable data computing infrastructure.

Wireless Telecommunications Network and Others

We provide PCBs for 5G telecommunications infrastructure. Our PCBs are utilized in network equipment such as radio units and antennas for base stations, as well as hardware for transport and core networks. The following picture illustrates PCBs utilized in the wireless telecommunication network:



BUSINESS

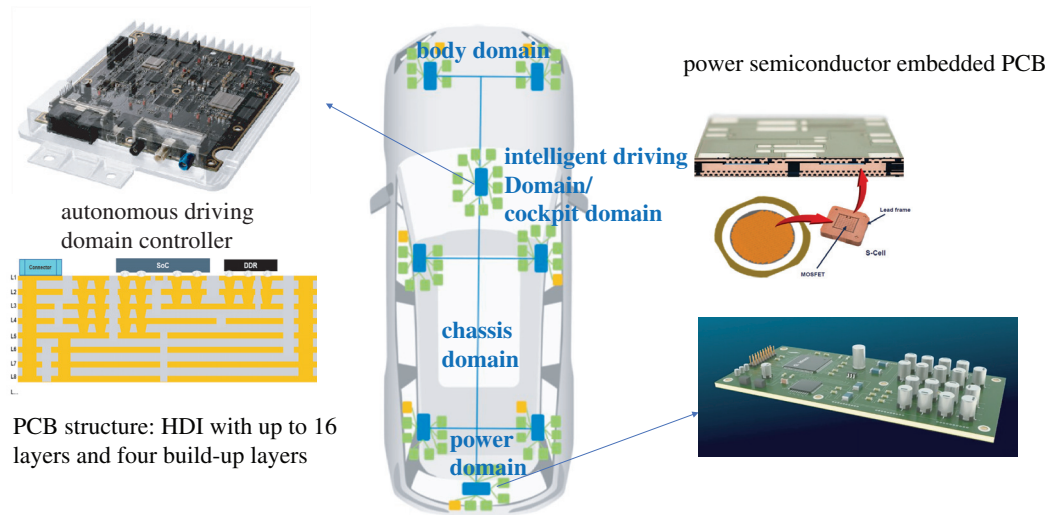
Smart Vehicles

According to CIC, automotive intelligence and electrification trends have the demand for automotive-grade PCBs, and the PCB value per smart vehicle is approximately six to eight times greater than that of a traditional vehicle. Our products in the smart vehicles sector are engineered for automotive-grade reliability and enhanced performance across applications, including:

Automotive Intelligence and Electrification Systems

Intelligent Cockpit Systems. We mass produce HDI PCBs up to four build-up layers, for the high-performance computing platforms within a vehicle. These PCBs are primarily used in centralized domain controllers that manage ADAS and smart cockpit functions, enabling sensor fusion and complex decision-making. For instance, our PCBs are one of the important components of millimeter-wave radar sensors, which are essential for ADAS and automated driving functionalities. These products are built on specialized substrates, such as PTFE, to ensure signal integrity at high frequencies.

Power Management. We provide PCBs using the power semiconductor embedded PCB technology, which involves embedding power semiconductors directly into the circuit board. Our power semiconductor embedded PCBs are utilized in battery, motor and electronic control systems and power modules of NEVs. As of the Latest Practicable Date, this technology was used in 48V systems, and we were developing this technology for higher-voltage applications, such as 800V main inverters for electric vehicles, utilizing advanced materials like SiC. The following picture illustrates our typical PCBs as utilized in smart vehicles’ automotive intelligence and electrification systems:



BUSINESS

Safety Systems and Others

We provide PCBs for a variety of automotive safety system and other applications, including engine and transmission control units such as lighting, braking and steering.

Industrial Control and Others

This sector includes applications with requirements for product longevity, durability and adaptability to industrial operating environments. We provide PCBs targeting these requirements, supporting specialized uses including products in industrial automation equipment and semiconductor packaging, testing and simulation equipment, among other applications.

Our PCB Products by Layers

During the Track Record Period, we offered a broad portfolio of PCB products with different layers, and PCBs with 22 to 30 layers and PCBs with 32 layers and above accounted for an increasing portion of our revenue. PCBs with higher layer counts generally represent a greater value-add, as their production involves more sophisticated manufacturing processes and specialized engineering expertise. While layer count is a primary indicator of a PCB’s complexity and value, other attributes such as manufacturing processes were also critical for PCB products. For further details of our specialized manufacturing processes, see “— Our Technologies.” The following table sets forth a breakdown of our revenue by layers of our PCB products, for the periods indicated.

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
	<i>(Unaudited)</i>									
Sales of PCB products										
32 layers and above	761,065	8.5	1,768,206	13.3	4,249,764	22.4	647,810	16.0	1,993,541	32.1
22 to 30 layers	2,675,294	29.9	5,331,494	40.0	6,163,209	32.5	1,533,490	38.0	1,695,039	27.3
10 to 20 layers	2,364,869	26.5	3,014,701	22.6	4,226,842	22.3	892,886	22.1	1,381,425	22.2
Eight layers and below	2,770,645	31.0	2,724,586	20.4	3,503,493	18.6	808,283	20.1	852,671	13.7
<i>Subtotal</i>	8,571,873	95.9	12,838,987	96.3	18,143,308	95.8	3,882,469	96.2	5,922,676	95.3
<i>Others</i> ⁽¹⁾	366,436	4.1	502,554	3.7	801,913	4.2	155,158	3.8	291,480	4.7
Total	8,938,309	100.0	13,341,541	100.0	18,945,221	100.0	4,037,627	100.0	6,214,156	100.0

Note:

- (1) Comprise revenue generated from sales of recyclable offcut materials and revenue generated from property sales and leasing business.

BUSINESS

The following table sets forth the sales volumes and average selling prices (“ASP”) of our PCBs by layers during the Track Record Period:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Sales Volume	ASP	Sales Volume	ASP	Sales Volume	ASP	Sales Volume	ASP	Sales Volume	ASP
	(m ²)	RMB'000/m ²	(m ²)	RMB'000/m ²	(m ²)	RMB'000/m ²	(m ²)	RMB'000/m ²	(m ²)	RMB'000/m ²
Sales of PCB products										
32 layers and above . . .	16,095	47.3	32,348	54.7	66,220	64.2	10,644	60.9	30,233	65.9
22 to 30 layers	147,103	18.2	260,637	20.5	278,908	22.1	71,266	21.5	71,556	23.7
10 to 20 layers	402,600	5.9	468,541	6.4	697,959	6.1	135,518	6.6	219,693	6.3
Eight layers and below .	1,840,761	1.5	1,877,035	1.5	1,942,092	1.8	452,198	1.8	460,421	1.9
Total	2,406,559		2,638,561		2,985,179		669,626		781,903	

Our PCB products are broadly categorized by layer count as follows.

32 layers and above. Our most complex PCBs, with high aspect ratio are mainly engineered for high-performance and high-reliability data center applications and AI infrastructure. These products are primarily utilized in products such as 800G and 1.6T high-speed network switches, routers, AI servers, custom ASIC accelerator boards and semiconductor emulation and validation systems. These products utilize ultra-low loss materials, such as those classified as M8 or higher, to ensure the signal integrity at high frequencies and high speed. Some of them feature highly complex structures, such as three and above lamination cycles (like N+N or N+M structures) and HDI technology. HDI designs incorporate features like microvias (very small laser-drilled holes connecting adjacent layers) and skip vias (vias that pass through multiple layers without connecting to all of them).

22 to 30 layers. These are PCBs mainly developed for 400G switches, 25/56 Gbps routers and AI server accelerator modules (such as OAM and UBB boards). These products employ low loss materials, typically M7 grade or higher. The structural design varies by application. For switch and router applications, the structure primarily consists of multiple sequential laminations. For AI server accelerator modules, these boards feature advanced high-density designs, often incorporating five or higher HDI build-up layers.

10 to 20 layers. This category typically includes products for both (i) data communications and (ii) smart vehicles:

For the data communications sector, these products are typically used for general-purpose servers, data storage and telecommunications infrastructure. Applications include switches and routers operating at or below 25 Gbps, CPU motherboards for general-purpose servers, storage backplanes and components for 5G base stations (such as transceiver and baseband units). These products are manufactured using mid-to-low loss materials, such as M4 grade or higher. The structure is based on a single lamination with through-holes, supplemented by HDI features like microvias and skip vias where required for density.

BUSINESS

For the smart vehicles sector, the PCBs with 10 to 20 layers are primarily developed for advanced automotive electronic systems, particularly for intelligent cockpit and autonomous driving control units. They mount high-performance computing chips and their associated components required for functionalities ranging from in-vehicle infotainment to L2+ automated driving function. The construction of these PCBs utilizes materials with specific properties, including high thermal reliability and mid-loss electrical characteristics, often corresponding to M4-grade or similar laminates. Architecturally, these products typically employ a hybrid design combining a multilayer core with buried vias and additional HDI build-up layers. This structure incorporates stacked laser-drilled microvias to achieve the high routing density necessary to support high-pincount integrated circuits.

Eight layers and below. Our PCBs with eight layers and below are for applications including (i) automotive applications such as power system controllers, body controllers, millimeter-wave radar, lighting, meter display and brakes and (ii) data communications applications such as antennas and power amplifiers for 5G base stations, as well as various add-in cards for switches, routers and servers.

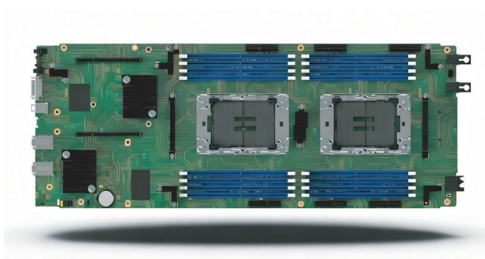
OUR TECHNOLOGIES

Core Technologies

Our core technologies enable us to develop and customize high-performance and high-reliability PCBs tailored for evolving customer demands. The following sets forth some of our core technology highlights.

High-Layer-Count PCB Technology. We have expertise in the R&D and fabrication of complex, high-layer-count PCBs, with capabilities for products up to 108 layers and blind-via boards up to 78 layers. We have achieved stable mass production for PCBs with a 40-60 layer range. We have expertise in managing critical performance indicators such as inter-layer registration accuracy, lamination reliability and consistent impedance control. The following diagrams are examples of our high-layer-count PCBs:

Server Mainboard (24 layers)

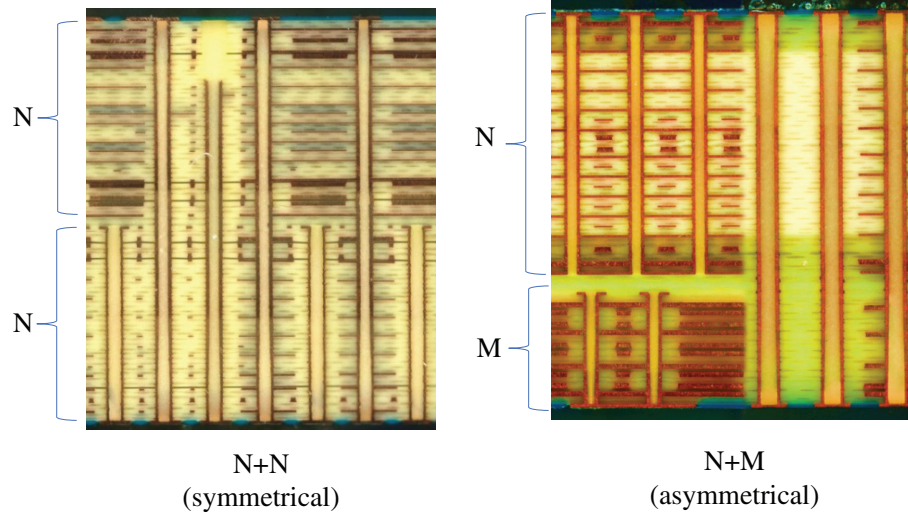


Switch Mainboard (40 layers)



BUSINESS

Some of our high-layer-count PCBs are manufactured using three-times-or-more lamination cycle technology. This technology is used for the manufacturing of PCBs with “N+N” and “N+M” structures, which refer to the symmetrical and asymmetrical structures, respectively. The following diagrams illustrate the N+N and N+M PCB structures:



Under N+N, the layer stack-up on both sides of the core is designed symmetrically, with an equal number of layers on each side, which provides balanced electrical properties and reduces the risk of bending or distortion of the board. This structure is often used in products that require high-dimensional stability and consistent signal integrity, such as AI servers, HPC and 800G high-speed network switches. In comparison, under N+M structure, the number of layers on each side of the core is unequal, which allows greater design flexibility to meet differentiated functional requirements. This structure is often used in applications with high power consumption requirements, such as 1.6T/3.2T high-speed network routers and switches, where compact size, heterogeneous signal routing and power routing, as well as power integrity, are prioritized.

The three-or-more lamination cycle technology allows for the reliable mass production of boards exceeding 44 layers, achieving precise layer-to-layer registration of under 100 μm . It also facilitates hybrid builds that integrate specialized high-speed materials, ensuring signal integrity and board stability for customer assembly. Additionally, we utilize specialized techniques such as plated over filled via with high aspect ratio, 0.9 mm ball grid array (“BGA”) two track with back drill, oversize panel, warpage control and hard-gold-without-bus-bar, all of which are technologies used to enhance our high-layer-count PCB manufacturing processes. Our high-layer-count PCB technology is fundamental to our products for application scenarios such as hyperscale data centers, cloud service provider data centers and telecommunications infrastructure.

BUSINESS

High-Frequency and High-Speed Materials and Processes. We possess advanced capabilities in the integrated application of high-frequency and high-speed materials with high-speed oxide processing, controlled-depth back-drilling to minimize residual stubs, and high-precision impedance control methodologies for both signal traces and vias. This allows us to minimize insertion loss and return loss while ensuring robust signal integrity, thereby creating composite board structures that meet the stringent dielectric performance requirements of high-speed signal transmission.

We have successfully applied these technologies to our PCB products for 800G and 1.6T network switches and are actively developing materials and process solutions for next-generation 448 Gbps-per-lane applications.

HDI Technology. High-Density Interconnect (“**HDI**”) is a PCB manufacturing technology that utilizes a build-up method of sequential lamination to achieve much higher circuit density than conventional multilayer PCBs. Key features include microvias (typically laser-drilled), finer lines and spaces and higher connection pad density. This technology enables the design and production of smaller, lighter and more functionally complex electronic devices. For high-performance products, HDI technology helps improve layout density, reduce volume and weight, and enhance signal integrity, thereby enhancing overall product performance.

We have achieved mass production of HDI PCBs with structures of up to seven build-up layers and have received customer qualification for products with 11 HDI build-up layers. By utilizing advanced materials such as HVLP4 and low-profile copper foils in a precise build-up process, we can create interconnect structures that significantly enhance signal transmission speed and integrity. We also maintain stringent control over product warpage, achieving less than 100 μm for BGA sizes above 100 mm, thereby ensuring physical stability and reliability during assembly and operation.

High-Current Technology. Our high-current products are built upon thick-copper substrates and materials with high thermal stability. Through optimized power plane architecture and thermal design, we enable efficient current delivery and heat dissipation. In particular, to address applications with high localized current demands, particularly within power management products, we further employ an advanced technique known as copper inlay. This process involves embedding custom-fabricated solid copper blocks, directly into the PCB structure. These embedded copper elements are engineered to be interconnected both horizontally with surface traces and vertically with internal power planes, enabling the transmission of significantly higher current densities. Our high-current technology is critical for high-power applications, such as those found in AI data center equipment and power modules for smart vehicles, where robust power delivery and thermal management are critical.

BUSINESS

Other Technologies

In addition to the core technologies above, we have also mastered other technologies and production processes critical for our product iterations and production capability enhancement. The following are selected examples of other technologies for which we hold patents:

Power Semiconductor Embedded PCB Technology. This technology enables the embedding of power semiconductors, such as MOSFETs, directly into the internal layers of a PCB. According to CIC, this technology offers advantages including improved thermal management and power density, faster switching frequencies, improved voltage resilience, compact size and reduced electromagnetic interference. Our power semiconductor embedded PCB products are primarily used in automotive power applications. We are also developing next-generation power semiconductor embedded PCBs for high-voltage EV applications by embedding SiC and GaN power semiconductors.

Very High Density Circuit (“VHDC”) Technology. This technology enhances signal integrity for high-speed signal transmission applications. By creating conductors with a more rectangular profile and lower surface roughness, this technology can reduce signal loss and enables the fabrication of ultra-fine line and space features (25/25 μm), supporting the technical requirements for advanced switch products with data rates of 448 Gbps.

Vertical Conductive Structure Technology. This technology increases interconnect density and improve signal performance. It utilizes vertical solid conductive structures as an alternative to traditional plated through-holes, which can enable a finer BGA pitch and increase circuit density. The design incorporates specialized shielding and stubless via configurations to reduce signal crosstalk, critical for future applications in 3.2T and next-generation switches and routers.

Power Enhancement and Conductive Anodic Filamentation Reduction Technology. This technology addresses the high-current and power delivery demands of large-size chips, particularly for AI and other high-performance computing applications. This technology facilitates the manufacturing of PCBs with heavy copper power layers (3 oz. and above) and increases the effective current-carrying area. The process also improves BGA pad flatness, a critical factor for the reliable assembly of large-scale integrated circuits.

RESEARCH AND DEVELOPMENT

R&D Team and Investment

We focus our R&D efforts on developing technologies and advanced manufacturing processes to meet the evolving demands of end customers in different application sectors, particularly data communications and smart vehicles.

As of March 31, 2026, our R&D team comprised 2,145 employees, 43.6% of whom held bachelor’s degrees or higher, and 20.3% of whom had been working for us for over 10 years. Our R&D team possess industry experience across PCB technology, product innovation, materials science and advanced manufacturing processes. We foster an environment where our R&D personnel are exposed to and engaged with research, complex technical challenges and

BUSINESS

emerging knowledge fields. Our dedication to technological innovation has received industry and government recognition. For instance, in 2024, our R&D initiatives were selected for a “Jiangsu Provincial Frontier Technology R&D Project” (江蘇省前沿技術研發項目立項), and we were recognized as an “Enterprise with Outstanding Contribution to R&D Investment in Kunshan City” (昆山市研發投入突出貢獻企業).

Structured R&D Approach and Process

Set forth below are key aspects of our R&D approach:

- ***Product Requirement Definition.*** The stage involves communication with customers to understand their requirements, market and technology research, feasibility analysis of the proposed product and a formal project initiation and planning decision.
- ***Concept and Planning.*** Following project approval, our teams proceed with preliminary and detailed technical design, including technical direction selection, establishment of a process map for development and the creation of detailed manufacturing process.
- ***Detailed Modeling and Simulation.*** Our engineering teams conduct signal integrity and thermal simulations to predict product performance. We also establish preliminary design-for-manufacturability rules to ensure scalability.
- ***Design and Development.*** We make small-batch prototypes for internal testing and customer evaluation to validate the concept and conduct design of experiments to verify and optimize critical process parameters. This stage may extend from five to twenty-four months, depending on complexity and equipment development needs.
- ***Verification and Validation.*** We perform electrical, thermal, and mechanical reliability testing on prototypes and compare results against simulation models to validate process stability. We also conduct failure analysis to refine the product design and manufacturing process before full-scale production.
- ***Model Calibration and Rule Finalization.*** Based on the results of testing and validation, we calibrate our simulation models and finalize the design rules and process specifications for mass production.
- ***Trial Production, Mass Production and Continuous Improvement.*** Upon validation, the product transitions to trial production and mass production. Our R&D and engineering teams remain engaged to monitor production, drive continuous process improvements and support product improvement and upgrade.

Key R&D Areas and Projects

Our R&D is focused on the key downstream application sectors, specifically high-speed, high-density data communications, where technology iteration and cross-disciplinary integration are driving requirements. Our R&D projects comprise both product development projects, aimed at developing new products or upgrading existing products for commercialization, and process or technology development projects, aimed at enhancing manufacturing process capabilities to support current and future product requirements.

BUSINESS

In the data communications sector, our R&D focus is centered on developing capabilities for next-generation products requiring data rates of 448 Gbps per lane and beyond. This involves research into high-speed materials, signal and power integrity, complex high-density structures and product reliability for multi-lamination PCBs. In the smart vehicles sector, we focus on intelligent driving and vehicle electrification. To support the requirements of L3/L4 driving systems, we are developing technologies for higher-reliability materials, fine-line circuitry, high-aspect-ratio plating, higher build-up layer HDI capabilities, smaller laser-drilled microvias and registration accuracy. We undertook 191 R&D projects during the Track Record Period, of which 56 were related to new product development, and 134 on product upgrade and technology development. As of the Latest Practicable Date, 92 of these R&D projects have been completed and utilized in our products while the remaining projects are ongoing. The following table sets forth some of our key R&D projects carried out during the Track Record Period:

Project Name	Project Objective
Development for Next-Generation Network Switch Products (1.6T)	To achieve mass production capability for next-generation products used in network switches.
Improvement of Back-Drilling Stub Control Capability	To improve stub length tolerance control (maximum of 0.125 mm stub) to meet the requirements of 224 Gbps products.
Development of Alternative Materials for PCBs with Embedded High-Voltage Chips	To develop domestically made materials for different performance tiers, enhancing our technology in this field.
Research on Thermal Deformation of Oversize Chip Packages	To meet the thermal deformation requirements for the assembly of oversized chips.
Development of 0.35 mm Pitch BGA Capability for Automotive Domain Controllers	To optimize product structure and enhance technical processing capabilities, improving the compatibility between our PCBs and advanced chip components.
Development of ≤ 2 mil Registration Accuracy for High Build-up Layer HDI Laser Vias	To optimize product structure and enhance technical processing capabilities, advancing our technology in high build-up layer HDI production.
R&D of High-Density Chip Embedding Technology	To develop new technologies that enhance our product processing capabilities and market competitiveness.
Development of Proprietary Chip Package Lead Frame Products	To develop a new type of lead frame product to enhance our product competitiveness.
R&D of Co-embedding Technology for Heterogeneous Chips	To develop technology suitable for the co-embedding of MOSFET and IGBT chips, expanding the application scope and flexibility of our embedding technology.
Next-generation high-speed PCB materials development	To develop next-generation high-speed PCB materials and strengthen product competitiveness through technology and product planning.
Development of 224 Gbps ASIC-Based Computing Module Products	To establish mass production capability for next-generation 224 Gbps ASIC-based computing modules.
Development of AI Supernode Orthogonal Backplane Technology	To develop key technologies for orthogonal interconnection between trays and racks.
Development of Multi-Layer HDI (3+) Applications for AI Servers	To improve the processing reliability of high-layer HDI technologies and expand our product portfolio.
Development of 224 Gbps Padless Process Technology	To develop new technologies that meet the bandwidth requirements of 224 Gbps transmission rates.
Development of Low-Cost Hybrid Lamination Solutions for 112 Gbps Products	To develop cost-efficient technical solutions for our products.

INTELLECTUAL PROPERTY

As of March 31, 2026, we had 53 patents that we consider material to our business and operations, five copyrights, three domain names and 10 registered trademarks in the PRC, and two overseas trademarks. See “Appendix IV — Statutory and General Information — B. Further Information about Our Business — 2. Our Intellectual Property Rights.” We acquire patents through self-development. As of the Latest Practicable Date, we owned all our patents as well as patent applications. We safeguard our intellectual property through trademarks, trade

BUSINESS

secrets and other intellectual property laws, as well as confidentiality agreements with our employees. We specify rights and obligations regarding the ownership and protection of intellectual properties in all employment agreements. In addition, we require employees to sign agreements stipulating that any service inventions, trade secrets, and R&D achievements acquired during their service with us shall be our assets and that the titles of such achievements shall be transferred to us. During the Track Record Period and up to the Latest Practicable Date, we did not experience any threatened or pending disputes relating to infringement of intellectual property rights which would have a material adverse effect on our business.

PRODUCTION

Production Facilities

Existing Production Facilities

As of March 31, 2026, we had a total of five principal production bases for PCB production in China and Thailand. The following table sets out certain details of these production bases as of March 31, 2026:

Production Facility	Geographic Location	Production Commencement Year	Major Products	GFA (m ²)
Kunshan WUS production base	Kunshan, Suzhou, China	2014 ⁽¹⁾	PCBs for high-speed network switches and routers, AI servers and HPC, wireless telecommunication network and others	265,336.3
Kunshan WUS KEPZ production base	Kunshan, Suzhou, China	2007	PCBs for smart vehicles	161,656.9
Huangshi production base	Huangshi, China	2014	PCBs for (i) high-speed network switches and routers, AI servers and HPC, wireless telecommunication network and others and (ii) smart vehicles	180,157.0
Jintan production base	Jintan, Changzhou, China	2019	PCBs for smart vehicles	132,016.9
Thai production base	Thailand	2024	PCBs for (i) high-speed network switches and routers and AI servers and HPC and (ii) smart vehicles	177,840.0

Note:

- (1) The Kunshan WUS production base commenced production at its original location in 1995. We relocated and expanded the production base to its current location in 2014.

Production Expansion Plan

During the Track Record Period, to enhance production capabilities and strengthen our global footprint, we invested in a new manufacturing base in Thailand (the “**Thai production base**”). Phase I of the Thai production base commenced construction in 2022 and completed in late 2024, designed to produce PCBs used in high-speed network switches and routers and AI servers and HPC. Trial production began around the end of 2024, with a capacity ramp-up period of approximately one year before reaching stable mass production. For further details of our production expansion, see “Future Plans and Use of [REDACTED] — Use of [REDACTED].” In addition, in 2026, we announced four major production expansion plans:

BUSINESS

(i) in January 2026, an investment project in Jintan focused on CoWoP and mSAP technologies for high-density PCBs; (ii) in February 2026, a production expansion plan focused on high-layer, high-frequency, high-speed, HDI, and high-current PCBs in Kunshan WUS production base; and (iii) in March 2026, a production expansion plan focused on high-layer, high-frequency, high-speed, HDI, and high-current PCBs in Kunshan WUS KEPZ production base; and (iv) in April 2026, an additional production expansion plan in Kunshan WUS production base.

Production Capacity and Production Volume

The following table sets forth our effective production capacity, production volume and production utilization rate by production base for the periods indicated:

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
Kunshan WUS production base					
Effective production capacity ⁽¹⁾ (m^2)	538,077	522,935	499,495	129,384	141,957
Production volume (m^2)	443,160	514,882	498,846	129,215	141,773
Utilization rate ⁽²⁾ (%)	82.4	98.5	99.9	99.9	99.9
Kunshan WUS KEPZ production base					
Effective production capacity ⁽¹⁾ (m^2)	1,449,321	1,466,018	1,143,137	222,054	239,937
Production volume (m^2)	1,165,276	1,188,623	1,138,336	214,726	238,929
Utilization rate ⁽²⁾ (%)	80.4	81.1	99.6	96.7	99.6
Huangshi production base					
Effective production capacity ⁽¹⁾ (m^2)	1,243,885	1,278,146	1,575,407	358,236	439,507
Production volume (m^2)	1,015,113	1,179,498	1,570,523	356,086	438,144
Utilization rate ⁽²⁾ (%)	81.6	92.3	99.7	99.4	99.7
Jintan production base					
Effective production capacity ⁽¹⁾ (m^2)	201,978 ⁽³⁾	287,664	306,024	76,506	81,969
Production volume (m^2)	87,489 ⁽³⁾	171,540	247,290	51,306	75,810
Utilization rate ⁽²⁾ (%)	43.3	59.6	80.8	67.1	92.5
Thai production base					
Effective production capacity ⁽¹⁾ (m^2)	–	–	95,806	–	36,752
Production volume (m^2)	–	–	74,537	–	36,642
Utilization rate ⁽²⁾ (%)	–	–	77.8	–	99.7
Overall utilization rate (%)	79.0	85.9	97.5	95.6	99.1

Notes:

- (1) Effective production capacity for a given year/period reflects our estimate of the maximum production output based on production plan for the year/period, and based on 24 operating hours a day and 30 operating days in a month. In any given year/period, our effective production capacities were dynamically adjusted based on the types of products being manufactured. For instance, the manufacturing of more complex products may involve longer production time and more complex production steps. As a result, the effective production capacity would also be reduced and vice versa.
- (2) Utilization rate is calculated by dividing production volume by the effective production capacity.
- (3) Our Jintan production base is owned and managed by Jiangsu Schweizer. Effective production capacity and production volume of our Jintan production base for 2023 was for the eight months ended December 31, 2023, following the consolidation of Jiangsu Schweizer’s financial statements in 2023.

BUSINESS

Our capacity utilization rate is primarily driven by fluctuations in customer demand rather than by seasonality. Demand is generally stronger in the second and fourth quarters, when certain domestic customers accelerate procurement, while the first and third quarters tend to be softer. Utilization is also affected by the introduction of new product versions or the replacement of existing projects. Demand may also decline temporarily as older projects are phased out, while in other cases demand may increase when new and existing projects overlap. As a result, our utilization rates vary from period to period as production lines are adjusted to accommodate customer requirements and product transitions.

Production Process

We produce PCBs in-house at our production facilities, with variations in the production processes depending on product types. The following flowchart illustrates the general steps in our PCB production process:

Key steps	Description
Inner Layer Production	
Cutting	Cut copper clad laminate boards into standard working panel sizes
Inner Layer Imaging & Etching . . .	Transfer circuit pattern onto copper, etch unwanted copper
Inner Layer AOI	Inspect inner layer circuits for defects
Lamination	Align and press multiple layers into a multilayer stack
Outer Layer Production	
Edge Grinding/Trimming	Trim panel edges to remove excess resin and ensure clean borders
Drilling	Drill through-holes and microvias for interlayer connections
Plating	Plate copper onto hole walls and panel surfaces to create conductive pathways
Via Filling	Fill vias with resin or conductive paste to improve reliability and surface flatness
Outer Layer Dry Film	Apply dry film photoresist to prepare for outer layer imaging
Pattern Plating	Electroplate copper and tin onto imaged circuit patterns and perform etching to form circuit shapes
Outer Layer AOI	Inspect outer layer circuits for defects and accuracy
Depth Drilling	Perform controlled-depth drilling for via structures requiring signal integrity
Solder Mask Printing	Print and cure solder mask ink to protect copper traces
ENIG/Gold Plating	Deposit nickel and gold on pads to ensure solderability and durability.
Text/Character Printing	Print component identifiers and markings on the board surface
Profiling & Routing	Route or punch boards into final dimensions
Electrical Test	Test conductivity and isolation of all circuits
Organic Solderability Preservative . .	Apply OSP coating to protect exposed copper pads
Tin and silver application	Perform chemical deposition of tin and silver finish to pads for solderability and conductivity
Final Inspection & Packaging	Inspect finished boards and package for shipment

The production of more advanced or specialized products involves additional and more complex manufacturing steps. For instance, the fabrication of high-layer-count PCBs with an N+N stack-up structure involves the parallel processing of separate sub-boards which are combined through additional lamination cycles. Similarly, the production of power semiconductor embedded PCBs requires specialized process including the incorporation of power semiconductors within layers during lamination.

Production Equipment

We procure our major production equipment, including laser exposure machines, etching lines, lamination presses, drilling machines and plating lines, primarily from established suppliers in China, Germany and Japan. We generally deploy our manufacturing equipment interchangeably across products with comparable technical specifications. Where there are

BUSINESS

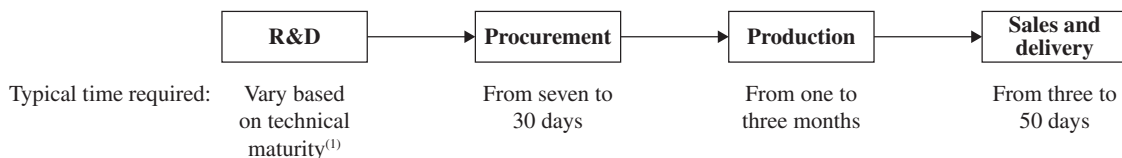
material differences dedicated reconfiguration or process may be required. For newer facilities, we source production equipment to the same specifications to ensure consistency. We prioritize stability, precision and reliability in equipment, focusing on technologies that support high-layer-count and high-density PCB production. We also operate specialized equipment such as boilers, X-ray systems and forklifts, which are maintained and certified in accordance with applicable regulatory requirements.

Production Management

We links customer orders directly to production planning. Our production department formulates schedules according to confirmed customer orders, calculating backward from delivery dates to determine material arrival and production commencement dates. Once materials arrive, we initiate production and allocate daily input volumes across product lines based on order mix and process constraints. We monitor production stage in real time, tracking cycle times and output by process to ensure throughput and delivery performance. We monitor our production facilities and utilization rates and update production plans to align with the customers’ rolling demands. We also classify products into production channels that align with specific process flows to optimize capacity utilization and meet customer delivery requirements. During the Track Record Period and up to the Latest Practicable Date, we have not experienced any material disruptions or suspensions of our production operations.

R&D, Production and Sales Cycle

Our business involves the R&D, production and sales of PCB products, the typical cycle of which is as illustrated in the flow chart below:



Note:

- (1) R&D projects utilizing established technologies typically progress to delivery within one to six months, while projects involving early-stage or complex technologies may require up to approximately two years.

QUALITY CONTROL

We have obtained and maintain critical certifications, including ISO9001 for quality management system and IATF16949 for automotive quality management. We hold ISO 14001 certifications for environmental management, ISO 45001 certifications for occupational health and safety and IECQ QC 080000 hazardous substance process management system requirements. We established a dedicated quality control team for quality management, and quality control through processes across the production lifecycle.

BUSINESS

Incoming Quality Control. We conduct inspections and testing on all incoming raw materials, such as CCL, copper foils and process chemicals to prevent inflow of non-conforming materials. We evaluate supplier quality, monitor properties such as dimensional stability, Tg value, CTE and copper surface roughness, and comply with customer-specific storage and shelf life requirements.

In-Process Quality Control. We station quality assurance personnel at key stages of the production line to monitor manufacturing processes. We ensure that critical process parameters for steps such as lamination, drilling, electroplating and etching remain within their specified control limits. We track cycle times, process outputs and environmental conditions and take immediate corrective actions. We also implement audit systems to identify defects and drive improvement.

Final Quality Control and Outgoing Quality Control. All finished products undergo a final inspection before packaging and shipment. This includes automated and manual visual inspections, electrical testing and dimensional verification to ensure compliance with customers’ specifications and applicable industry standards. Finished products are packaged under controlled conditions, and logistics processes are monitored to ensure timely and reliable delivery. We also manage product shelf life, typically one year from production to assembly, by controlling oxidation and moisture risks through protective finishes, controlled storage and compliance with customer requirements.

After-sales Services. We maintain procedures for handling non-conforming products, customer complaints and returns. Our 8D problem-solving process ensures timely containment, root-cause analysis and corrective action. We also operate emergency response protocols to address unexpected issues.

SALES AND MARKETING

Our Sales Network

During the Track Record Period, we sold our products through offline direct sales and did not engage distributors. Our customers consist mainly of electronic manufacturing service (the “EMS”) providers, which manufacture and assemble our PCBs for sales to downstream end customers. Our products were sold in both domestic and international markets. During the Track Record Period, a significant portion of our products were sold overseas, primarily to rest of Asia, Europe and Americas. The table below sets forth our revenue by region, based on the delivery destination of our products, for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
(Unaudited)										
Sales of PCB products	8,571,873	95.9	12,838,987	96.3	18,143,308	95.8	3,882,469	96.2	5,922,676	95.3
Overseas	7,217,521	80.7	11,104,063	83.2	15,542,868	82.1	3,330,546	82.5	5,243,337	84.3
Rest of Asia ⁽¹⁾	3,955,267	44.2	7,275,278	54.5	10,319,401	54.5	2,193,714	54.4	3,741,917	60.1
Europe	1,116,720	12.5	1,078,035	8.1	1,379,064	7.3	322,615	8.0	360,178	5.8

BUSINESS

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
	<i>(Unaudited)</i>									
Americas	1,100,420	12.3	1,983,674	14.9	3,215,112	17.0	663,423	16.4	980,539	15.8
Bonded zones	1,044,038	11.7	766,743	5.7	624,858	3.3	149,433	3.7	160,703	2.6
Africa and others	1,076	0.0	333	0.0	4,433	0.0	1,361	0.0	–	–
Chinese Mainland (excluding sales to bonded zones)	1,354,352	15.2	1,734,924	13.1	2,600,440	13.7	551,923	13.7	679,339	11.0
Others ⁽²⁾	366,436	4.1	502,554	3.7	801,913	4.2	155,158	3.8	291,480	4.7
Total	8,938,309	100.0	13,341,541	100.0	18,945,221	100.0	4,037,627	100.0	6,214,156	100.0

Notes:

- (1) Rest of Asia mainly included Hong Kong, Taiwan, Thailand, Malaysia and Vietnam.
- (2) Comprise revenue generated from sales of recyclable offcut materials and property sales and leasing business.

Bonded Zones

Overview

Bonded zones in the Chinese Mainland are a type of special customs supervision zones, established to facilitate transit trade, export processing and international transportation. Enterprises operating within such zones are entitled to preferential policies relating to tariffs, logistics, import and export activities and customs procedures. For further details, see “Regulatory Overview — Regulations Relating to Bonded Zones.”

Custom and Tax Treatment for sales to bonded zones

Treatment as exports and applicable tariff arrangements. As advised by our PRC Legal Advisor, under PRC laws and regulations, (i) goods declared through customs by export enterprises that are delivered into bonded zones are treated as export goods; and (ii) under PRC customs tariff rules, export duties are imposed only on limited categories of goods, most exported goods are exempt from export tariffs, with the applicable export tariff rate being 0%. As a result, our sales of products into bonded zones qualify as exports for PRC customs purposes and are eligible for export tax rebates upon customs declaration as well as the zero export tariff treatment.

Discharge of customs-related obligation and not liable for subsequent customs and tax obligations. Our customs-related obligations in respect of products sold into bonded zones are fully discharged upon completion of delivery and relevant customs declaration procedures. We do not bear any subsequent customs or tax obligations in respect of any onward movement of products by downstream customers, such as import tariffs imposed by the onward destination countries.

BUSINESS

Bonded transfer arrangements. Products transferred between bonded zones or other special customs supervision areas are subject to bonded treatment under PRC regulations and no customs duties or import-related taxes are levied on such transfers.

Import of materials through bonded zones. Materials imported from overseas into bonded zones are not treated as imports into the PRC and are exempt from import taxes at the point of entry. If such materials be further processed and subsequently moved into other parts of the Chinese Mainland, import tariff rates apply to the finished or semi-finished products at that point, based on their final state.

Benefits for arrangement of product sales to bonded zones

Our products sold to bonded zones were substantially the same as those sold to overseas markets in terms of product quality or production process, except for technical specifications based on customer requirements. The benefits associated with sales to bonded zones includes: (i) **alignment with customers’ supply chain structure**: we sold our products to bonded zones as instructed by our customers; sales to bonded zones accommodate customers’ preferred logistics models and global supply chain structures; (ii) **exemption from export duty**: goods shipped from bonded zones to overseas markets are exempt from export duties; (iii) **bonded transfer between and within bonded zones**: goods transferred between different bonded zones retain bonded status and are exempt from tariffs and import-related taxes; (iv) **export**: sales to bonded zones and other special customs surveillance zones are treated as exports, enabling customs clearance and export tax rebates once the goods are declared; (v) **streamlined tax governance**: enterprises within the zones manage their own filings, establish reasonable customs verification cycles, and self-report.

Our Sales Model

We engage in direct sales model. We generally enter into a master framework agreement with our customers. Salient terms of our typical agreements are as follows:

- ***Term and termination.*** Term typically ranges from three to five years. Termination may occur by mutual agreement or by either party upon prior written notice.
- ***Pricing policy payment and credit term.*** Prices are set mutually, determined by reference to agreed bills of materials and packaging and related costs. We generally require our customers to pay upon receipt of invoice. We typically provide a credit period of 30 to 120 days from the date of invoice.
- ***Purchase amount.*** Purchase amounts are specified in purchase orders, which set out model numbers, quantities, prices, destinations, and shipment dates.

BUSINESS

- **Product warranty and return arrangement.** We typically provide warranties covering conformity to specifications, merchantability, and freedom from defects, with specific warranty obligations including replacement or repair of defective products and root cause analysis for failures. We generally do not allow products return except in limited circumstances such as non-conforming goods or defects, in which case replacement, repair, or refund arrangements are provided.
- **Delivery and logistics.** We are responsible for delivering our products to locations designated by our customers, typically on an ex-works basis or as otherwise agreed.
- **Confidentiality and IP protections.** Both parties are restricted from disclosing confidential information of the other contractual parties.

Sales Agents

During the Track Record Period, for sales in certain overseas markets, we engaged with commission-based sales agents. We engage sales agents primarily to leverage their localized expertise, established networks, and cultural capabilities to coordinate with overseas customers and to expand global footprint cost-effectively. The following table sets forth number of sales agents by regions based on the registered address of the sales agents during the Track Record Period and up to the Latest Practicable Date:

	As of December 31,			As of March 31,	As of the Latest Practicable Date
	2023	2024	2025	2026	
Asia and others	5	5	8	8	8
Europe	5	6	6	6	6
Americas	7	7	7	7	7
Total	17	18	21	21	21

In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, revenue relating to sales agents amounted to RMB6,528.7 million, RMB9,087.4 million, RMB12,792.9 million, RMB2,485.6 million and RMB4,045.5 million, respectively, representing approximately 73.0%, 68.1%, 67.5%, 61.6% and 65.1% of our total revenue during the same periods, while sales commission relating to sales agents amounted to RMB214.1 million, RMB288.2 million, RMB412.1 million, RMB88.3 million and RMB131.9 million, respectively.

We operate under a principal-agent relationship with sales agents. They operate under our brand, do not take title to our products, and do not handle order fulfillment or payment. Unlike distributors, who (i) act as principal contracting parties by purchasing products in their own name, (ii) take inventory risk and credit risk, and (iii) resell to end customers, our sales agents only act on our behalf to introduce customers and support transactions, while we remain the sole contracting party and retain direct ownership of the customer relationships. According to CIC, it is an industry norm for PCB manufacturers to engage sales agents to (i) identify

BUSINESS

existing and potential customers’ product needs and facilitating communication; and (ii) provide localized support, including sales coordination, customer development and relationship management, and such collaboration is common and consistent with the industry practice. In agent selection, we consider factors including: (i) alignment with customer development plans and ability to access customers; and (ii) network within relevant local markets.

During the Track Record Period, except for WUS Printed Circuit (Singapore) Pte., Ltd. (“**WUS Printed Circuit Singapore**”), a related party of our Company that served as our sales agent in 2023 and 2024, all of our sales agents were Independent Third Parties. Since July 2024, the sales agency function of WUS Printed Circuit Singapore has been assumed by our subsidiary, WUS Singapore. In 2023 and 2024, sales commissions made to WUS Printed Circuit Singapore amounted to RMB6.9 million and RMB1.4 million, respectively. See Note 39 to the Accountant’s Report in Appendix I for details. During the Track Record Period and up to the Latest Practicable Date, except for the transition of sales agency function from WUS Printed Circuit Singapore to WUS Singapore, we had not terminated business relationships with any of our sales agents.

We enter into agreements with sales agents directly. The agreements typically have a fixed term of two years, which will be automatically renewed for two-year periods unless terminated with prior notice. During the Track Record Period and up to the Latest Practicable Date, we had not entered into any tripartite agreement with sales agents and customers. Key terms of our agreements with sales agents typically include:

Scope of Authority and Non-Exclusivity. The sales agent is authorized to solicit orders and introduce customers on a non-exclusive basis, and is prohibited from entering into contracts or binding us without our prior consent.

Obligations. The sales agent is responsible for promoting our products, maintaining customer relationships, and providing market updates. We do not impose any minimum purchase requirements, sales commitments, or performance targets. We provide agents with an annual account status confirmation, detailing assigned customers and applicable commission rates. The sales agent is required to maintain the confidentiality of our technical and commercial information.

Commission Rate and Basis of Determination. The sales agent is compensated through commissions calculated as a percentage of the FOB price stated in each order invoice, and are payable on monthly basis. During the Track Record Period, the commission rates typically ranged from 2.0% to 5.0%. The commission rate for each agent is determined through arm’s length negotiation between the agent and our management, considering scope of services, strategic value and customer order volume prevailing regional market rates and product types. Commission fees are not included in product selling price. Rather, commission fees are paid separately to sales agents and are recognized as selling and marketing expenses in consolidated statements of profit and loss. See “Financial Information — Results of Operations — Selling and Marketing Expenses.”

BUSINESS

We do not believe our Group exhibits an undue or extreme reliance on any sales agent, considering that (i) **direct ownership of customer relationships**: we retain the ultimate ownership of all customer contracts, intellectual property, and product qualifications; sales agents cannot easily migrate customers to competitors as customers audit and qualify our manufacturing facilities directly; and (ii) **independent operational capabilities**: we manage core commercial functions internally, including product design, manufacturing, quality control, logistics, and pricing strategy; sales agents act strictly as external business development facilitators rather than intermediaries or distributors.

Pricing

Our pricing model combining cost-plus and market-oriented approaches, reflecting PCBs’ customized and technical nature. We price our products based on factors including technical complexity, manufacturing processes, impedance control requirements, raw material costs, industry certifications and standards, customer order volume and market conditions. We adjust by considering market benchmarks, customer quality requirements, customer relationship management, competitive dynamics and desired market share. In general, overseas customers emphasize holistic performance, relationship stability, technological capabilities and product quality, while domestic customers tend to be more price sensitive. We may implement flexible pricing arrangements to preserve key customer relationships.

Marketing

Our sales and marketing team focus on building long-term partnerships with customers in target end markets. We tailor our approach based on customers’ technological requirements, market positioning and profile. For end customers with standard technology requirements, we emphasize responsiveness and service quality, while for high-end customers we focus on technology, reliability and long-term cooperation. We collaborate with end customers with aligned technology roadmaps. For example, through co-development of power semiconductor embedded PCB technology with one of our strategic partners, we engaged in early-stage discussions with automotive suppliers and customers to align before entering into commercial cooperation and gained insights into market dynamics.

Product Return, Customer Feedback and Service

Our dedicated personnel initiate a response protocol when a quality issue is reported, conduct a root cause analysis and implement corrective and preventive actions to resolve the issue. We conduct regular customer visits and maintain communication to identify potential concerns. During the Track Record Period and up to the Latest Practicable Date, we had not received any material customer dissatisfaction, product return, exchange, complaints or product liability claims from our customers. We had not incurred any material warranty costs or made any material provision for such warranty costs during the Track Record Period and up to the Latest Practicable Date.

BUSINESS

OUR CUSTOMERS

During the Track Record Period, our customers primarily consisted of EMS providers, who assemble and integrate our PCBs with other components for sales to downstream end customers, who are typically ultimate brand owners or product design companies, including globally recognized companies in data communications, smart vehicles and industrial control sectors. To a lesser extent, we also sold directly to these end customers. In each year/period during the Track Record Period, our five largest customers for each relevant year/period together generated RMB4,111.5 million, RMB6,792.0 million, RMB10,102.8 million and RMB3,628.7 million of our revenues, respectively, accounting for 46.0%, 50.9%, 53.3% and 58.4% of our total revenue, respectively. In addition, revenues generated from our largest customer for each relevant year/period accounted for 13.8%, 12.3%, 14.3% and 19.5% of our total revenues in each year/period during the Track Record Period. To the best of our knowledge, all of our five largest customers in each year/period during the Track Record Period were Independent Third Parties. To the best of our knowledge, none of our major customers was a supplier of ours and vice versa during the Track Record Period and up to the Latest Practicable Date. To the best of our knowledge and as of the Latest Practicable Date, we were not aware of any information or arrangement that would lead to the termination of our relationships with any of our major customers. None of our Directors and their respective associates, or Shareholders who own 5% or more of the total issued Shares had any interest in any of our five largest customers in each year/period during the Track Record Period and up to the Latest Practicable Date. The following table sets forth the details of our five largest customers in each year/period during the Track Record Period.

			Percentage	Major type of product/services		Payment	Type of	Year of
Rank	Customer	Sales Amount	of total revenue	purchased	Credit terms	Method	customer	commencement of business relationship
		(RMB'000)	(%)					
For the year ended December 31, 2023								
1	Customer A ⁽¹⁾	1,231,130	13.8	PCBs for data communications	60 to 120 days	Wire transfer	EMS	2003
2	Customer B ⁽²⁾	863,424	9.7	PCBs for data communications	30 to 120 days	Wire transfer	EMS	2002
3	Customer C ⁽³⁾	724,857	8.1	PCBs for data communications	60 to 90 days	Wire transfer	EMS	2018
4	Customer D ⁽⁴⁾	664,619	7.4	PCBs for smart vehicles	60 to 120 days	Wire transfer	End customer	2001
5	Customer E ⁽⁵⁾	627,498	7.0	PCBs for data communications	75 to 110 days	Wire transfer	EMS	2011

			Percentage					Year of
Rank	Customer	Sales Amount	of total revenue	Major type of product/services purchased	Credit terms	Payment Method	Type of customer	commencement of business relationship
		(RMB'000)	(%)					
For the year ended December 31, 2024								
1	Customer A	1,638,375	12.3	PCBs for data communications	60 to 120 days	Wire transfer	EMS	2003
2	Customer E	1,502,232	11.3	PCBs for data communications	75 to 110 days	Wire transfer	EMS	2011
3	Customer C	1,473,887	11.0	PCBs for data communications	60 to 90 days	Wire transfer	EMS	2018
4	Customer B	1,310,682	9.8	PCBs for data communications	30 to 120 days	Wire transfer	EMS	2002
5	Customer F ⁽⁶⁾	866,845	6.5	PCBs for data communications	60 to 90 days	Wire transfer	EMS	2013

BUSINESS

Rank	Customer	Sales Amount	Percentage of total revenue	Major type of product/services purchased	Credit terms	Payment Method	Type of customer	Year of commencement of business relationship
		(RMB'000)	(%)					
<i>For the year ended December 31, 2025</i>								
1	Customer E	2,702,321	14.3	PCBs for data communications	75 to 110 days	Wire transfer	EMS	2011
2	Customer F	2,153,938	11.4	PCBs for data communications	60 to 90 days	Wire transfer	EMS	2013
3	Customer A	2,068,452	10.9	PCBs for data communications	60 to 120 days	Wire transfer	EMS	2003
4	Customer B	1,803,764	9.5	PCBs for data communications	30 to 120 days	Wire transfer	EMS	2002
5	Customer C	1,374,286	7.3	PCBs for data communications	60 to 90 days	Wire transfer	EMS	2018

Rank	Customer	Sales Amount	Percentage of total revenue	Major type of product/services purchased	Credit terms	Payment Method	Type of customer	Year of commencement of business relationship
		(RMB'000)	(%)					
<i>For the three months ended March 31, 2026</i>								
1	Customer F	1,211,804	19.5	PCBs for data communications	60 to 90 days	Wire transfer	EMS	2013
2	Customer E	728,375	11.7	PCBs for data communications	75 to 110 days	Wire transfer	EMS	2011
3	Customer A	601,846	9.7	PCBs for data communications	60 to 120 days	Wire transfer	EMS	2003
4	Customer B	555,974	9.0	PCBs for data communications	30 to 120 days	Wire transfer	EMS	2002
5	Customer C	530,677	8.5	PCBs for data communications	60 to 90 days	Wire transfer	EMS	2018

Notes:

- (1) Customer A is a subsidiary of a public company listed on the Taiwan Stock Exchange, and primarily engaged in the development, manufacture and sales of network communication equipment, vehicle connectivity and smart hardware.
- (2) Customer B is a public company headquartered in Austin, United States, listed on NASDAQ, and primarily engaged in the development, manufacture and sales of consumer electronics, computing and communications hardware via contract manufacturing.
- (3) Customer C is a public company headquartered in Taiwan, listed on the Taiwan Stock Exchange, and primarily engaged in the development, manufacture and sales of notebook computers, servers and other consumer-electronics components.
- (4) Customer D is a public company headquartered in Hanover, Germany, listed on the Frankfurt Stock Exchange, and primarily engaged in the development and manufacture of automotive components, vehicle electronics, safety and chassis systems, tires and mobility technologies.
- (5) Customer E is a public company headquartered in Toronto, Canada, listed on the Toronto Stock Exchange and the New York Stock Exchange, and primarily engaged in the development, manufacture and sales of electronics hardware including servers, storage and communications systems.
- (6) Customer F is a public company headquartered in Taiwan, listed on the Taiwan Stock Exchange, and primarily engaged in the development, manufacture and sales of networking and data-center switching equipment.

OUR SUPPLY CHAIN

Raw Materials

Our key raw materials primarily include CCLs, prepregs, copper foil, copper anodes, gold salts and dry films, sourced mainly from suppliers in the Chinese Mainland. These materials are essential for the production of high-density and multilayer products. To manage and mitigate raw material price fluctuations, we have implemented the following measures: (i) monitoring market conditions and negotiating terms with suppliers; (ii) adopting a flexible

BUSINESS

pricing mechanism in sales agreements and conducting periodic price adjustments to align selling prices with market supply and demand; (iii) adopting a flexible strategy for adjusting procurement volume and inventory management strategies; (iv) consolidating a group-level procurement plan to leverage scale for price negotiations; and (v) entering into framework agreements with key suppliers to secure stable supplies. During the Track Record Period and up to the Latest Practicable Date, we had not adopted any hedging policies for fluctuations in the prices of raw materials; we did not experience any significant shortage of raw material supplies, and the raw materials provided did not have any significant quality issues.

Our Suppliers

Supplier Selection and Management

We select suppliers based on a structured process, considering product quality, production capability, track record and price competitiveness. Potential suppliers undergo qualification procedures including credential and on-site assessments, sample testing and cost-performance evaluation. We manage suppliers through a performance evaluation framework with regular grading and on-site audits, evaluating quality commitments, training, incoming inspections, statistical tracking, and non-conformance handling procedures. We generally enter into framework agreements with our key suppliers. Set forth below are salient terms of our framework agreements:

Term, termination and confidentiality. Agreements are generally for a term of one year, automatically renewable for one year, or terminable by either party upon prior written notice. We require our suppliers to keep the agreement details confidential.

Product specification, pricing and payment. Product specification, price, quantity and delivery timeline are specified in each purchase order. We are typically granted a credit period of approximately 30 to 150 days.

Delivery and logistics. Suppliers are typically responsible for product delivery to specified locations.

Risk transfer and product return. Risk transfers to us upon inspection and receipt. We are entitled to reject, replace or return non-conforming products. Suppliers shall indemnify us against losses arising from quality defects determined to be attributable to the suppliers.

Our Major Suppliers

Our major suppliers are primarily providers of raw materials and/or equipment critical to our PCB production. In each year/period during the Track Record Period, purchases from our five largest suppliers in each relevant year/period were RMB2,179.0 million, RMB3,936.1 million, RMB5,972.7 million and RMB2,179.4 million, representing 41.3%, 40.5%, 42.2% and 41.6% of our total purchases, respectively. In addition, purchases from our largest supplier in each relevant year/period accounted for 21.4%, 21.1%, 22.3% and 21.2% of our total purchases

BUSINESS

in each year/period during the Track Record Period. All of our five largest suppliers in each year/period during the Track Record Period and up to the Latest Practicable Date were Independent Third Parties. None of our Directors and their respective associates or our Shareholders who hold more than 5% of our total issued Shares had any interest in our five largest suppliers in each year/period during the Track Record Period and up to the Latest Practicable Date. Additionally, we did not experience any material disputes with our suppliers during the Track Record Period and up to the Latest Practicable Date. The following table sets forth the details of our five largest suppliers in each year/period during the Track Record Period:

Rank	Supplier	Purchase Amount	Percentage of total purchase	Major type of product/ services provided	Credit terms	Payment Method	Year of commencement of business relationship
		(RMB'000)	(%)				
<i>For the year ended December 31, 2023</i>							
1	Supplier A ⁽¹⁾	1,129,773	21.4	CCLs and prepregs	120 days	Wire transfer	1999
2	Supplier B ⁽²⁾	318,326	6.0	CCLs and prepregs	60 days	Wire transfer	2006
3	Supplier C ⁽³⁾	299,432	5.7	CCLs and prepregs	90 to 120 days	Wire transfer	2004
4	Supplier D ⁽⁴⁾	226,159	4.3	CCLs and prepregs	90 days	Wire transfer	2016
5	Supplier E ⁽⁵⁾	205,359	3.9	CCLs and prepregs	120 to 150 days	Wire transfer	2005

Rank	Supplier	Purchase Amount	Percentage of total purchase	Major type of product/ services provided	Credit terms	Payment Method	Year of commencement of business relationship
		(RMB'000)	(%)				
<i>For the year ended December 31, 2024</i>							
1	Supplier A	2,056,814	21.1	CCLs and prepregs	120 days	Wire transfer	1999
2	Supplier B	676,136	6.9	CCLs and prepregs	60 days	Wire transfer	2006
3	Supplier C	510,194	5.2	CCLs and prepregs	90 to 120 days	Wire transfer	2004
4	Supplier D	395,241	4.1	CCLs and prepregs	90 days	Wire transfer	2016
5	Supplier F ⁽⁶⁾	297,741	3.1	Production equipment	30 days	Wire transfer	2006

Rank	Supplier	Purchase Amount	Percentage of total purchase	Major type of product/ services provided	Credit terms	Payment Method	Year of commencement of business relationship
		(RMB'000)	(%)				
<i>For the year ended December 31, 2025</i>							
1	Supplier A	3,155,711	22.3	CCLs and prepregs	120 days	Wire transfer	1999
2	Supplier D	972,332	6.9	CCLs and prepregs	90 days	Wire transfer	2016
3	Supplier B	723,257	5.1	CCLs and prepregs	60 days	Wire transfer	2006
4	Supplier C	592,717	4.2	CCLs and prepregs	90 to 120 days	Wire transfer	2004
5	Supplier F	528,654	3.7	Production equipment	30 days	Wire transfer	2006

Rank	Supplier	Purchase Amount	Percentage of total purchase	Major type of product/ services provided	Credit terms	Payment Method	Year of commencement of business relationship
		(RMB'000)	(%)				
<i>For the three months ended March 31, 2026</i>							
1	Supplier A	1,109,438	21.2	CCLs and prepregs	120 days	Wire transfer	1999
2	Supplier D	357,606	6.8	CCLs and prepregs	90 days	Wire transfer	2016
3	Supplier B	307,236	5.9	CCLs and prepregs	60 days	Wire transfer	2006

BUSINESS

Rank	Supplier	Purchase Amount	Percentage of total purchase	Major type of product/ services provided	Credit terms	Payment Method	Year of commencement of business relationship
		(RMB'000)	(%)				
4	Supplier F	206,061	3.9	Production equipment	30 days	Wire transfer	2006
5	Supplier C	199,093	3.8	CCLs and prepregs	90 to 120 days	Wire transfer	2004

Notes:

- (1) Supplier A is a private company in the Chinese Mainland, a subsidiary of a public company listed on the Taiwan Stock Exchange, and primarily engaged in the manufacture of CCL and prepreg for PCB applications.
- (2) Supplier B is a private company in the Chinese Mainland, a subsidiary of a public company listed on the Tokyo Stock Exchange, and primarily engaged in the manufacture of CCL and other electronic circuit materials for PCB applications.
- (3) Supplier C is a public company in Taiwan, and primarily engaged in the manufacture and sales of CCL and prepregs for PCB base material. It is listed on the Taiwan Stock Exchange.
- (4) Supplier D is a private company in the Chinese Mainland, a subsidiary of a public company listed on the Korea Exchange and primarily engaged in the manufacture of copper-clad laminates and prepregs for printed circuit board substrates. Its registered capital amounted to approximately RMB1.4 million.
- (5) Supplier E is a private company in the Chinese Mainland, a subsidiary of a public company listed on the Taiwan Stock Exchange, and primarily engaged in the manufacture of copper-clad laminates and prepregs for printed circuit board substrates.
- (6) Supplier F is a private company in Rödermark, Germany with over 75 years of operating history and over 500 employees, and primarily engaged in the development and manufacture of micromechanical precision machinery and equipment for PCB production.

LOGISTICS, WAREHOUSE AND INVENTORY MANAGEMENT

Logistics

We engage qualified independent third-party logistics providers to transport products designated locations by our customers. In 2023, 2024, 2025 and the three months ended March 31, 2026, our logistics cost amounted to RMB34.3 million, RMB53.7 million, RMB69.2 million and RMB19.3 million, respectively. To the best of our knowledge, all of our logistics service providers during the Track Record Period and up to the Latest Practicable Date are Independent Third Parties.

Inventory Management

We conduct regular inventory checks and submit reports to our management for review. Our inventories consist of (i) raw materials, (ii) work-in-progress and (iii) finished goods. As of December 31, 2023, 2024, 2025 and March 31, 2026, our inventories amounted to RMB1,548.4 million, RMB2,274.3 million, RMB4,091.7 million and RMB4,913.4 million, respectively. In 2023, 2024, 2025 and the three months ended March 31, 2026, our inventory turnover days were 87 days, 76 days, 91 days and 100 days, respectively. For further details, see “Financial Information — Selected Balance Sheet Items — Current Assets/Liabilities — Inventories.” We inspect, record, and allocate incoming items by batch upon receipt of raw materials, and we perform timely entries for receipts, issuances, and transfers. We conduct semi-annual full inventory counts, random spot checks, and adjust inventory levels flexibly to reduce the risk of excess holdings or obsolescence. We establish safety stock levels for major categories of raw materials and components according to lead times, demand patterns and production requirements. Our system tracks inventory age and turnover, and we maintain a regular alert mechanism for slow-moving or aging items. We prioritize the use of near-expiry materials in production and handle obsolete inventory through returns, rework, discounting or scrapping as appropriate.

BUSINESS

RECENT REGULATION IN RELATION TO TARIFFS

Tariff Policies

In early 2025, the U.S. government initiated a series of tariffs and trade policies primarily targeting China, leading to retaliatory measures from China. During the Track Record Period, the additional tariffs imposed by the U.S. on imports from China peaked at 145%, while the additional tariffs imposed by China on U.S. imports peaked at 140%. As of the Latest Practicable Date, in terms of export destinations, for PCBs exported from the Chinese Mainland and Thailand, (i) the U.S. imposed a 10% baseline tariff following the termination of reciprocal tariffs and Fentanyl-related tariffs in February 2026; and (ii) Brazil imposed a 9% import tariff. Our PCBs exported to other destinations are generally not subject to import tariffs. In terms of procurement, (i) raw materials imported into the Chinese Mainland were subject to a general PRC import tariff rate of 4%, while raw materials of U.S. origins were subject to a 10% reciprocal tariff; (ii) raw materials procured to our Thai production base, were subject to general applicable Thai import tariff rates of 0%, including (a) CCLs with default 0% rate, (b) prepregs eligible under the Board of Investment (Thailand) (“BOI”) scheme and copper foil eligible with the Association of Southeast Asian Nations (“ASEAN”) certificate of origin.

Impact Assessment

During the Track Record Period and up to the Latest Practicable Date, our Directors are of the view that, the recent U.S.-China tension on tariffs did not have, and are not expected to have any material direct and/or indirect impact on our business operations and financial performance, considering the following reasons:

Export

Limited revenue derived from the U.S.. Our revenue derived from the U.S. is limited, comprising sale of PCBs for commercial applications, and samples and certification PCBs for customer qualification and testing purposes, and accounted for a small portion of our total revenue; In 2023, 2024, 2025 and the three months ended March 31, 2026, revenues generated from products directly exported to the United States accounted for approximately 5.0%, 4.8%, 4.6% and 3.2% of the our total revenues, respectively.

Tariff borne by our customers. For PCBs sold directly to the U.S., import clearance and tariff payments are borne by our customers, in accordance with the international commercial terms set out in sales agreements. We typically do not bear import duties for these transactions, nor are we liable for trade tariffs imposed on finished products exported by our customers to the U.S. that incorporate our PCBs. During the Track Record Period and up to the Latest Practicable Date, we did not incur tariff imposed by the U.S. in relation to our limited sales of PCBs into the U.S..

BUSINESS

No direct or indirect adverse impact on our business. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material adverse changes in order volume, price, customer payment or logistics arrangements, nor have we received any requests from customers to renegotiate the sales agreement, cancel orders or suspend delivery of products due to the imposition of the U.S. tariffs. In addition, to the best of our knowledge, the U.S. tariffs do not have material adverse indirect impact on the business and results of operations of our customers, considering that during the Track Record Period and up to the Latest Practicable Date, our major customers have diversified worldwide sales network and none of our major customers sold their end products exclusively to the United States.

Import

Primarily sourced from the Chinese Mainland. We primarily source key raw materials for PCB production, such as CCLs, prepregs, copper foil, copper anodes, gold salts, and dry films, from qualified suppliers based in the Chinese Mainland, with corresponding purchases accounting for 84.2%, 74.3%, 77.5% and 79.0% of our total purchases in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively.

Limited procurement from non-U.S. overseas suppliers. During the Track Record Period, we procured a limited amount of raw materials, including CCLs and copper foils from non-U.S. overseas suppliers, primarily from suppliers in Taiwan, Korea, Malaysia and Singapore, with corresponding purchases from these regions accounting for less than 10.0% of our total purchases in each year/period during the Track Record Period.

Limited procurement of U. S.-origin raw materials. Raw materials of U.S. origin that we import represent an insignificant amount of all raw materials we purchase. The procurement amount of U.S.-origin raw materials accounted for less than 0.2% of our total procurement amounts in each year/period during the Track Record Period.

Limited import tariffs incurred. In 2023, 2024, 2025 and the three months ended March 31, 2026, the import tariffs imposed by China we incurred amounted to RMB0.2 million, RMB1.0 million, RMB2.6 million and RMB0.3 million, respectively.

BUSINESS ACTIVITIES SUBJECT TO U.S. EXPORT CONTROLS AND SANCTIONS

Factual Background

During the Track Record Period, we engaged in transactions with certain counterparties (“**Relevant Counterparties**”), which are included U.S. restricted party lists, including: (i) BIS Entity list, maintained by the U.S. Department of Commerce (“**U.S. DOC**”), designates foreign entities subject to specific license requirements for export, re-export or transfer of items subject to the EAR, on the basis of concerns relating to national security, foreign policy, proliferation of weapons of mass destruction or other U.S. regulatory concerns; (ii) NS-CMIC list, maintained by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“**OFAC**”), prohibits U.S. persons from purchasing or selling publicly traded securities issued by, or derivatives of securities issued by, listed entities; and (iii) the 1260H List, maintained by the U.S. Department of Defense (“**U.S. DOD**”), which restricts the U.S. DOD from entering into contracts with listed entities but does not impose broader commercial dealing restrictions.

BUSINESS

During the Track Record Period and up to the Latest Practicable Date, we had (i) nine customers (“**Relevant BIS Customers**”), to which we supplied PCBs, and one supplier (“**Relevant BIS Supplier**”), from which we procured labor services, that had been added to the BIS Entity List; (ii) three suppliers (“**Relevant CMIC Suppliers**”) that had been added to the NS-CMIC List, from which we procured telecommunications services, such as telephone or broadband charges; and (iii) seven additional suppliers (“**Relevant 1260H Suppliers**”), from which we procured telecommunications services, and one additional customer (“**Relevant 1260H Customer**”), that had been added to the 1260H list, and we expect to continue to transact with these entities. In 2023, 2024, 2025 and the three months ended March 31, 2026, (i) revenue from the nine Relevant BIS Customers accounted for 4.0%, 3.7%, 3.7% and 1.5% of our revenue, while purchase from the Relevant BIS Supplier accounted for nil, 0.003%, nil and nil of our total purchases; (ii) purchases from the three Relevant CMIC Suppliers accounted for 0.02%, 0.01%, 0.01% and 0.01% of our total purchases; (iii) revenue from the one additional Relevant 1260H Customer accounted for 0.03%, 0.03%, 0.04% and 0.03% of our revenue, while purchases from the seven additional Relevant 1260H Suppliers accounted for 0.004%, 2.5%, 0.7% and 1.2% of our total purchases in the same periods, respectively.

Analysis in relation to U.S. Export Control Law

With respect to U.S. government export controls, as advised by our legal advisor as to U.S. Export Control Law, to the best of our Directors’ information and knowledge, our Directors are of the view that our exposure to U.S. export control risks is limited, and that our Group’s operations are in compliance with the applicable U.S. export control laws and regulations during the Track Record Period and up to the Latest Practicable Date, considering the below factors.

Substantially all products not subject to the EAR Except for those products moving in transit through the United States to customers located in Mexico, our products (i) are not of U.S. origin or located in the U.S., (ii) do not transit through or pass via the United States, (iii) do not incorporate U.S.-origin components, software or technology to the level that would trigger EAR jurisdiction under the de minimis rule, (iv) are not the direct products of U.S.-origin “technology” or “software,” or (v) are not produced using any complete plant or major component that is itself a direct product of such controlled U.S. technology or software. As advised by our legal advisor as to U.S. Export Control Law, substantially all of our products are not subject to EAR, and our Directors are of the view that: (i) the supply of such products to Relevant BIS Customers during the Track Record Period and up to the Latest Practicable Date did not involve any transaction that constitutes a violation of U.S. export control laws and regulations and that (ii) the application or installation of such products in the products of Relevant BIS Customers does not of itself give rise to EAR jurisdiction or constitute a violation of U.S. export control laws.

Limited products subject to the EAR and classified as EAR99 During the Track Record Period and up to the Latest Practicable Date, the only products of our Group that were subject to the EAR were certain PCBs and chip-embedded PCBs shipped to customers located in Mexico via transit through the United States. These products were classified as EAR99. Specifically, EAR99 is a classification under the EAR for items subject to U.S. jurisdiction that

BUSINESS

are not specifically controlled under any Export Control Classification Number (“**ECCN**”) on the Commerce Control List (“**CCL**”). Although EAR99 items generally do not require an export license, they remain subject to restrictions prohibiting supply to: (i) most of parties on applicable U.S. restricted party lists (“**restricted customers**”); (ii) destinations subject to U.S. comprehensive embargoes; or (iii) prohibited end uses, including military or weapons of mass destruction program. An export license may be required where items subject to the EAR will be exported, re-exported, and transferred for a restricted end use or to a restricted end user. As advised by our legal advisor as to U.S. Export Control Law, our Directors are of the view that, our products classified as EAR99 are subject to limited U.S. export control requirements and generally do not require an export license when supplied to non-restricted customers that are not listed on any applicable U.S. restricted party lists, for civil end uses that are not military or otherwise prohibited end uses under the EAR. During the Track Record Period and up to the Latest Practicable Date, none of our EAR99 products were supplied to restricted customers.

Accordingly, in light of the above, and as advised by our legal advisor as to U.S. Export Control Law, our Directors are of the view that, during the Track Record Period and up to the Latest Practicable Date, our Group has complied with the EAR in all material aspects, and the EAR and related U.S. export control laws and regulations did not have a material impact on the Group’s business operations or financial performance.

Analysis in relation to U.S. Sanction Law

With respect to Primary Sanctions Risks or Secondary Sanctioned Activity under U.S. law, to the best of our Directors’ information and knowledge after making reasonable inquiries, as advised by our legal advisor as to U.S. Sanctions, (i) our business activities with Relevant Counterparties did not involve Sanctioned Targets or otherwise involve the sectors, industries, or activities necessary to satisfy the jurisdictional and substantive elements of offenses constituting Primary Sanctioned Activities or Secondary Sanctioned Activities under U.S. law, and (ii) our Group operations are not subject to material sanction risks and are in compliance with applicable U.S. sanctions laws during Track Record Period and up to Latest Practicable Date, considering the below factors:

Not included in any U.S. sanctioned or restricted party list. As of the Latest Practicable Date, neither our Company nor any of our subsidiaries was included on any U.S. sanctioned party or restricted party list, nor had we been made aware of any indications that we are subject to sanctions by any U.S. government authorities. Neither our Company nor any of our subsidiaries was (i) a Sanctioned Target, (ii) was located, organized, or resident in a country that is comprehensively sanctioned by the U.S., (iii) was owned or controlled by an entity in any country that is comprehensively sanctioned by the U.S. or owned or controlled 50% or more by any entity listed on any U.S. sanctioned party or restricted party lists, or (iv) was the target of U.S. sanctions because of a relationship or ownership, control, or agency over persons subject to any U.S. sanctions.

BUSINESS

Not engaged in Primary Sanctioned Activity or Secondary Sanctionable Activity.

Despite the fact that certain of our counterparties were added to the NS-CMIC list, this sanctions designation has a narrow restriction focus and only prevents U.S. persons from purchasing or selling publicly traded securities of listed entities but it does not prohibit the sale of goods to listed entities or the processing of listed entities’ goods. Similarly, the inclusion of certain of our counterparties to the 1260H list only narrowly prohibits the U.S. DoD and its ability to enter or extend contracts with these entities, but does not prohibit commercial dealings outside the context. Accordingly, we believe we have not been engaged in any Primary Sanctioned Activity as related to the dealings with these counterparties. Nor had we been engaged in any Secondary Sanctionable Activity as related to dealings with these counterparties as these counterparties are not subject to any U.S. sanctions that would expose the Company to a material risk of the imposition of U.S. secondary sanctions.

Non-U.S. Sanctions

During the Track Record Period and up to the Latest Practicable Date, based on our Directors’ reasonable inquiries, and to the best of their knowledge, (i) neither our Company nor any of our subsidiaries was subject to any sanctions restrictions imposed by the European Union, the United Kingdom, the United Nations or any other jurisdiction in which we operate, and (ii) none of our customers or suppliers were subject to any material sanction restrictions imposed by any jurisdiction that would affect our business operations or give rise to material compliance risks.

Internal Control Measures

We have (i) adopted internal counterparty screening procedures to assess counterparties transactions against applicable sanctions and export control lists issued by jurisdictions in which we operate and international organizations, (ii) implemented internal approval procedures for new customers and suppliers onboarding, including sign-off by designated personnel, (iii) established protocols to regularly collect and dynamically update sanctions lists, sanctions policies, and related announcements issued by relevant authorities, and (iv) established internal reporting channels to enable prompt reporting of screening results and potential risks to our geopolitical matters management committee.

Conclusion

In light of the above, and as advised by our legal advisor as to U.S. Export Control Law and Sanctions, our Directors are of the view that during the Track Record Period and up to the Latest Practicable Date, (i) our Group has complied with applicable U.S. export control laws and regulations and applicable sanctions laws in all material respects, that (ii) there has not been, and is not expected to be, any material direct or indirect impact from overseas sanctions, export controls, trade restrictions on our business operations or financial performance; and that (iii) there is no material sanctions risk described in Chapter 4.4 of the Guide for New Listing Applicants implicated by our Group’s activities.

BUSINESS

THE U.S. OUTBOUND INVESTMENT RESTRICTIONS

On October 28, 2024, the U.S. Treasury Department issued the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern (the “**OISP Final Rule**”) to restrict investments by U.S. persons and U.S.-controlled entities. The Final Rule became effective on January 2, 2025 and targets investments by U.S. persons involving persons and entities associated with “countries of concern,” including China, that engaged in activities in certain sectors such as semiconductors and microelectronics, quantum information technologies or artificial intelligence (“**covered activities**”). The persons and entities from countries of concern engaged in covered activities are “covered foreign persons”. The OISP Final Rule imposes prohibition or notification requirements on investments by U.S. persons subject to the Final Rule (“**covered transactions**”), including acquisitions of equity interests, certain debt financing, joint ventures, and certain investments as a limited partner in a non-U.S. person pooled investment fund. Our Directors, as advised by our legal advisor as to the OISP Final Rule, are of the view that we are not a “Covered Foreign Person” and we do not engage in any “covered activities” for purposes of the outbound investment rule, considering that (i) we do not develop, produce, or enable technologies or products in the specific sectors, such as semiconductor, quantum computing and artificial intelligence sectors as targeted by the outbound investment rule; (ii) we are primarily engaged in the production of PCBs, which are not covered under the specified high-tech sectors; and (iii) we do not provide manufacturing capabilities or R&D services that would support advancements in the restricted technologies identified by the U.S. government. Accordingly, as advised by our legal advisor as to the OISP Final Rule, our Directors are of the view that, as we are not a “covered foreign person” and we do not engage in any “covered activities”, neither (i) the subscription of H Shares by U.S. persons in the [REDACTED], nor (ii) the purchase and [REDACTED] of H Shares by U.S. persons on the Hong Kong Stock Exchange following [REDACTED], constitutes a covered transaction under the outbound investment rule or is subject to any prohibition or notification obligation thereunder. In light of the above, our Directors are of the view that the Final Rule will not have material adverse impact on our Company’s business operations, financial performance, the [REDACTED] or our investment prospects.

INFORMATION SECURITY AND DATA PRIVACY

We adhere to evolving data security and privacy laws and regulations, including Cybersecurity Law of the People’s Republic of China (《中華人民共和國網絡安全法》), Data Security Law of the People’s Republic of China (《中華人民共和國數據安全法》), Personal Information Protection Law of the People’s Republic of China (《中華人民共和國個人信息保護法》), and Thailand’s Personal Data Protection Act B.E. 2562 (2019) (the “**PDPA**”).

Data Collection, Usage and Transfer

We mainly deliver our products to enterprise customers and we do not, through our products, collect, store or process users’ personal or sensitive information. We collect, store, and process business and transaction data in the course of our operations, including contact

BUSINESS

information, business information and transactional data with our customers and suppliers, as well as manufacturing, inventory and other operational statistics. Our collection of personal information is limited to the following categories and purposes: (i) contact information of customers and suppliers for business communication; (ii) visitor information for onsite guests; and (iii) employees’ personal information for human resource management. For personal information collected directly from individuals, such as visitor information and employee information we obtain consent in accordance with our privacy policy. For personal information collected indirectly from clients and suppliers regarding their contacts, the providing party is obligated to obtain valid consent from the relevant individuals before providing it to us. The data we collect, including personal information, is primarily stored in physical server rooms in Kunshan, Huangshi, and Changzhou. We do not share or transfer data collected by us to any third party without prior explicit consent or unless mandated by a court or administrative order.

Cross-Border Data Transfer

During the Track Record Period and up to the Latest Practicable Date, we transferred certain personal information, including employee information, contact details, and communication records, to recipients outside of China, primarily to Thailand, and vice versa, to communicate with overseas customers and suppliers and conduct cross-border human resources management in accordance with labor rules. Such transfers were limited in scale and were necessary for the above purposes. We prepared consent form for such transfers, and used it to obtain valid consent from the relevant employees. With respect to the data transferred out of China, according to the Provisions on Promoting and Regulating Cross-Border Data Flow, as advised by our PRC data compliance advisor, such transfers meet the exemption conditions and are thus exempt from the requirements to (i) apply for a security assessment for outbound data transfer, (ii) enter into standard contracts for the outbound transfer of personal information, or (iii) to obtain certification for outbound transfer of personal information.

Measures Safeguarding Information Security

We have established internal policies and a series of procedures, including: (i) **network security**: we protect our system through, intrusion detection and prevention tools, and endpoint protection software; we conduct regular monitoring, vulnerability assessments and penetration testing to identify and mitigate potential risks; (ii) **data protection and privacy**: we have established protocols including data classification, encryption technology usage, role-based access controls, redundant storage and scheduled data backups; access to sensitive information is restricted to authorized personnel, with permissions managed centrally by our IT department; (iii) **security audits and testing**: we conduct monitoring and periodic audits of our IT system. We perform routine vulnerability scans, penetration tests and security drills; identified weaknesses are addressed through corrective actions and system enhancements; (iv) **employee training and awareness**: we provide regular training programs to employees to reinforce awareness of information security responsibilities and best practices; employees are required to comply with confidentiality obligations and internal security policies; (v) **disaster recovery and business continuity**: we maintain a disaster recovery and business continuity framework designed to minimize operational disruption, including daily system health checks, backup

BUSINESS

integrity verification and periodic testing of recovery procedures; and (vi) **data storage and destruction**: we delete data in accordance with our policies; for data with a legally required minimum storage period, we store the data accordingly, while for data with no legally required storage period, we determine the storage period in accordance with our business strategy.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any breach of confidential information of customers or any other customer information related incidents which could cause a material adverse effect on our business, financial condition or results of operations. As advised by our PRC data compliance advisor, C&F Data, and our Thai data compliance advisor, W&W Partners, during the Track Record Period and up to the Latest Practicable Date, our Group’s operations in China and Thailand were in compliance with the applicable laws and regulations in respect of data security and privacy in China and Thailand in all material aspects, respectively.

COMPETITION

The PCB industry we operate is highly competitive and both technology- and capital-intensive. The continuous iteration of generative AI large language models, the accelerated construction of global intelligent computing centers and continuous increase in global new energy vehicle penetration, leading customers have increasingly stringent requirements on high-performance, high reliability, and high-frequency and high-speed performance of PCB products. We have focused on the high-end PCB sector for years and primarily compete with leading PCB manufacturers that possess high-end PCB R&D and large-scale mass production capabilities, particularly in areas such as high-speed network switches and routers, AI servers and smart vehicles, where competition centers on advanced technology R&D, stable high-yield large-scale production capability, leading customer resources, global supply chain management and rapid response to customized requirements. For further details, see “Industry Overview.”

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We strive to strengthen our ESG governance framework, enhance our performance against material ESG metrics and implement various ESG initiatives.

ESG Risk and Opportunity Management

Our material ESG issues include addressing climate change, resource efficiency, emission and effluent management, product quality management and information security, human resource management, occupational health and safety, sustainable supply chain management, corporate social responsibility and public welfare, business ethics and anti-corruption. We have integrated climate risks into our organization-wide risk management process. Every year, we conduct an assessment of climate related risks and opportunities, from which we develop and implement action plans which are reported to the Board of Directors.

BUSINESS

ESG Governance

To achieve a scientific, systematic and well-structured ESG management framework, the Board has established an ESG governance structure, comprising the Strategy and ESG committee, the Strategic Planning Group and the ESG Working Group. It has established the rules of procedures of the committee, namely the Rules of Procedures of the Strategic and ESG Committee. It integrates these principles into the day-to-day operations based on the changes in sustainability policies, corporate operational development, and the continuous refinement of the sustainability management scope.

Professional Background and Competency Development of Board Members

The Board members possess professional backgrounds, including electronic manufacturing, corporate management, legal compliance and financial management. One director has extensive practical experience in environmental management and green production within industrial parks, and is able to provide the Board with professional insights on environmental governance. The expertise of directors in risk control and compliance management also support the Group’s fulfilment of its social responsibilities.

Management and Execution Bodies

Board of Directors. It led the establishment of the Strategy and ESG committee of the Board and formulated the Rules of Procedures of the Strategy and ESG Committee. The Board serves as the highest authority responsible for making decisions on ESG matters, reviewing ESG strategies, policies, targets and key initiatives.

Strategy and ESG Committee of the Board. The Strategy and ESG Committee comprises no fewer than three Directors. Committee members are nominated by the chairman of the Board, more than half of the independent Directors or more than one-third of all Directors, and are elected by the Board. The chairman of the Board serves as the chairperson of the Committee and presides over its work. The Committee is responsible for matters relating to the Company’s long-term development strategy, major investment decisions and ESG-related work, including researching on ESG-related targets, plans, strategies, risks and other significant matters; formulating, reviewing, and updating ESG-related policies; tracking and reviewing ESG implementation; and reviewing ESG reports and other ESG-related disclosures. The Strategy and ESG Committee reports to the Board, convenes meetings as necessary, and submits proposals to the Board for consideration and approval. The Committee has established the Strategic Planning Working Group and the ESG Working Group under its authority.

Strategic Planning Group and ESG Working Group. These two groups are led by the chairman of the Board and the general manager of the Company, respectively, and comprised relevant senior management personnel based on actual operational needs. They are responsible for the day-to-day management and the Company’s strategic affairs, and the daily execution of ESG-related work, respectively. These two groups jointly support the Strategy and ESG

BUSINESS

Committee in formulating strategies and ESG targets, promoting the implementation process, and providing professional assistance and administrative support to address execution issues and orderly implementation of relevant initiatives.

Environmental Protection

We seek to enhance environmental management system, optimize resource utilization, strengthen pollution prevention and control, and reduce pollutant emissions. During the Track Record Period, our principal production bases obtained ISO 14001 Environmental Management System certification, and we did not receive any material administrative penalties from environmental authorities for violations of environmental laws or regulations. We have set sound environmental management targets, committing to maintaining a 100% compliance rate for exhaust gas, wastewater and waste disposal from 2024. Using 2024 as the base year, we plan to achieve a 5% reduction in water withdrawal intensity and a 70% renewable energy use ratio by 2030.

Climate Change and Response

Strategy

With reference to the new climate requirements of the Hong Kong Stock Exchange and IFRS S2 Climate-related Disclosures, we have identified, assessed, and managed physical risks, transition risks, and climate opportunities potentially affecting our business and assets. In response to physical risks such as extreme weather and rising temperatures, we have implemented emergency response plans and strengthened equipment operation and maintenance monitoring. In the face of the transition risks from carbon neutrality policies and the low-carbon demand in the market, the Group has promoted photovoltaic power generation, waste heat recovery and energy-saving technology upgrades, and carried out low-carbon design and carbon footprint assessment throughout the product life cycle. At the same time, we have seized climate opportunities and improved resource efficiency to reduce long-term operating costs. We strengthen green competitive advantage by developing low-carbon products that meet market expectations. Based on the assessment results of climate-related risks and opportunities, we implement mitigation and adaptation measures. By optimizing PCB process settings to panel utilization rates and streamline production procedures, coupled with enhanced energy efficiency monitoring and circular economy applications, four of our five production bases have been recognized as national or provincial green factories. In 2025, the Group’s total photovoltaic power generation reached 12,323.36 MWh. We optimize the energy structure with the green power certificate verification and photovoltaic capacity expansion plans. We promote resource recycling and value chain emission reduction, striving to use 100% recycled materials for copper foil in CCL. We exert our corporate influence to urge upstream suppliers to conduct greenhouse gas inventories and disclose carbon data.

BUSINESS

Indicators and Targets

We have developed the Science Based Targets initiative (SBTi) verified of 42% reduction in Scope 1 and Scope 2 greenhouse gas (GHG) emissions and a 25% reduction in Scope 3 GHG emissions by 2030 vs 2024 baseline year. The table below sets forth our GHG emissions for the three years ended December 31, 2025:

Indicator ⁽²⁾	Unit	Year ended December 31,		
		2023	2024	2025
GHG emissions				
Scope 1 GHG emissions	tCO ₂ e	15,047.3	16,347.9	28,334.7 ⁽³⁾
Scope 2 GHG emissions	tCO ₂ e	278,469.3	355,748.9	457,213.3
Scope 3 GHG emissions ⁽¹⁾	tCO ₂ e	649,890.4	451,914.0	699,426.7
GHG emission intensity				
Scope 1 and Scope 2 GHG emission intensity	tCO ₂ e / RMB million	32.8	27.9	25.6
Scope 1, 2, and 3 GHG emission intensity	tCO ₂ e / RMB million	105.5	61.8	62.5

Notes:

- (1) Scope 3 includes Category 1 purchased goods and services, Category 2 capital goods, Category 3 fuel- and energy-related activities (not included in Scope 1 or Scope 2), Category 4 upstream transportation and distribution, Category 5 waste generated in operations, Category 6 business travel, Category 7 employee commuting, Category 8 upstream leased assets, Category 9 downstream transportation and distribution, and Category 12 end-of-life treatment of sold products.
- (2) Since the statistics and verification by independent third-party institutions of the Group’s GHG emissions are conducted on a full-year basis, the relevant quantitative metrics for the three months ended March 31, 2026 are not available.
- (3) In 2025, our Scope 1 GHG emission intensity increased, which was primarily attributable to the increase in the production volume of our PCBs for data communication sector that required the adoption of the plasma cleaning process. The carbon tetrafluoride used in such process has a relatively high global warming potential, thereby leading to a corresponding increase in our direct emission intensity.

Resource Efficiency

We support the national decarbonization goal by building a resource-efficient company and complying with applicable laws and regulations. Through technological upgrade and proactive management, we aim to reduce energy consumption. We seek to implement water-saving improvements, reduce material usage, and enhance overall resource efficiency. During the Track Record Period, we achieved steady improvements in our resource efficiency. Our total energy consumption intensity (tce per RMB million revenue) decreased from 7.49 in 2023 to 5.93 in 2025, and further to 5.33 for the three months ended March 31, 2026. Our freshwater withdrawal intensity (kilotonnes per RMB million revenue) declined from 0.48 to 0.45 over the same period, and further to 0.39 for the three months ended March 31, 2026. Our renewable power generation reached 12,323.36 MWh in 2025 from 3,900.45 MWh in 2023, and further to 3,409.86 MWh for the three months ended March 31, 2026.

BUSINESS

Emission and Effluent Management

We have established internal management procedures in accordance with applicable laws and regulations and implement a pollutant discharge permit system. We comply with local requirements through the deployment of advanced wastewater advanced treatment in accordance with discharge permit requirement at each plant, wastewater reuse systems, exhaust gas treatment facilities, and production waste recovery facilities, supplemented by our professional environmental management teams. During the Track Record Period, we achieved improvements across all major indicators. Our exhaust gas emission intensity decreased from 3.12 in 2023 to 1.80 in 2025 (million m³ per RMB million revenue), and further to 1.50 for the three months ended March 31, 2026. Our wastewater discharged intensity decreased from 0.43 in 2023 to 0.37 in 2025 (kilotonnes per RMB million revenue), and further to 0.32 for the three months ended March 31, 2026. The intensity of waste discharge decreased from 6.09 tons per RMB million revenue to 5.13 tons, and further to 5.08 tonnes for the three months ended March 31, 2026, while 100% of our hazardous waste was compliantly disposed of. For non-hazardous wastes such as general industrial solid wastes, we implement classification, storage, and disposal procedures. For recyclable wastes, we engaged qualified recycling institutions to conduct sorted recycling, to support waste minimization, recycling, and resource utilization. For non-recyclable domestic waste, we engage sanitation departments for collection and disposal to minimize impact on the environment. Furthermore, we maintain records of hazardous waste and store it in designated areas with warning signage and protective measures against wind, rain, sunlight, seepage, and theft, ensuring a safe and compliant disposal process. During the Track Record Period and up to the Latest Practicable Date, we recorded zero incidents of exhaust gas or wastewater pollutant exceedances, illegal discharges, or non-compliant waste disposal.

Human Resource Management

We adhere to the Labor Law of the People’s Republic of China, the Law of the People’s Republic of China on Work Safety, the Law of the People’s Republic of China on Prevention and Control of Occupational Diseases and other relevant laws and regulations. We have formulated and implemented the Human Resources Management Rules, and the Occupational Health Control Procedures to effectively safeguard employees’ lawful rights and interests, as well as their occupational health. We uphold the principles of equality, fairness, and diversity and inclusion, prohibit any form of discrimination and harassment, and provide employees with market-competitive remuneration incentives and training system. In 2025, and for the three months ended March 31, 2026 our average monthly turnover rate of employees was 2.9% and 2.3%, respectively, among which the average monthly turnover rate of non-production personnel accounted was 0.9% and 0.9%, respectively. As of December 31, 2025 and March 31, 2026, 26.4% and 25.5% of middle and senior management were women, respectively. Furthermore, our primary production and operation units have obtained ISO 45001 Occupational Health and Safety Management System certification. During the Track Record Period and up to the Latest Practicable Date, we did not experience any major occupational health and safety violations or fatal incidents.

BUSINESS

Sustainable Supply Chain Management

We have established the Procurement Bidding Management Measures and Supplier Control Procedures in accordance with laws and regulations such as the Civil Code of the PRC. We implement a management mechanism, covering supplier development, evaluation, selection, assessment and termination. We also monitor suppliers’ performance in respect of business ethics and environmental responsibilities through measures such as regular ESG compliance assessments, incoming materials inspections and a quality traceability system.

Corporate Social Responsibility and Public Welfare

We fulfill our social responsibilities and promote public welfare. We organize employee volunteers to participate in community services, including promoting fire safety awareness to help improve residents’ safety knowledge; visiting welfare institutions and participating in activities that support people with disabilities; and collaborating with the Kunshan Water Resources Bureau to conduct river-cleaning activities.

Comparison with peers

The following table sets forth a comparative analysis of the key ESG indicators between our Group and three selected major listed peers in China, based on their publicly disclosed 2025 ESG reports. Based on the analysis, our Group’s performance across key ESG indicators is generally consistent with the range reported by our major listed industry peers.

ESG Indicators	Unit	The Group (2025 Performance)	Performance of Selected Peers (Range)
Exhaust gas emission intensity ⁽¹⁾	Million m ³ /RMB million revenue	1.80	1.52
Wastewater discharge intensity	Tonnes/RMB million revenue	369.49	349.74-506.93
Hazardous waste intensity	Tonnes/RMB million revenue	3.83	5.32-6.90
Non-hazardous waste intensity	Tonnes/RMB million revenue	1.31	0.83-1.67
Freshwater withdrawal intensity	Tonnes/RMB million revenue	452.58	381.28-512.44
Total energy consumption intensity	tce/RMB million revenue	5.93	5.48-10.08
GHG emission intensity (Scope 1 and Scope 2) . .	tCO ₂ e/RMB million revenue	25.63	19.57-44.40
GHG emission intensity (Scope 1, Scope 2 and Scope 3 ⁽¹⁾)	tCO ₂ e/RMB million revenue	62.55	109.63
Percentage of female middle and senior management	%	26.42	15.08-18.65

Note:

(1) Only one peer company disclosed its exhaust gas emissions and Scope 3 GHG data.

BUSINESS

Compliance Management

During the Track Record Period and up to the Latest Practicable Date, we have not been subject to significant administrative penalties for violating PRC laws and regulations on environmental protection or production safety, and we have complied with the environmental laws of Thailand. Our annual environmental compliance costs were RMB39.8 million, RMB50.0 million, RMB117.5 million and RMB24.8 million for the years ended December 31, 2023, 2024 and 2025, and the three months ended March 31, 2026, respectively. The increase in compliance costs in 2025 was primarily due to the investment in wastewater treatment facilities for the construction of our new production plant in Thailand.

EMPLOYEE

The majority of our employees were based in China during the Track Record Period and up to the Latest Practicable Date. The table sets forth a breakdown of our employees by function as of March 31, 2026.

Function	Number	Percentage of Total
Production	12,380	75.0%
R&D and technology ⁽¹⁾	3,177	19.2%
Sales and marketing	145	0.9%
Finance	107	0.6%
Administrative	703	4.3%
Total	16,512	100.0%

Note:

(1) Comprise R&D, engineering, production technology and production management employees.

We enter into standard employment agreements with our employees to cover matters regarding confidentiality, intellectual property, employment, commercial ethics and non-competition. In addition to websites and campus recruitment, we have also implemented internal referrals policy. We provide internal training programs to our employees periodically.

Social Insurance and Housing Provident Fund

We participate in various government statutory employee benefit plans, including social insurance plans, namely pension, medical, unemployment, work-related injury and maternity insurance plans, and housing provident funds.

Background and reasons for non-compliance

During the Track Record Period, we did not make full contributions to social insurance and housing provident fund for our employees as required by the relevant PRC laws and regulations, considering some employees’ preference to not contribute amounts strictly calculated in proportion to their salaries. In 2023, 2024, 2025 and the three months ended March 31, 2026, the shortfall of social insurance and housing provident fund contributions

BUSINESS

amounted to RMB33.6 million, RMB38.0 million, RMB61.6 million and RMB18.7 million in the same periods, respectively, and accounted for 0.4%, 0.3%, 0.3% and 0.3% of our revenue in the same periods, respectively.

Potential Legal Consequences

Pursuant to relevant PRC laws and regulations, if we fail to make social insurance contributions in compliance with the relevant PRC laws and regulations in the future, we may be required to pay outstanding social insurance contributions within a prescribed period, with late fees at a daily rate of 0.05% of the outstanding amount, accruing from the date when the outstanding social insurance contributions are due. If not made within the stipulated period, the competent authority may further impose a fine of one to three times the overdue amount. In case of a failure to pay housing provident fund in full, the relevant housing provident fund management center may require us to pay the outstanding amount within a prescribed period. If not made within such time limit, an application may be made to the PRC courts for compulsory enforcement.

Having considered that: (i) based on the written confirmations issued by the relevant authorities, being the competent authorities as advised by our PRC Legal Advisor to confirm the matters relating to social insurance and housing provident fund issues relevant to us, during the Track Record Period, we have not been subject to any administrative penalties or court enforcement actions in relation to social insurance or housing provident fund matters; (ii) according to the Notice of the General Office of the State Taxation Administration on Steadily and Orderly Conducting Social Insurance Premium Collection and Management (《國家稅務總局辦公廳關於穩妥有序做好社會保險費徵管有關工作的通知》), self-organized investigations into arrears from previous years are prohibited; according to the Notice of the State Taxation Administration on Implementing Several Measures to Further Support and Serve the Development of Private Enterprises (《國家稅務總局關於實施進一步支持和服務民營經濟發展若干措施的通知》), centralized collection of arrears from payers including private enterprises in previous years is strictly forbidden. The Notice of the General Office of the State Council on Issuing the Comprehensive Plan for Reducing Social Insurance Premium Rates (《國務院辦公廳關於印發<降低社會保險費率綜合方案>的通知》) mandates proper handling of historical arrears. During the reform of the collection system, enterprises should not be subject to centralized arrears collection and small and micro enterprises should not be subject to any measures that increase their actual payment burden; (iii) based on anonymous telephone consultations conducted by our PRC Legal Advisor with the relevant and competent social insurance authorities and housing provident fund management centers in regions of the Chinese Mainland where we and our domestic subsidiaries operate, being the competent authorities as advised by our PRC Legal Advisor to confirm the matters relating to social insurance and housing provident fund issues relevant to us, these authorities typically do not proactively conduct audits or require supplementary payments unless prompted by employee complaints; (iv) we did not receive any notices from the relevant authorities regarding material objections or complaints raised by employees on the contribution of social insurance or housing provident funds; and (v) we have committed that, in the event that the competent authorities require us to rectify any non-compliance, we will fulfill the relevant obligations, our PRC Legal Advisor

BUSINESS

is of the view that, provided there are no significant changes to current PRC policies and enforcement or supervisory practices, and in the absence of collective employee complaints or litigation or arbitrations, the risk of us being penalized or required to make up payments by the relevant competent authorities during the Track Record Period is remote.

According to the Interpretation (II) of the Supreme People’s Court on Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), which became effective on September 1, 2025, where the employer and the employee agree, or the employee promises the employer, that there is no need to make social insurance contributions, the people’s court shall determine that such agreement or promise is invalid. Where the employer fails to make social insurance contributions in accordance with the law, and the employee requests to terminate the labor contract and claim economic compensation in accordance with item (3) of Article 38 of the Labor Contract Law, the people’s court shall uphold such claim. According to the understanding on the PRC laws and regulations, this provision generally applies to situations where the employer has completely failed to make social insurance contributions for the employees. In cases where the employer has made such contributions but the contribution base is insufficient, the likelihood of the court upholding the claim is low. During the Track Record Period and up to the Latest Practicable Date, none of us and our PRC subsidiaries have received any notices from the relevant authorities regarding material complaints by employees concerning the social insurance contributions or housing provident funds, nor have there been any penalties imposed by relevant authorities. Therefore, the Company believes this interpretation will not have a material adverse effect on the Group’s operation or financial condition.

Accordingly, during the Track Record Period, we have not made provisions for the shortfalls of contributions to the social insurance and housing provident funds. The potential maximum penalty in respect of fines that we may be exposed to due to shortfalls in social insurance contributions during the Track Record Period would amount to RMB89.7 million, RMB94.1 million, RMB159.6 million and RMB46.9 million in the same periods, respectively, accounting for approximately 1.0%, 0.7%, 0.8% and 0.8% of our revenue in the same periods, respectively. In the event that the relevant authority apply to relevant courts for enforcement, the maximum potential enforcement amount arising from shortfalls in housing provident fund contributions during the Track Record Period would amount to RMB3.7 million, RMB6.7 million, RMB8.4 million and RMB3.1 million in the same periods, respectively, accounting for approximately 0.04%, 0.05%, 0.04% and 0.05% of our revenue in the same periods, respectively.

Internal Control Measures to Prevent Recurrence

We intend to strengthen compliance framework as follows: (i) **human resource management policies**: we will refine human resource policies to require contribution in accordance with applicable laws and regulations; (ii) **employee communication**: we will enhance employee communication to explain the importance of participation in social insurance and housing provident fund schemes; and (iii) **training and awareness**: we will

BUSINESS

implement training programs to strengthen awareness of compliance obligations. We have not experienced any material labor disputes, strikes, protests or any difficulty in recruiting staff for our operations during the Track Record Period and up to the Latest Practicable Date.

INSURANCE

Our insurance policies primarily include property all risk insurance, product liability insurance and business interruption insurance. We believe that our existing insurance coverage is adequate for business operation and is in line with industry standards in the countries where we operate. During the Track Record Period and up to the Latest Practicable Date, we did not have any material claim of insurance. See “Risk Factors — Risks Relating to Our Business and Industry — Our insurance coverage may not be sufficient to cover all losses or potential claims.”

CROSS-BORDER INTRA-GROUP TRANSACTIONS

Overview and Transfer Pricing Assessment

In our ordinary course of business, certain Group entities engage in intra-group transactions across jurisdictions, including the Chinese Mainland, Hong Kong, Singapore and Thailand. During the Track Record Period, our intra-group transactions comprise (i) intra-group sales and purchases of finished products, (ii) intra-group provision of sales agency services, (iii) intra-group contract processing arrangements, and (iv) other non-principal intra-group transactions with minimal amount. In 2023, 2024 and 2025, our intra-group transactions amounted to RMB6,505.0 million, RMB10,368.5 million and RMB13,268.1 million, respectively. The principal entities involved in cross-border intra-group transactions are (i) manufacturing entities such as our Company, WUS Huangshi, WUS KEPZ, WUS Thailand, Jiangsu Schweizer, and (ii) selling entities such as WUS International and WUS Singapore.

We conduct transfer pricing review in accordance with the guidelines issued by the Organization for Economic Co-operation and Development (“OECD”) Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (“OECD Guidelines”), which are broadly consistent with the transfer pricing laws and regulations of the jurisdictions in which we operate, including the Chinese Mainland, Hong Kong, Singapore and Thailand. We also follow the PRC transfer pricing regulations and implementing regulations, as well as the general transfer pricing practice in the relevant jurisdictions. We engaged an independent transfer pricing consultant (the “**Transfer Pricing Consultant**”), to conduct a review of our intra-group transactions during the Track Record Period. The Transfer Pricing Consultant reviewed information provided by us, and evaluate whether the transfer pricing arrangement was consistent with the arm’s length principle and whether the arrangements give rise to any material transfer pricing exposure.

BUSINESS

Analysis of Intra-group Sales and Purchases of Finished Products

During the Track Record Period, certain of our entities engaged in intra-group sales and purchases of PCB finished products. The principal transactions include sales from our manufacturing entities to our selling entities. Applying the Transactional Net Margin Method (“TNMM”), the Transfer Pricing Consultant conducted benchmarking studies against comparable distributors and concluded that the profit margins of the abovementioned involving entities fell within the interquartile range of the comparable benchmarks and therefore the transfer pricing arrangement was consistent with the arm’s length principle.

Analysis of Intra-group Provision of Sales Agency Services

During the Track Record Period, WUS Singapore provided sales agency services to our Company, WUS International and WUS Huangshi, while WUS Singapore received sales commissions in return. See “— Sales and Marketing — Our Sales Model — Sales Agents.” The Transfer Pricing Consultant conducted benchmarking tests to evaluate the commission rates and concluded that the commission rates were within the interquartile range based on comparable benchmarks, and therefore the transfer pricing arrangement is considered consistent with the arm’s length principle.

Analysis of Intra-Group Contract Processing Arrangements

During the Track Record Period, certain of our manufacturing entities engaged in semi-finished product processing transactions with each other. Applying the TNMM method, the Transfer Pricing Consultant conducted benchmarking tests and concluded that the profit margins of involving entities fell within the interquartile range of the comparable benchmarks and that transfer pricing arrangement therefore is consistent with the arm’s length principle.

Analysis of Other Non-principal Intra-group Transactions

Intra-group sales, support service and leasing arrangements. During the Track Record Period, certain of our entities engaged in other non-principal intra-group transactions with minimal amount, including (i) intra-group sales of fixed assets, processed components, and raw materials, to support production and operational needs; (ii) intra-group support service arrangements comprising (a) operational support services, (b) property management services, (c) wastewater treatment services; and (iii) intra-group leasing arrangements. The Transfer Pricing Consultant reviewed these transactions and concluded that the transfer pricing arrangement primarily referenced market pricing or prevailing commercial practices with third parties, and considering that such transactions mainly occurred among PRC domestic entities, the risk of material transfer pricing adjustments or additional tax payment is low.

Intra-group financing arrangements. During the Track Record Period, certain of our entities entered into intra-group financing arrangements, including both domestic and cross-border financing arrangements. The Transfer Pricing Consultant concluded that the pricing of relevant transactions were mainly referenced prevailing market interest rates, or that taxes have been paid on imputed interest income by reference to external borrowing rates for tax purposes; therefore, the pricing of these transactions can reasonably be regarded as consistent with the arm’s length principle from tax perspective and the risk of material transfer pricing adjustment is low.

BUSINESS

Conclusion and Tax Implications

Based on the above analysis, as advised by the Transfer Pricing Consultant, our Directors are of the view that (i) our Group has established reasonable transfer pricing arrangements for the intra-group transactions, (ii) the intra-group transactions were consistent with the arm’s length principle under OECD guidelines in all material aspects and our transfer pricing arrangements did not give rise to compliance issues requiring material adjustment, and (iii) our transfer pricing arrangements should not result in material transfer pricing exposure and the risk of material transfer pricing adjustment is low. Based on the due diligence conducted by the Joint Sponsors, nothing has come to their attention that would cause them to disagree with our Directors’ view regarding the transfer pricing arrangements.

During the Track Record Period and up to the Latest Practicable Date, (i) we did not receive any notice or demand from any relevant tax authority in any jurisdiction requiring additional tax payments attributable to our intra-group pricing arrangements; (ii) to the best of our Directors’ knowledge, no tax authority in the Chinese Mainland, Hong Kong, Singapore or Thailand initiated any audit, investigation or challenge in relation to our intra-group transactions; and (iii) we have not been subject to any penalty in connection with our transfer pricing arrangements. As above review conclusion advised by the Transfer Pricing Consultant, our Directors are of the view that, in material aspects, our Group’s transfer pricing arrangements of intra-group transactions comply with the arm’s length principle under OECD Transfer Pricing Guidelines and the applicable transfer pricing laws and regulations in each relevant jurisdiction during the Track Record Period and up to the Latest Practicable Date. Our management will continue to regularly monitor the Group’s transfer pricing arrangements and review the reasonableness of our intra-group pricing policies. See “Risk Factors — Risks Relating to Our Business and Industry — Our transfer pricing arrangements may be subject to scrutiny by the relevant tax authorities in the jurisdictions where we operate.”

PROPERTIES

Owned Properties

Land

As of March 31, 2026, we owned and occupied the land use rights of nine land parcels relating to production and business operations in China, with an aggregate land area of approximately 750,571 m², and 10 land parcels mainly relating to production and business operations in Thailand, with an aggregate land area of approximately 203,144.8 m², which were mainly used for manufacturing, business and office purposes. As of March 31, 2026, we had obtained all land use rights certificates for all land parcels we owned and occupied.

Buildings or Units

As of March 31, 2026, we owned 22 buildings or units relating to production and business operations in China and 10 buildings or units in Thailand, with an aggregate GFA of approximately 694,457 m² in China and approximately 177,840 m² in Thailand, respectively, which were mainly used for manufacturing, business and office purposes. As of March 31, 2026, we had obtained all real estate ownership certificates for all buildings or units we owned.

BUSINESS

Lease Properties

As of March 31, 2026, we leased seven properties relating to production and business operations across China, with an aggregate GFA of approximately 2,019 m². As of March 31, 2026, we signed lease agreements with three lessors in Thailand, covering properties with an aggregate GFA of approximately 11,083 m², which were used as our employee residence. For the aforementioned properties we leased in the Chinese Mainland, the lessors had obtained the relevant title certificates and/or consent, authorization, or approval which entitled the lessors to lease out such properties. Our leases generally have a term within one year. Property lease agreements shall be registered with the relevant local branches of the PRC Ministry of Housing and Urban-Rural Development. As of the Latest Practicable Date, we had not completed lease registration for the aforementioned seven leased properties in China. The failure to complete lease agreement registration was primarily attributable to the difficulty in obtaining cooperation from certain of our lessors, as the registration process requires joint submission of documentation by both parties. According to the relevant PRC laws and regulations, we may be ordered by the relevant government authorities to register the relevant lease agreements within a prescribed period, failing which we may be subject to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease. Accordingly, the aggregate amount of maximum fines arising from lack of registration of the aforementioned lease agreements will be approximately RMB70.0 thousand.

As advised by our PRC Legal Advisor, the lack of registration of the lease agreements does not affect the validity of such lease agreements. We will also strengthen our internal control measures by (i) improving engagement and communication with lessors to support the joint submission of documentation required for lease agreement registration, and (ii) monitoring registration progress and proactively collaborating with lessors to advance filings with the housing administrative authorities. Please see “Risk Factors — Risks Relating to our Industry and Business — Our use of some leased properties could be challenged by third parties or government authorities, which may affect our operations.”

Property Valuation

As of the Latest Practicable Date, no single property interest forming part of our property activities had a carrying amount of 1% or more of our total assets and we had no single property with a carrying amount of 15% or more of our total assets, and on this basis, we are not required by Rule 5.01A of the Listing Rules to include in this document any valuation report. Pursuant to section 6(2) of the Companies (Exemption of Companies and prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong), this document is exempted from compliance with requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report on all of our interests in land or buildings.

During the Track Record Period, we generated a limited portion of revenue from property sales and leasing business, which forms part of our Group’s property activities pursuant to Rule 5.01A(1) of the Listing Rule. Our properties for sales and leasing mainly comprise employee

BUSINESS

dormitories we developed in Huangshi city, Hubei province, primarily intended to support employee retention and contribute to workforce stability. To a much lesser extent, the properties are also made available for sale to third parties. As of December 31, 2023, 2024, 2025 and March 31, 2026, the carrying amount of our completed properties held for sale amounted to RMB148.1 million, RMB108.9 million, RMB102.0 million and nil, respectively, while the carrying amount of our properties under development amounted to RMB52.8 million, RMB52.9 million, RMB52.2 million and nil as of the same dates, respectively. As announced on March 7 and March 21, 2026, we disposed of our property sales and leasing business through disposing of our 100% equity interest in Huangshi Supply Chain, to Huangshi Lianhong Real Estate Development Co., Ltd (黃石聯虹房地產開發有限公司) (“**Huangshi Lianhong**”, a related party controlled by the Wu Family) for a consideration of approximately RMB9.7 million, which is not expected to have any material adverse impact on our business, results of operations and financial position. The consideration for the disposal was determined based on its appraised value as stated in the valuation report issued by an independent third-party appraisal institution. The disposal was completed on March 20, 2026.

LICENSES, APPROVALS AND PERMITS

As of the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant government authorities that are material to our business operations in China and overseas. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material difficulties in renewing the licenses, approvals and permits, and currently we do not expect any material difficulties in such renewal.

AWARDS AND RECOGNITIONS

The following table sets forth major awards and recognitions we received during the Track Record Period and up to the Latest Practicable Date.

Award/Recognition	Award Year	Awarding Entity
National Green Factory	2025, 2023	General Office of the Ministry of Industry and Information Technology
Global Supplier Management (GSM) Supplier of the Year . .	2025	A globally leading digital communications technology company
Best Quality Supplier	2024	A globally leading automotive Tier 1 company
Top 100 Enterprises in China’s Electronic Circuit Industry .	2025, 2024	China Printed Circuit Association

LEGAL PROCEEDINGS AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any actual or pending legal, arbitration or administrative proceedings (including any bankruptcy or receivership proceedings) that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation and compliance. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material or systemic non-compliance incidents that have led to fines, enforcement actions, or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, results of operations and financial conditions.

BUSINESS

INTERNAL CONTROL AND RISK MANAGEMENT

Our Board of Directors has overall responsibility for overseeing the formulation and implementation of risk management policies, which cover key areas such as operational efficiency, financial reporting integrity, compliance with laws and regulations, information security, human resources, and anti-corruption.

Financial Reporting Risk Management

We have established accounting policies, standardized procedures and independent oversight. Our finance department is responsible for preparing and reviewing management accounts and financial statements. We have also established an Audit Committee to supervise the financial reporting process and evaluate the effectiveness of related internal controls.

Compliance Risk Management

Our legal and compliance teams are responsible for monitoring regulatory developments, reviewing contracts with customers, suppliers and other counterparties, and obtaining necessary approvals or permits. We conduct due diligence on business partners, provide regular compliance training to employees, and maintain internal reporting channels.

Human Resources Risk Management

Our human resources risk management framework covers recruitment, training, performance evaluation, compliance with labor laws and adherence to ethical standards. We provide ongoing training programs enhance employee capabilities and awareness. We conduct regular performance reviews and align compensation with performance outcomes, and we regularly update our policies to reflect labor regulation changes.

Anti-corruption Risk Management

We have established an anti-corruption management system with various reporting channels. Our employees are required to comply with our code of conduct and receive periodic training on anti-corruption and ethical standards, with additional reminders provided to staff in sensitive positions. We require business partners to sign integrity undertakings as part of our onboarding process, and we conduct due diligence and assessments to reinforce ethical practices. We adopt a zero tolerance policy toward any form of misconduct or violation of business ethics and maintain a confidential whistleblowing mechanism. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in legal proceedings related to corruption, bribery, or fraud.