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Application Proof of

WUS Printed Circuit (Kunshan) Co., Ltd.

滬士電子股份有限公司

(the “Company”)

(A joint stock company incorporated in the People’s Republic of China with limited liability)

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WUS Printed Circuit (Kunshan) Co., Ltd. 滬士電子股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

[REDACTED]

Number of [REDACTED] under the : [REDACTED] H Shares (subject to the
[REDACTED])
Number of [REDACTED] : [REDACTED] H Shares (subject to
[REDACTED])
Number of [REDACTED] : [REDACTED] H Shares (subject to
[REDACTED] and the [REDACTED])
Maximum [REDACTED] : HK\$[REDACTED] per [REDACTED], plus
brokerage of 1%, SFC transaction levy
of 0.0027%, Stock Exchange trading fee
of 0.00565% and AFRC transaction levy
of 0.00015% (payable in full on
application in Hong Kong dollars and
subject to refund)
Nominal value : RMB[1.00] per H Share
[REDACTED] : [REDACTED]

Joint Sponsors, [REDACTED]



(in alphabetical order)

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[REDACTED]

[REDACTED]

IMPORTANT

[REDACTED]

IMPORTANT

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

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SUMMARY

This summary aims to give you an overview of the information contained in this document. As it is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set forth in the section headed “Risk Factors” in this document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED].

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 these application sectors which have experienced continual growth momentum. 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 communication 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 and automotive Tier 1 companies; according to CIC.
- (5) According to CIC.

SUMMARY

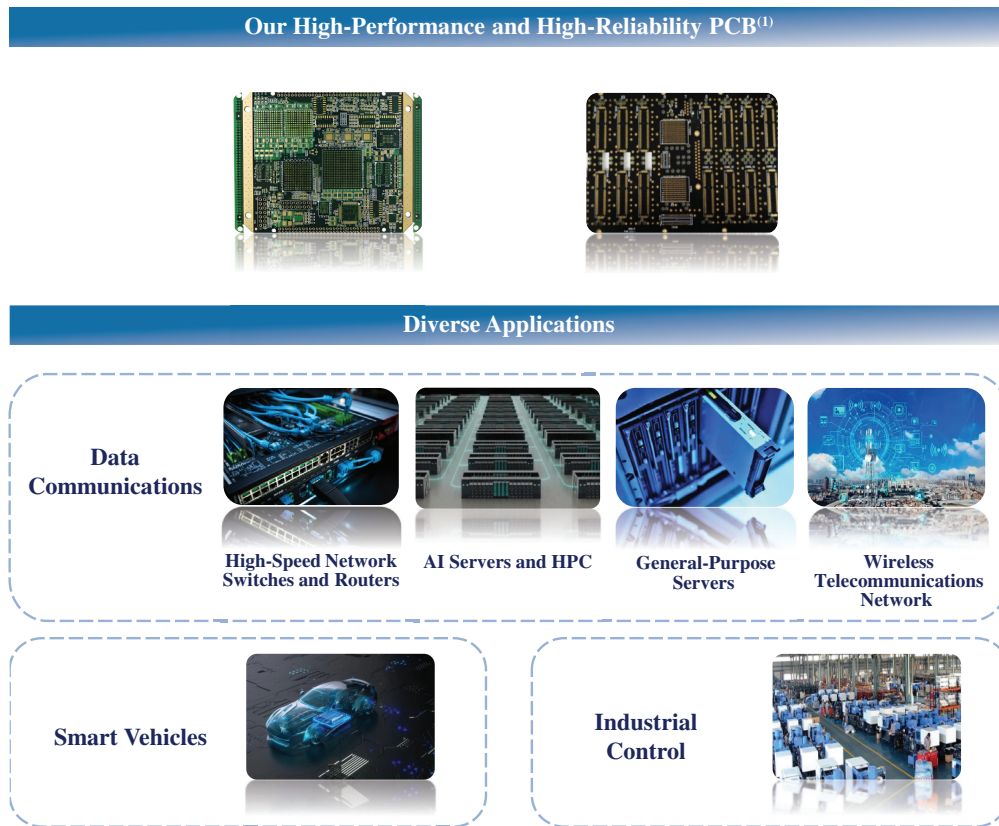
OUR STRENGTHS

We have the following strengths: (i) dedication to the PCB industry and foresight in capturing industry upgrades; (ii) a diverse end customer base built on long-term, collaboration with global industry leaders; (iii) technological advantages underpinning our core competitiveness in high-performance and high-reliability products; (iv) quality management and green, intelligent manufacturing to support product quality; and (v) experienced and stable management team supporting long-term development.

OUR STRATEGIES

We plan to pursue the following strategies: (i) build long-term competitiveness through technological development; (ii) expand and upgrade high-end production capacity and advance our green and intelligent manufacturing system; (iii) enhance value chain collaboration and pursue strategic investments and M&A; and (iv) cultivate a talent team.

OUR PRODUCTS



Note:

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

Our PCB Products by Application Sectors

We partner with end customers to develop and manufacture PCBs for their applications. We engage in end customers' product development process to address technical challenges, such as signal integrity, thermal management and dimensional stability. We provide high-performance and high-reliability PCBs, which meet customers' custom-developed requirements and serve as a key factor in ensuring the stable and reliable performance of end customers' products.

SUMMARY

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⁽⁴⁾</i>	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 from property sales and leasing business.

Our PCB Products by Layers

32 layers and above: Our most complex PCBs are mainly engineered for high-performance and high-reliability data center applications and AI infrastructure, and primarily utilized in 800G and 1.6T high-speed network switches, routers, AI servers, and semiconductor emulation and validation systems.

22 to 30 layers: These PCBs are primarily utilized in 400G switches, routers, and AI servers.

10 to 20 layers: This category includes products for (i) data communications, such as general-purpose servers, data storage and components for 5G base stations; and (ii) smart vehicles, specifically advanced automotive electronic systems, including intelligent cockpit and autonomous driving control units.

Eight layers and below: These PCBs are used in applications, including (i) automotive systems such as power system controllers, body controllers, millimeter-wave radar, lighting and braking systems; and (ii) data communications hardware, such as antennas and power amplifiers for 5G base stations and add-in cards.

SUMMARY

PCBs with 22 layers and above accounted for an increasingly material portion of our revenue. See “Business — Our Products — Our PCB Products by Layers.” The following tables set forth a breakdown of revenue by layers of 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 (Unaudited)	%	RMB'000	%
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
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⁽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.

The following table sets forth the sales volumes 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 (m ²)	Sales Volume (m ²)	Sales Volume (m ²)	Sales Volume (m ²)	Sales Volume (m ²)
Sales of PCB Products					
32 layers and above	16,095	32,348	66,220	10,644	30,233
22 to 30 layers	147,103	260,637	278,908	71,266	71,556
10 to 20 layers	402,600	468,541	697,959	135,518	219,693
Eight layers and below	1,840,761	1,877,035	1,942,092	452,198	460,421
Total	2,406,559	2,638,561	2,985,179	669,626	781,903

OUR SALES NETWORK

During the Track Record Period, our products were sold in both domestic and international markets. 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 (Unaudited)	%	RMB'000	%
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
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.

SUMMARY

OUR TECHNOLOGIES

Our core technologies enable us to develop and customize high-performance and high-reliability PCBs that cater to the evolving customer demands. Our core technologies include high-layer-count PCB technology, high-frequency and high-speed materials and processes, HDI technology and high-current technology. See “Business — Our Technologies — Core Technologies” for details.

OUR COST STRUCTURE

Our key raw materials primarily include CCLs, prepregs, copper foil, copper anodes, gold salts and dry films, which we source mainly from the Chinese Mainland. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our cost of sales was RMB6,395.8 million, RMB9,105.7 million, RMB12,545.0 million, RMB2,773.5 million and RMB4,052.0 million, respectively. Raw materials, being the largest component, accounted for 55.8%, 56.5%, 60.7%, 63.8% and 62.3% of our cost of sales in the same periods, respectively, followed by production costs and staff costs. The increase in the proportion of raw material costs against cost of sales from 2023 to 2025 was primarily due to (i) the use of high-performance and advanced materials driven by enhanced technical specifications and performance requirements of PCB, and (ii) increased raw material costs following market price fluctuations. The proportion of raw material costs against cost of sales remained relatively stable in the three months ended March 31, 2025 and 2026.

PRODUCTION

As of March 31, 2026, we had five principal production bases, including four in China (the Kunshan WUS production base, the Kunshan WUS KEPZ production base, the Huangshi production base and the Jintan production base) and one in Thailand (the Thai production base). Please see “Business — Production — Production Facilities” for details.

OUR CUSTOMERS AND SUPPLIERS

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 in each year/period during the Track Record Period accounted for 13.8%, 12.3%, 14.3% and 19.5% of our total revenues for the respective years/period. For further details, see “Business — Our Customers.” 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 total purchases, respectively. In addition, purchases from our largest supplier in each year/period during the Track Record Period accounted for 21.4%, 21.1%, 22.3% and 21.2% of total purchases for the respective years/period. For further details, see “Business — Our Supply Chain — Our Suppliers.”

SUMMARY

COMPETITION

The PCB industry we operate in 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. For further details, see “Industry Overview.”

RISK FACTORS

We believe there are certain risks and uncertainties involved in our operations, which we have categorized into: (i) risks relating to our business and industry, (ii) risks relating to conducting business in the jurisdictions we operate and (iii) risks related to the [REDACTED]. These risks include, among others, the following: (i) new R&D outcomes or trends could make our products uncompetitive, thereby adversely affecting our business, financial conditions and results of operations; (ii) The industry in which we operate is highly competitive; (iii) Factors that adversely affect application sectors where our end customers operate may adversely impact our business, financial condition and results of operations; (iv) Our success depends on the collaboration with customers. See “Risk Factors.”

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary of consolidated financial information should be read together with the consolidated financial information to the Accountant’s Report set out in Appendix I, including the accompanying notes and information set out in “Financial Information” in this document.

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

The following table sets forth a summary of our consolidated statements of comprehensive profit or loss and other comprehensive income 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>									
Revenue	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
Cost of sales	(6,395,780)	(71.6)	(9,105,698)	(68.3)	(12,544,974)	(66.2)	(2,773,520)	(68.7)	(4,052,018)	(65.2)
Gross profit	2,542,529	28.4	4,235,843	31.7	6,400,247	33.8	1,264,107	31.3	2,162,138	34.8
Selling and marketing expenses	(264,924)	(3.0)	(365,727)	(2.7)	(531,026)	(2.8)	(113,638)	(2.8)	(164,769)	(2.7)
General and administrative expenses	(196,965)	(2.2)	(324,792)	(2.4)	(427,841)	(2.3)	(85,536)	(2.1)	(126,119)	(2.0)
Research and development expenses	(538,937)	(6.0)	(789,584)	(5.9)	(1,140,946)	(6.0)	(212,774)	(5.3)	(417,025)	(6.7)
Net impairment losses on financial assets	11,670	0.1	(16,590)	(0.1)	(43,486)	(0.2)	(4,131)	(0.1)	2,428	0.0
Other income	199,521	2.2	219,091	1.6	230,178	1.2	51,759	1.3	59,539	1.0
Other gains, net	4,326	0.1	101,145	0.8	(49,549)	(0.3)	4,958	0.1	(98,852)	(1.6)
Operating Profit	1,757,220	19.7	3,059,386	22.9	4,437,577	23.4	904,745	22.4	1,417,340	22.8
Finance income	51,004	0.6	62,284	0.5	64,154	0.4	17,995	0.5	8,633	0.2
Finance costs	(125,225)	(1.4)	(146,802)	(1.1)	(93,199)	(0.5)	(26,930)	(0.7)	(29,086)	(0.5)

SUMMARY

	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>									
Finance cost, net	(74,221)	(0.8)	(84,518)	(0.6)	(29,045)	(0.1)	(8,935)	(0.2)	(20,453)	(0.3)
Share of profit/(loss) of associates, net	22,337	0.2	(25,108)	(0.2)	(10,345)	(0.1)	(3,903)	(0.1)	(3,510)	(0.1)
Profit before income tax	1,705,336	19.1	2,949,760	22.1	4,398,187	23.2	891,907	22.1	1,393,377	22.4
Income tax expense	(215,818)	(2.4)	(383,445)	(2.9)	(579,514)	(3.0)	(131,930)	(3.3)	(151,938)	(2.4)
Profit for the year/period	1,489,518	16.7	2,566,315	19.2	3,818,673	20.2	759,977	18.8	1,241,439	20.0
Attributable to:										
Owners of the company	1,512,538	16.9	2,587,237	19.4	3,822,306	20.2	762,466	18.9	1,242,081	20.0
Non-controlling interests	(23,020)	(0.3)	(20,922)	(0.2)	(3,633)	(0.0)	(2,489)	(0.1)	(642)	(0.0)

Summary of Selected Items of Financial Positions

	As of December 31,			As of
	2023	2024	2025	March 31,
	RMB'000	RMB'000	RMB'000	RMB'000
Total non-current assets	8,194,614	11,502,264	12,279,100	13,957,696
Total current assets	7,840,867	9,677,671	15,975,174	18,762,323
Total assets	16,035,481	21,179,935	28,254,274	32,720,019
Total non-current liabilities	1,175,484	1,701,932	2,402,117	3,277,620
Total current liabilities	5,022,773	7,576,577	10,724,070	12,638,419
Total liabilities	6,198,257	9,278,509	13,126,187	15,916,039
Net current assets	2,818,094	2,101,094	5,251,104	6,123,904
Net assets	9,837,224	11,901,426	15,128,087	16,803,980

During the Track Record Period, our net assets increased from RMB9,837.2 million as of December 31, 2023 to RMB16,804.0 million as of March 31, 2026, primarily attributable to continuous accumulation of retained earnings derived from net profit of RMB1,512.5 million, RMB2,587.2 million, RMB3,822.3 million and RMB1,242.1 million in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, partially offset by the distribution of dividends of RMB285.8 million, RMB956.8 million, RMB961.7 million and nil during the same respective periods.

Summary of Consolidated Statements of Cash Flows

The following table sets forth cash flow statement information 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>				
Net cash generated from operating activities	2,220,455	2,277,622	3,735,057	1,402,378	499,234
Net cash used in investing activities	(1,847,125)	(2,987,307)	(2,518,224)	(530,895)	(640,812)
Net cash generated from/(used in) financing activities	428,348	71,357	(209,741)	799,126	1,990,688
Net increase/(decrease) in cash and cash equivalents	801,678	(638,328)	1,007,092	1,670,609	1,849,110
Cash and cash equivalents at the beginning of the year	1,292,451	2,097,883	1,542,699	1,542,699	2,579,103
Exchange gains on cash and cash equivalents	3,754	83,144	29,312	19,543	(36,575)
Cash and cash equivalents at the end of the year	2,097,883	1,542,699	2,579,103	3,232,851	4,391,638

SUMMARY

KEY FINANCIAL RATIOS

The following table sets out our key financial ratios for the periods indicated. For further details, see “Financial Information — Key Financial Ratios.”

	As of/For the year ended December 31,			As of/For the three months ended March 31,
	2023	2024	2025	2026
Gross profit margin (%) . . .	28.4	31.7	33.8	34.8
Net profit margin (%)	16.9	19.4	20.2	20.0
Return on equity (%)	16.8	23.9	28.4	31.1
Current ratio	1.6	1.3	1.5	1.5
Liability to asset ratio (%) .	38.7	43.8	46.5	48.6
Gearing ratio (%)	26.5	30.5	30.2	37.8

LEGAL PROCEEDINGS AND NON-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.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, our Company was held as to (i) 19.32% by Biggering Holdings, and (ii) 1.03% by Happy Union, which were both ultimately controlled by the Wu Family, representing a total of 20.35% of the voting power at general meetings of our Company. For details, see “History and Corporate Structure — Corporate Structure” in this document. Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to our 2024 Share Option Incentive Plan), the Wu Family, through Biggering Holdings and Happy Union, will be entitled to exercise a total of [REDACTED]% of the voting power at general meetings of our Company. Upon [REDACTED], the Wu Family, Biggering Holdings and Happy Union will together constitute our Single Largest Group of Shareholders.

TAIWAN-RELATED REGULATORY REQUIREMENTS

As advised by the Company’s Taiwan legal advisor, with regard to the [REDACTED] and the [REDACTED], no approval from Taiwan regulatory authorities is required. For details of regulations in Taiwan relating to investment in the Chinese Mainland, please refer to the sections headed “Risk Factors — Taiwanese investors may be required to obtain approvals from the Department of Investment Review of the Ministry of Economic Affairs of Taiwan (the “DIR”) for investments in the Chinese Mainland” and “Regulatory Overview — Regulations in Taiwan Relating to Investment in the Chinese Mainland” of this document.

SUMMARY

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE

Since August 2010, our A Shares have been listed on the Shenzhen Stock Exchange (stock code: 002463). Our Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, there had been no instances of our material non-compliance with the applicable rules of the Shenzhen Stock Exchange and other applicable PRC securities laws and regulations. To the best knowledge of our Directors having made all reasonable enquiries, there are no material matters in relation to our compliance record on the Shenzhen Stock Exchange that should be brought to the attention of the Stock Exchange or potential [REDACTED] of the [REDACTED]. Based on the filings on the website of the Shenzhen Stock Exchange and the information available in the public domain, our PRC Legal Advisor is of the view that, there had been no instances of our material non-compliance with the applicable securities laws and regulations in the PRC in relation to its listing on the Shenzhen Stock Exchange in any material respect during the Track Record Period and up to the Latest Practicable Date. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors’ attention that would cause them to disagree with our Directors’ confirmation with regard to the compliance records of our Company on the Shenzhen Stock Exchange.

[REDACTED] STATISTICS

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

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

Notes:

- (1) The calculation of [REDACTED] of our Shares is based on the assumption that (i) [REDACTED] H Shares will be in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised) based on the [REDACTED]; and (ii) 1,924,363,537 A Shares listed on the Shenzhen Stock Exchange with an average closing price of the Company for the five trading days immediately preceding the Latest Practicable Date at RMB[REDACTED] (or approximately HK\$[REDACTED]) per A Share.
- (2) The unaudited [REDACTED] adjusted consolidated net tangible assets per Share is calculated after making the adjustments referred to in the section headed “Appendix II — Unaudited [REDACTED] Financial Information” to this document. In particular, the unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company has not taken into account payment of dividend of RMB962,182,000 approved by the Shareholders on April 23, 2026. The unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share would have been HK\$[REDACTED] per Share and HK\$[REDACTED] per Share, assuming the indicative [REDACTED] of HK\$[REDACTED] per H Share and HK\$[REDACTED] per H Share, respectively, if the dividend declaration had been accounted for as at March 31, 2026.

DIVIDENDS

In 2023, 2024, 2025 and during the three months ended March 31, 2026, we declared dividends of RMB285.8 million, RMB956.8 million, RMB961.7 million and nil, respectively. We do not have a predetermined dividend payout ratio. For further details, see “Financial Information — Dividends.” Any proposed distribution of dividends is subject to the discretion of our Board and the approval at our Shareholders’ meetings. Our Board may recommend a distribution of dividends in the future after taking into account our results of operations, financial condition, operating requirements, capital requirements, shareholders’ interests and any other conditions that our Board may deem relevant.

SUMMARY

FUTURE PLANS AND USE OF [REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the [REDACTED] stated in this document) and that the [REDACTED] is not exercised, we estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED], after deducting [REDACTED] fees, [REDACTED] and other estimated expenses payable by us in connection with the [REDACTED]. For further details, see “Future Plans and Use of [REDACTED] — Use of [REDACTED].” We intend to use the net [REDACTED] from the [REDACTED] for the following purposes: (i) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used to support the capacity expansion of our production bases; (ii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used for R&D of high-performance PCBs and technological innovation in the data communications and smart vehicles sectors, to further enhance our leading position in the PCB market; (iii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used for strategic investments and acquisitions; and (iv) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used for working capital and general corporate purposes.

[REDACTED]

Our [REDACTED] mainly include (i) [REDACTED] expenses, such as [REDACTED] fees and [REDACTED], and (ii) [REDACTED] expenses, comprising professional fees paid to our legal advisors and Reporting Accountant for their services rendered in relation to the [REDACTED] and the [REDACTED], and other fees and expenses. The estimated total [REDACTED] (based on the mid-point of the [REDACTED] and assuming that the [REDACTED] is not exercised) for the [REDACTED] are approximately HK\$[REDACTED], accounting for of [REDACTED]% of our gross [REDACTED]. An estimated amount of HK\$[REDACTED] for our [REDACTED], accounting for approximately [REDACTED]% of our gross [REDACTED], was or is expected to be expensed through the statement of comprehensive income and the remaining amount of HK\$[REDACTED] is expected to be recognized as a deduction from equity upon the [REDACTED]. We did not recognize [REDACTED] in 2023 and 2024. We recognized [REDACTED] of RMB[REDACTED] and RMB[REDACTED] in our consolidated financial statements in 2025 and the three months ended March 31, 2026, respectively.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

U.S. Tariffs, Export Controls and Other Regulations

Tariffs

Recent U.S.-China trade tensions have led to significant tariff escalations. During the Track Record Period, U.S. tariffs on imports from China peaked at 145%, while China’s retaliatory tariffs on U.S. imports peaked at 140%. As of the Latest Practicable Date, the U.S. imposes a 10% baseline tariff on imports from China, and China imposes a 10% retaliatory tariff on most U.S. goods. Our Directors are of the view that the U.S.-China tariff tensions did not have, and are not expected to have, any material direct or indirect impact on our business operations and financial performance, considering that (i) revenues from sales to the U.S. represented a small portion of our total revenue, accounting for 5.0%, 4.8%, 4.6% and 3.2% of our total revenues in 2023, 2024, 2025 and during the three months ended March 31, 2026, respectively; (ii) import tariffs borne by us on our procurement were limited, amounting to RMB0.2 million, RMB1.0 million, RMB2.6 million and RMB0.3 million in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively; and (iii) import tariff obligations in respect of our products sold to the U.S. were borne by our customers. See “Business — Recent Regulation in Relation to Tariffs” for further details.

SUMMARY

U.S. Export Controls and Sanctions

The United States has increased export control restrictions through the Export Administration Regulations (“**EAR**”) administered by the Bureau of Industry and Security (“**BIS**”). During the Track Record Period and up to the Latest Practicable Date, we had (i) nine customers, to which we supplied PCBs, and one supplier, from which we procured labor services added to the BIS Entity List; (ii) three additional suppliers added to the NS CMIC List, from which we procured telecommunications services; and (iii) seven additional suppliers and one additional customer added to the 1260H List. As advised by our legal advisor as to U.S. Export Control Law and U.S. Sanctions, our Directors are of the view that during the Track Record Period and up to the Latest Practicable Date, (i) substantially all of our products are not subject to the EAR, and our supply of products to Relevant BIS Customers did not violate U.S. export control laws and regulations; (ii) our limited EAR99 products were not supplied to restricted customers and did not violate applicable U.S. export control laws; (iii) the Group complied with the applicable U.S. export control laws and applicable U.S. sanctions laws in all material respects, and (iv) there is no material sanctions risk described in Chapter 4.4 of the Guide for New Listing Applicants implicated by our Group’s activities. See “Business — Business Activities Subject to U.S. Export Controls and Sanctions.”

U.S. Outbound Investment Security Programme

On October 28, 2024, the U.S. Treasury Department issued the Final Rule implementing the Outbound Investment Security Programme (“**OISP Final Rule**”), which became effective on January 2, 2025. The OISP Final Rule restricts investments by U.S. persons in entities associated with countries of concern, including China, that engage in covered activities in sectors such as semiconductors, quantum computing and artificial intelligence. As advised by our legal advisor as to the OISP Final Rule, we do not engage in any “covered activities” under the OISP Final Rule and are not a “covered foreign person.” Accordingly, neither the subscription of H Shares by U.S. persons in the [REDACTED], nor the purchase and [REDACTED] of H Shares by U.S. persons on the Hong Kong Stock Exchange following completion of the [REDACTED], constitutes a “covered transaction” under the OISP Final Rule or is subject to any prohibition or notification obligation thereunder. Our Directors are of the view that the OISP Final Rule will not have a material adverse impact on our business operations, financial performance, the [REDACTED] or our [REDACTED] prospects. See “Business — The U.S. Outbound Investment Restrictions” for further details.

No Material Adverse Change

From April 1, 2026 to April 30, 2026, PCB the sales volume amounted to approximately 0.3 million m². In June 2026, we acquired 100% equity interests in Kunshan Pujiang Logistics Facilities Co., Ltd. (“**Pujiang Logistics**”) at a consideration of RMB206.7 million. Pujiang Logistics owns certain warehouses and production facilities (including our leased facilities), and does not have any other business operations. Accordingly, our directors consider that the acquisition constitutes asset acquisition under IFRS Accounting Standards. After acquisition, we plan to utilize the warehouses and facilities for production expansion. Our Directors have confirmed that, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since March 31, 2026, being the end date of our latest consolidated financial statements, and there has been no event since March 31, 2026 that would materially affect the information shown in the Accountant’s Report set out in Appendix I to this document.

DEFINITIONS

In this document, unless the context otherwise requires, the following terms shall have the meanings set forth below. Certain other terms are explained in “Glossary of Technical Terms.”

“2024 Share Option Incentive Plan”	the 2024 share option incentive plan of our Company as approved by our Shareholders on September 10, 2024, the principal terms of which are set out in “Statutory and General Information — D. 2024 Share Option Incentive Plan” in Appendix IV
“A Share(s)”	ordinary share(s) issued by our Company, with a nominal value of RMB1.00 each, which are traded in Renminbi and listed on the Shenzhen Stock Exchange
“A Shareholder(s)”	holder(s) of our A Share(s)
“Accountant’s Report”	the accountant’s report of our Company for the Track Record Period, as included in Appendix I to this document
“AFRC”	Accounting and Financial Reporting Council of Hong Kong
“Articles of Association” or “Articles”	the articles of association of our Company, conditionally adopted on November 17, 2025 with effect from the [REDACTED], as amended, supplemented, or otherwise modified from time to time, a summary of which is set out in Appendix III to this document
“Audit Committee”	the audit committee of the Board
“Biggering Holdings”	Biggering (BVI) Holdings Co., Ltd., a limited liability company incorporated in the BVI on May 25, 1998, and a member of our Single Largest Group of Shareholders
“BIS”	the U.S. Department of Commerce, Bureau of Industry and Security
“BIS Entity List”	the Bureau of Industry and Security’s Entity List maintained by the U.S. Department of Commerce
“Board”	the board of Directors

DEFINITIONS

“business day”	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
“BVI”	the British Virgin Islands
“C&F Data”	Commerce & Finance Law Offices, our legal advisor as to PRC data compliance law

[REDACTED]

“China” or “PRC” or “Chinese Mainland”	the People’s Republic of China excluding, for the purposes of this document, Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“CIC”	China Insights Industry Consultancy Limited, our industry consultant
“CIC Report”	the industry report commissioned by us and independently prepared by CIC, a summary of which is set forth in “Industry Overview” in this document
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company,” “our Company,” “we,” “our” or “us”	WUS Printed Circuit (Kunshan) Co., Ltd. (滬士電子股份有限公司) (formerly known as WUS Printed Circuit (Kunshan) Company Limited (昆山滬士電子有限公司)), a company established under the laws of the PRC with limited liability on April 14, 1992 and converted into a joint stock company with limited liability on February 24, 2003, whose A Shares have been listed on the Shenzhen Stock Exchange (002463.SZ)

DEFINITIONS

“COVID-19”	coronavirus disease 2019, a viral respiratory disease caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC national securities markets
“Director(s)”	the director(s) of our Company
“Dukun Kunshan”	Dukun Electronic Materials (Kunshan) Co., Ltd. (杜昆電子材料(昆山)有限公司) (now known as Dukun Energy Technology (Kunshan) Co., Ltd. (杜昆能源科技(昆山)有限公司)), a company established under the laws of the PRC with limited liability on December 28, 1995, one of our promoters
“EAR”	the U.S. Export Administration Regulations, 15 C.F.R. Parts 730-774
“EIT”	enterprise income tax
“EIT Law”	the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), as amended, supplemented or otherwise modified from time to time
“Extreme Conditions”	extreme conditions caused by a super typhoon as announced by the government of Hong Kong

[REDACTED]

DEFINITIONS

“Group,” “our Group,” “we,” “our” or “us”	our Company and our subsidiaries (or our Company and any one or more of our subsidiaries, as the content may require), or where the context so requires, in respect of the periods before our Company became the holding company of our present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
“Happy Union”	Happy Union Investment Limited (合拍友聯有限公司), a limited liability company incorporated under the laws of Hong Kong on October 23, 2008, and a member of our Single Largest Group of Shareholders
“Hepai Partnership”	Happy Union Company (合拍友聯公司), a partnership under the laws of Hong Kong
“H Share(s)”	overseas [REDACTED] foreign shares in the share capital of our Company, with a nominal value of RMB1.00 each, which are to be [REDACTED] for and [REDACTED] in Hong Kong dollars and [REDACTED] on the Stock Exchange [REDACTED]
“H Shareholder(s)”	holder(s) of our H Share(s)

[REDACTED]

DEFINITIONS

[REDACTED]

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

[REDACTED]

“Huangshi Supply Chain”	WUS Supply Chain Management (Huangshi) Co., Ltd. (黃石滬士供應鏈管理有限公司), a company established under the laws of the PRC with limited liability on May 21, 2012
“IFRS”	International Financial Reporting Standards, as issued by the International Accounting Standards Board

DEFINITIONS

“Independent Third Party(ies)” person(s) or company(ies) who/which, to the best of our Directors’ knowledge, information and belief, is/are not a connected person of our Company

[REDACTED]

“Jiangsu Schweizer” Schweizer Electronic (Jiangsu) Co., Ltd. (勝偉策電子(江蘇)有限公司), a company established under the laws of the PRC with limited liability on December 18, 2017, and our subsidiary

[REDACTED]

DEFINITIONS

“Joint Sponsors”	the joint sponsors as named in “Directors and Parties Involved in the [REDACTED]” in this document
“Kunshan Asset”	Kunshan Economic and Technological Development Zone Asset Management Co., Ltd. (昆山經濟技術開發區資產經營有限公司) (now known as Kunshan Guochuang Investment Group Co., Ltd. (昆山國創投資集團有限公司)), a company established under the laws of the PRC with limited liability on September 2, 1992, one of our promoters
“Latest Practicable Date”	May 29, 2026, being the latest practicable date for the purpose of ascertaining certain information in this document prior to its publication
[REDACTED]	
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with GEM of the Stock Exchange
“MOF”	Ministry of Finance of the PRC (中華人民共和國財政部)
“MOFCOM”	Ministry of Commerce of the PRC (中華人民共和國商務部)
“Nomination Committee”	the nomination committee of the Board
“NPC”	the National People’s Congress of the PRC (中華人民共和國全國人民代表大會)

DEFINITIONS

“NS CMIC List”	the U.S. Department of Treasury’s Non-Specially Designated National Chinese Military-Industrial Complex Companies List
“NT\$”	New Taiwan dollar(s), the lawful currency of Taiwan

[REDACTED]

“PBOC”	the People’s Bank of China (中國人民銀行), the central bank of the PRC
“PRC Company Law”	the Company Law of the PRC (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“PRC Legal Advisor”	Commerce & Finance Law Offices, our legal advisor as to PRC laws
“PRC Securities Law”	the Securities Law of the PRC (中華人民共和國證券法), as amended, supplemented or otherwise modified from time to time
[REDACTED]	
“QIB”	a qualified institutional buyer within the meaning of Rule 144A
“Qingsong Sewage Treatment”	Kunshan Qingsong Sewage Treatment Co., Ltd. (昆山青淞污水處理有限公司), a company established under the laws of the PRC with limited liability on April 11, 2025, and our direct wholly-owned subsidiary
“Regulation S”	Regulation S under the U.S. Securities Act
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board
“Renminbi” or “RMB”	Renminbi, the lawful currency of China
“Rule 144A”	Rule 144A under the U.S. Securities Act
“SAFE”	the State Administration for Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“SAMR”	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
“SAT”	State Administration of Taxation of the PRC (中華人民共和國國家稅務總局)
“Schweizer”	Schweizer Electronic AG, a company incorporated under the laws of Germany in 1849, listed on Stuttgart and Frankfurt stock exchanges
“SFC”	the Securities and Futures Commission of Hong Kong

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
“Shareholder(s)”	holder(s) of our Share(s)
“Single Largest Group of Shareholders”	refers to the persons named in “Relationship with Our Single Largest Group of Shareholders” in this document

[REDACTED]

“State Council”	the State Council of the PRC (中華人民共和國國務院)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategy and ESG Committee”	the strategy and environmental, social and governance committee of the Board
“Suzhou Huaxi”	Suzhou Industrial Park Huaxi Technology Investment Co., Ltd. (蘇州工業園區華璽科技投資有限公司), a company established under the laws of the PRC with limited liability on April 18, 2002, one of our promoters
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC
“Taiwan”	Taiwan Province of the People’s Republic of China
“Track Record Period”	the years ended December 31, 2023, 2024, and 2025 and the three months ended March 31, 2026
“Treasury Share(s)”	the Share(s) our Company repurchased and holds in treasury; unless otherwise specified, Treasury Shares are excluded when calculating the percentage of shareholding or voting power of our Company in this document
“U.S. dollars” or “US\$”	United States dollars, the lawful currency of the United States

DEFINITIONS

“U.S. Securities Act” United States Securities Act of 1933 and the rules and regulations promulgated thereunder

[REDACTED]

“United States” or “U.S.” the United States of America, its territories, its possessions and all areas subject to its jurisdiction

“VAT” value-added tax

“W&W Partners” W&W Partners (Thailand) Co., Ltd., our legal advisor as to the Thai data compliance law

[REDACTED]

“Wu Family” comprises (i) Ms. CHEN May Fong (陳梅芳), our non-executive Director and chairman of the Board, (ii) Mr. WU Chuan Pin (吳傳彬), a son of Ms. CHEN May Fong, the spouse of Ms. DENG Wenlan, and the brother of Mr. WU Chuanlin and Ms. WU Chiao-shan, (iii) Mr. WU Chuanlin (吳傳林), a son of Ms. CHEN May Fong, the spouse of Ms. CHU Yu-chieh, and the brother of Mr. WU Chuan Pin and Ms. WU Chiao-shan, (iv) Ms. WU Chiao-shan (吳曉杉), the daughter of Ms. CHEN May Fong, the spouse of Mr. HU Shao-tang, and the sister of Mr. WU Chuan Pin and Mr. WU Chuanlin, (v) Ms. DENG Wenlan (鄧文瀾), the spouse of Mr. WU Chuan Pin and a daughter-in-law of Ms. CHEN May Fong, (vi) Ms. CHU Yu-chieh (朱雨潔), the spouse of Mr. WU Chuanlin and a daughter-in-law of Ms. CHEN May Fong, and (vii) Mr. HU Shao-tang (胡詔棠), the spouse of Ms. WU Chiao-shan and the son-in-law of Ms. CHEN May Fong

“WUS Holdings” WUS Group Holdings Co., Ltd., a limited liability company incorporated in the Samoa Islands, our substantial shareholder and a subsidiary of WUS TW

DEFINITIONS

“WUS Huangshi”	WUS Printed Circuit (Huangshi) Co., Ltd. (黃石滬士電子有限公司), a company established under the laws of the PRC with limited liability on February 27, 2012, and our direct wholly-owned subsidiary
“WUS International”	WUS International Company Limited (滬士國際有限公司), a limited liability company incorporated under the laws of Hong Kong on August 28, 2006, and our direct wholly-owned subsidiary
“WUS KEPZ”	WUS Printed Circuit Kepz (Kunshan) Co., Ltd. (昆山滬利微電有限公司), a company established under the laws of the PRC with limited liability on September 16, 2002, and our direct wholly-owned subsidiary
“WUS Singapore”	WUS International Investment Singapore Pte. Ltd., a limited liability company incorporated under the laws of Singapore in November 2022, and our indirect wholly-owned subsidiary
“WUS Thailand”	WUS Printed Circuit (Thailand) Co., Ltd. (滬士電子(泰國)有限公司), a limited liability company incorporated under the laws of the Thailand on October 4, 2022, and our subsidiary
“WUS TW”	WUS Printed Circuit Co., Ltd. (楠梓電子股份有限公司), a limited liability company incorporated in Taiwan in May 1978, listed on Taiwan stock exchange, and our substantial shareholder
“Zhongxin Venture Capital”	China-Singapore Suzhou Industrial Park Ventures Co., Ltd. (中新蘇州工業園區創業投資有限公司), a company established under the laws of the PRC with limited liability on November 28, 2001
“%”	percent

In this document, the terms “associate(s),” “close associate(s),” “connected person(s),” “connected transaction(s),” “core connected person(s),” “subsidiary(ies)” and “substantial shareholder(s)” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

For ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in this document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.

GLOSSARY OF TECHNICAL TERMS

In this document, unless the context otherwise requires, explanations and definitions of certain terms used in this document in connection with our Company and our business shall have the meanings set out below. The terms and their meanings may not always correspond to standard industry meaning or usage of these terms.

“5G”	a fifth-generation mobile communications standard designed to support wireless data transmission with enhanced capacity, connectivity and performance compared with previous generations
“AAU”	active antenna unit, an object that integrates the antenna element and radio unit into a single physical unit, used in 5G networks to improve performance and reduce signal loss
“ABS”	anti-lock braking system, a vehicle safety system that prevents wheels from locking up during heavy braking, maintaining steering control and preventing uncontrolled skidding
“ADAS”	advanced driving assistance system, any of groups of electronic technologies that assist drivers in driving and parking functions
“AI”	artificial intelligence, a branch of advanced technological science dedicated to the research, development, and application of theories, methodologies, techniques and systems designed to simulate, enhance, and extend human intelligence
“AI servers”	servers designed to support artificial intelligence-related workloads, such as data processing, model training and inference, typically used in data centers
“ANT”	antenna, an accepted abbreviation in the PCB industry
“AOI”	automated optical inspections, a system that uses digital optical equipment to automatically inspect the appearance of circuit patterns
“ASIC”	application-specific integrated circuit, a type of integrated circuit that is customized to the needs of a specific application
“aspect ratio”	the ratio of the board thickness to the drill hole diameter for plated-through holes, or the ratio of the hole depth to the drill hole diameter for blind holes

GLOSSARY OF TECHNICAL TERMS

“automated driving”	a category of driving solutions covering Level 0 to Level 5 automation, with Level 0 versions featuring solely partial object and event detection and response without continuous vehicle dynamic control capacity, and Level 1-5 versions enabling tiered automated vehicle control capabilities
“automotive Tier 1 companies”	automotive system integrators, which are companies that supply assembled components or systems directly to vehicle manufacturers. Tier 1 companies need to work closely with vehicle manufacturers during the design and development stages of vehicles, ensuring the integration of their components into the final products
“autonomous driving”	a category of driving solutions corresponding to Level 4 and above automation, featuring full vehicle dynamic control under defined or unrestricted operational design domains without reliance on continuous human driver intervention
“back-drilling”	a drilling process that removes the excess conductive material from the signal holes of a PCB from the reverse side
“backplane”	a type of PCB that serves as a central interconnection backbone and mechanical support structure used to connect multiple electronic modules or circuit boards within a system, providing standardized slots or connector interfaces to enable power distribution, data transmission and signal exchange among the modules
“BBU”	baseband unit, a device in telecom systems that transports a baseband frequency, usually from a remote radio unit, to which it may be tied through optical fiber
“BGA”	a surface-mount package with solder balls formed at the bottom lead terminals for interconnection
“blind-via boards”	a type of PCBs that incorporate blind vias, where the vias connect a PCB outer layer (top or bottom layer) to one or more inner layers without passing through the entire board
“BMS”	battery management system, an electronic system that monitors, manages and protects battery packs
“body controllers”	a category of automotive electronic control units used to manage and control vehicle body-related systems and functions

GLOSSARY OF TECHNICAL TERMS

“bonded zone(s)”	closed-format comprehensive open areas in the PRC, the main functions of which are transit trade, export processing, warehousing and international transportation. Bonded zones are subject to special preferential policies. Enterprises within the bonded zones will, under the direct supervision of the customs department of the PRC government, be entitled to special preferential policies and must develop trading activities between enterprises within the bonded zones and overseas enterprises
“CCL”	copper-clad laminate, a laminated board with copper foil on one or both sides
“CoWoP”	chip-on-wafer-on-PCB, an advanced system-in-package (SiP) technology. It first involves flip-chip bonding of chips onto a silicon interposer via microbumps to achieve high-density interconnection between the chips and the silicon substrate. Subsequently, the chip-on-wafer (CoW) assembly is directly bonded to a multilayer PCB, eliminating the need for traditional organic packaging substrates
“CPU(s)”	central processing unit, the general-purpose processor that fetches, decodes and executes program instructions, orchestrating virtually all computational tasks in a computer system
“crosstalk”	a signal integrity phenomenon in which electromagnetic coupling between adjacent signal paths causes unwanted interference in electronic circuits
“CTE”	coefficient of thermal expansion, the amount of dimensional change in an object per unit of temperature change under constant atmospheric pressure
“data communications”	applications involving 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
“data rate”	the amount of data transmitted over a communication channel in a unit of time, typically expressed in bits per second

GLOSSARY OF TECHNICAL TERMS

“dielectric property requirements”	a set of technical requirements relating to the dielectric characteristics of materials used to support reliable electrical insulation and signal transmission in electronic applications
“domain controllers”	a category of automotive electronic control units designed to integrate and manage multiple vehicle functions within a specific functional domain
“DPPM”	defective parts per million, a quality control measurement in manufacturing
“DPU(s)”	data processing unit, a hardware accelerator for data-intensive tasks like networking, storage and security
“electroplate/electroplating”	a process that utilizes electro-deposition to form a uniform, dense, and well-adhered metal or alloy layer on the surface of a workpiece
“EMI”	electromagnetic interference, a physical phenomenon involving electromagnetic interference that can affect the performance or operation of electronic systems or equipment
“EMS”	electronic manufacturing service, an accepted term for a contract manufacturer in the PCB industry
“ENIG”	electroless nickel immersion gold
“fine line control”	the capability to control and maintain the accuracy of fine circuit line widths and spacing during the PCB manufacturing process
“FPC”	flexible printed circuits, being PCBs made on flexible substrates that allow bending or folding during use
“FR-4 materials”	a grade of glass-reinforced epoxy laminate materials commonly used as a base material in PCBs
“GaN”	gallium nitride, a binary III/V direct bandgap semiconductor well-suited for high-power transistors capable of operating at high temperatures
“Gbps”	giga bits per second, a unit of data transfer rate commonly used to measure data transfer speed
“GFA”	gross floor area
“glass fiber cloth”	a woven fabric made from glass fibers, commonly used as a reinforcing material in the manufacture of PCBs

GLOSSARY OF TECHNICAL TERMS

“GPU(s)”	graphics processing unit, a microprocessor designed to handle graphics-related tasks
“HDI”	high-density interconnect, a PCB design and manufacturing technology that utilizes microvias, fine-line traces, and thin dielectric layers to achieve high component density and high wiring density per unit area
“high-frequency”	a technical characteristic relating to the transmission or operation of electrical signals at relatively high frequencies in electronic and communication applications
“high-speed materials”	raw materials used in the manufacturing of high-speed PCBs and designed to support high-frequency and high-speed signal transmission
“high-speed network switch and router”	an industrial term; for network switches, referring to switches with port speeds of 100G or above and high switching capacity, which are typically deployed inside data centers; for routers, referring to routers with high throughput and high-speed interfaces, which are typically used at data center boundaries or in telecom carrier backbone networks
“HPC”	high-performance computing, a computing paradigm integrating advanced hardware architectures, parallel processing technologies, and optimized software ecosystems to deliver ultra-high computational power
“HVLP3”	High Very Low Profile 3, a type of advanced copper foil designed to minimize signal loss at high frequencies, used in the production of high-performance and high-reliability PCBs
“hyperscale switches”	a category of network switches designed for deployment in hyperscale data center environments to support large-scale connectivity and data traffic
“IGBT”	insulated gate bipolar transistor, a three-terminal power semiconductor device primarily forming an electronic switch
“impedance”	the opposition encountered by alternating current when passing through a conductor in an electrical network composed of resistance, capacitance, and inductance
“inverters”	power electronic devices used to convert direct current into alternating current, commonly applied in industrial equipment, renewable energy systems and electric vehicles

GLOSSARY OF TECHNICAL TERMS

“L2+”	L2+ (advanced assisted driving) indicating an enhanced tier of partial automation that provides advanced driver-assistance features built upon L2 capabilities, while still requiring the driver to remain fully engaged and supervise the driving environment at all times
“lamination”	a manufacturing process in which multiple layers of materials used in PCBs are bonded together under heat and pressure to form a unified structure
“LED”	light-emitting diode, a semiconductor device that emits light when current passes through it, used in displays and lighting
“LiDAR”	light detection and ranging, a remote sensing technology that uses laser pulses to measure distances, detect targets and create 3D spatial models for scenarios like driving automation and mapping
“loss materials”	a category of PCB materials characterized by their signal attenuation properties during electrical signal transmission
“M7/M8/M9 grade”	a grade of PCB material designed for use in applications involving high-speed signal transmission
“mil”	a unit of measurement equal to one-thousandth of an inch, commonly used to specify thickness and spacing in circuit design
“MLPCB(s)”	multilayer printed circuit board
“MOSFET(s)”	metal oxide semiconductor field effect transistor, used for amplifying or switching electronic signals
“motherboard(s)”	a PCB assembly used for interconnecting and connecting electronic module arrays
“mSAP”	modified semi-additive process, a PCB production method that enables the manufacturing of finer lines and spaces than traditional subtractive processes
“multilayer alignment”	the manufacturing capability to accurately align and register multiple layers during the fabrication of multilayer PCBs
“NEV(s)”	new energy vehicle that is powered by alternative energy sources, such as electricity or hydrogen
“OAM”	computational accelerator module specification developed under the Open Accelerator Infrastructure (OAI) standard

GLOSSARY OF TECHNICAL TERMS

“oversize”	those that exceed standard dimensions, typically being more than 24 inches wide
“PCB(s)”	printed circuit board
“PCIe”	peripheral component interconnect express, a type of connection used for high speed data transfer between electronic component
“photolithography”	a manufacturing process that uses near-ultraviolet or ultraviolet light to transfer circuit patterns onto a substrate during the fabrication of PCBs and other semiconductor-related products
“PLC”	programmable logic controllers, being industrial digital control devices used to automate and control machinery or industrial processes
“power system controllers”	a category of automotive electronic control units used to manage and control vehicle power-related systems and functions
“prepreg(s)”	also known as “PP sheet” or “resin sheet”, it is the sheet or roll material made from fiber-reinforced material impregnated with thermosetting resin and cured to the semi-cured stage
“PTFE”	polytetrafluoroethylene, a synthetic fluoropolymer of tetrafluoroethylene
“power semiconductor embedded PCB”	a technology embedding of power semiconductors into PCBs
“roughness”	the degree of unevenness on the surface and edges of the circuit conductors on PCBs after etching
“REACH”	Regulation (EC) No 1907/2006 of the European Parliament and of the European Council concerning, among others, registration, evaluation, authorization and restriction of chemicals
“RF circuit design”	a technical discipline involving the design of electronic circuits intended to process, transmit or receive radio frequency signals
“RF signal”	electromagnetic signal operating within the radio frequency range
“RoHS”	Restriction of Hazardous Substances Directive of the EU
“routers”	network devices used to forward and direct data traffic between different computer networks

GLOSSARY OF TECHNICAL TERMS

“SAE International”	a U.S.-based global association of engineering professionals in various industries with a focus on transport industries. SAE International classifies driving automation into six levels based on the extent of human intervention and the scope of the driving scenario, namely L0, L1, L2, L3, L4 and L5, with L5 being completely autonomous with no human intervention needed and L0 having no autonomous system control
“SiC”	silicon carbide
“signal integrity”	the quality of the signal along the transmission path
“stub(s)”	The residual conductive part in a via
“substrates”	base materials used to support and interconnect electronic components and circuits in PCBs and related electronic products
“switches”	network devices used to connect multiple devices within a network and to direct data traffic between such devices,
“tce”	Tonnes of standard coal equivalent
“tCO ₂ e”	Tonnes of carbon dioxide equivalent
“Tg value”	glass transition temperature, the critical temperature at which a PCB’s laminate transitions from a rigid, glassy state to a softer, more pliable state. A higher Tg value indicates the material can withstand greater heat during manufacturing and operation, which is crucial for maintaining the PCB’s structural integrity and reliability
“UBB”	universal baseband board, is a common carrier board specification developed under the Open Accelerator Infrastructure (OAI) standard, designed to host accelerator modules
“UL material certification”	a formal recognition issued by Underwriters Laboratories (UL), a global safety science organization, confirming that a specific raw material meets rigorous safety standards for properties like flammability, electrical insulation and thermal resistance
“ultra-small aperture processing”	the manufacturing capability to form and process very small-diameter holes in PCBs with controlled accuracy
“via(s)”	a hole that is drilled through the board to create a pathway for electrical connections between different layers
“warpage”	a physical condition referring to the deformation or distortion of a PCB from its intended flatness during or after manufacturing

FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements and information relating to our Company and its subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this document, the words “aim,” “anticipate,” “believe,” “could,” “estimate,” “expect,” “going forward,” “intend,” “may,” “ought to,” “plan,” “project,” “seek,” “should,” “target,” “will,” “would” and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this document. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing our company which could affect the accuracy of forward-looking statements include, but are not limited to, the following: (i) our business prospects; (ii) future developments, trends and conditions in the industry and markets in which we operate or into which we intend to expand; (iii) our business and operating strategies and plans to achieve these strategies; (iv) general economic, political and business conditions in the markets in which we operate; (v) changes to the regulatory environment, operating conditions and general outlook in the industry and geographical markets in which we operate; (vi) the effects of the global financial markets and economic crisis; (vii) our financial condition and performance; (viii) our ability to reduce costs; (ix) our dividend policy; (x) the amount and nature of, and potential for, future development of our business; (xi) capital market developments; (xii) the actions and developments of our competitors; and (xiii) change or volatility in interest rates, foreign exchange rates, equity prices, volumes, operations, margins, risk management and overall market trends.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this document might not occur in the way we expect or at all. Accordingly, you should not place undue reliance on any forward-looking information. In this document, statements of or references to our intentions or those of our Directors are made as of the date of this document. Any such information may change in light of future developments. All forward-looking statements in this document are qualified by reference to the cautionary statements in this section.

RISK FACTORS

An [REDACTED] in our H Shares involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below, before making an [REDACTED] in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material and adverse effect on our business, financial condition and results of operations. The market price of our H Shares could decline, and you may lose all or part of your [REDACTED]. These factors are contingencies that may or may not occur and we are not in a position to express a view on the likelihood of any such contingency occurring. The information is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in “Forward-looking Statements” in this document.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

New R&D outcomes or trends could make our products uncompetitive, thereby adversely affecting our financial conditions and results of operations.

Technological advancement and industry standards in downstream application sectors for which our products are used may affect the application requirements of our customers and their products. If we fail to develop new products or refine our technologies to match the requirements of customers, our business, financial condition and results of operation may be adversely affected.

The industry in which we operate is highly competitive.

The PCB industry is highly competitive, and we face pressure from competitors with similar products at lower prices or possess greater financial resources, technological capabilities or broader customer bases. If we are unable to respond effectively to technology, industry standards, customer demand or regulatory requirement changes, our competitive position may weaken. Failure to compete effectively, or to incur significant costs to do so, could materially and adversely impact our business, financial condition, and results of operations.

Factors that adversely affect the application sectors where our end customers operate may adversely impact our business, financial condition and results of operations.

Our products are offered to customers in industries including data communications, smart vehicles and industrial control. Factors that adversely affect these industries, including decline in demand, tax treatment reduction, changes in regulatory requirements, materially and adversely affect our business, financial condition, results of operations and prospects. If we fail to adjust to changes in the market condition of our downstream application sectors, our business, financial condition, results of operations and prospects will be adversely affected.

RISK FACTORS

Our success depends on the collaboration with customers.

Our products are customized to the customers’ specifications. We cannot assure that efforts in maintaining relationships with customers will result in orders or long-term business relationships. Customers may impose tight development timelines and demand extensive localized technical support, and we may need to allocate a significant portion of our limited resources to customer services, which could divert attention from or delay critical development projects. Any such delays or failure to meet customer expectations or timely adapt to evolving requirements could harm customer relationships and adversely affect our business, financial condition, results of operations, and future prospects.

We have been and intend to continue investing significantly in R&D activities, which may not generate the expected results.

In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our R&D expenses were RMB538.9 million, RMB789.6 million, RMB1,140.9 million, RMB212.8 million and RMB417.0 million, respectively, accounting for 6.0%, 5.9%, 6.0%, 5.3% and 6.7% of our total revenue for the respective periods. R&D activities are inherently uncertain, and we cannot guarantee that our efforts will succeed or deliver the expected. Rapid technological advancements may render our products obsolete before market launch, preventing recovery of related expenses and adversely affecting our revenue, profitability and market share. New products may not achieve commercial success due to factors beyond our control, which could materially and adversely affect our business, financial position and results of operations.

Insufficient production capacity or failure to achieve expected capacity utilization rates could adversely affected our results of operations.

If we are unable to secure sufficient production capacity to meet customer demand, we may be unable to fulfill customer orders, potentially leading to sales loss, damage to customer relationships, and market share decline. If production capacity fails to match current or future customer demands, our facilities would be underutilized, our sales may not fully cover operating costs, and we would be less likely to achieve expected gross margins. If the utilization rate falls short of expectations, we may not be able to achieve the expected economies of scale, which would materially impact our profit margins. See “— Risks Relating to Our Business and Industry — We may not be able to operate our Thai production base as efficiently as those in the PRC” in this section for more details.

If we fail to manage our growth and expansion effectively, our business, financial condition and results of operations may be materially and adversely affected.

Our revenue increased by 49.3% from RMB8,938.3 million in 2023 to RMB13,341.5 million in 2024, and further increased by 42.0% to RMB18,945.2 million in 2025. Our revenue increased by 53.9% from RMB4,037.6 million for the three months ended in March 31, 2025 to RMB6,214.2 million for the three months ended in March 31, 2026. We may not be able to continue growing at the same rate or at all. The execution of our future expansion plans may require significant investment of capital and management attention, and we may face challenges in implementing them effectively or within the expected time frame. If we are unable to successfully execute our strategies, or if the benefits we realize are less than estimated, our business, financial condition and results of operations may be adversely affected.

RISK FACTORS

We may not be able to maintain quality control over our products.

Our product quality depends on the effectiveness of quality control protocols, which may not always prevent or resolve deviations from our quality requirements. In the event of quality issues, we may face customer complaints, product liability claims, recalls, or significant returns or exchanges, and we may not be able to obtain indemnification. Resolving such issues, including through potential legal proceedings, could be time-consuming and costly regardless of outcome, and may materially and adversely affect our business, financial condition, results of operations, market acceptance of our products, and future prospects. Any product liability claim could result in significant expense, divert the efforts of R&D and management personnel. In addition, certain product liability claims may result from defects from components provided by raw material suppliers. Such suppliers may not indemnify us for losses resulting from defects and product liability claims in full or at all. Our insurance coverage might be insufficient to fully cover damages sought and the claiming process might be prolonged.

Disruptions and suspension of our production lines can significantly impact our production volume, and our business, financial condition and results of operations can be affected as a result.

During the Track Record Period, we produced all of our products at our production bases in the Chinese Mainland and Thailand. Any disruption or suspension of production, even if temporary, caused by adverse weather, natural disaster or other unanticipated catastrophic event, including, without limitation, power interruptions, water shortage, storms, fires, earthquakes, terrorist attacks and wars, or delay in delivery could significantly impair our ability to produce our products and operate our business.

We may not be able to operate our Thai production base as efficiently as those in the PRC.

Operating an overseas facility, such as our Thai production base, exposes us to various risks, including political and economic instability, local employment conditions, trade barriers, potential governmental expropriation and business practice differences, which may lead to higher costs, delivery delays, or operational disruptions and result in lost revenues. In addition, production ramp-up involves uncertainties related to equipment installation, yield rates, workforce recruitment and training, and supplier and raw material qualification; failure to meet planned timelines or targets could impair ability to fulfill customer orders and harm customer relationships and reputation. Our operation in Thailand is subject to supply chains that may not be as stable as those in China. Any disruptions, may result in increased costs, reduced manufacturing efficiency, and ultimately a negative impact on our financial performance.

We are subject to environmental, fire prevention, health and safety laws and regulations and production standards and it may be onerous and costly to comply with such regulations and standards.

Our operations are subject to government regulation, including environmental, health and safety laws and regulations. For further details, see “Regulatory Overview — Regulations Relating to Construction and Environmental Protection.” The manufacture of PCBs requires compliance with extensive city, county, national, and foreign environmental, health, and safety laws governing the storage, use, handling, and disposal of hazardous materials, as well as

RISK FACTORS

wastewater and air quality standards, which are critical because our processes use and generate hazardous substances. We may incur financial liabilities for the investigation and remediation of contaminated sites, including those used for waste disposal, and violations of environmental laws or permit requirements could result in fines, penalties, permit revocations, production limitations or shutdowns, and costly, time-consuming litigation, even if we ultimately prevail. Environmental regulations have become more stringent, particularly in developing countries, which may increase both compliance costs and risks and penalties associated with violations. Changes or restrictions on discharge limits, emissions, or the storage, handling, or disposal of materials could require significant unplanned capital investment, compliance measure expansion, or relocation to locations with less restrictive regulations. As a result, ongoing compliance with regulatory requirements could materially increase costs and adversely affect our business, financial condition, and results of operations.

We rely on certain key suppliers.

We rely on certain key suppliers for raw materials and equipment. In each year/period during the Track Record Period, the aggregate purchases from our five largest suppliers were RMB2,179.0 million, RMB3,936.1 million, RMB5,972.7 million and RMB2,179.4 million, respectively, accounting for 41.3%, 40.5%, 42.2% and 41.6% of our total purchase, respectively. See “Business — Our Supply Chain.” Accordingly, if any of our suppliers, fails to provide raw materials or equipment in a timely and satisfactory manner, or terminates relationship with us, and if we are unable to timely secure alternative sources, our business and results of operation may be adversely affected. In addition, if any of these suppliers loses its qualification eligibility, recover from natural disasters and disruptions, or subject to trade protection measures, and we are unable to obtain alternative resources in a timely manner, our business and results of operations may be adversely affected.

We may be subject to risks associated with international trade policies, geopolitics and trade protection measures.

Our operations are subject to changes in political and economic relations among countries and sanctions and export controls administered by government authorities in the countries in which we operate, and other geopolitical challenges. In particular, the U.S. government imposed economic and trade sanctions directly or indirectly affecting China-based technology companies. In recent years, the United States increased export controls restrictions on China through the Export Administration Regulations (the “**EAR**”) administered by the Bureau of Industry and Security (“**BIS**”), which includes a list of foreign persons on which certain trade restrictions are imposed (the “**BIS Entity List**”). The export, re-export and/or in-country transfer of items subject to the EAR to a listed foreign person is generally prohibited unless the specified license requirements are met. These restrictions or regulations, and similar restrictions or regulations that may be imposed by the U.S. or other jurisdictions, may materially and adversely affect our ability to acquire technologies, systems, devices or components that may be critical to our technology infrastructure, product offerings and business operations. During the Track Record Period, certain of our customers or suppliers were listed on the BIS Entity List and were subject to restrictions from sourcing or selling technologies, software, or components from or to us. See “Business — Business Activities Subject to U.S. Export Controls and Sanctions.”

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During the Track Record Period, our products were offered to our customers in China and overseas. However, we cannot assure you that our customers will not engage in the export of their goods incorporating our products into the U.S. or other countries and regions, and that such export will not be subject to the restrictions introduced by the U.S. or other states and political entities. We have no control over the countries to which the customers will sell their end products. If the export sales of the customers’ end products are restricted, prohibited or made subject to any trade conditions under any international export controls or economic sanctions policies imposed by any jurisdictions, the customers’ demand for our products may drop significantly. In addition, the Department of the Treasury of the U.S. (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**”) targeting investments by U.S. persons involving persons and entities associated with “countries of concern,” including China, that engaged in activities in sectors such as semiconductors, microelectronics, quantum information technologies or artificial intelligence. See “Business — The U.S. Outbound Investment Restrictions.” As advised by our legal advisor as to the OISP Final Rule, our Directors are of the view that, neither (i) the subscription of H Shares by U.S. persons in the Global Offering, nor (ii) the purchase and trading of H Shares by U.S. persons on the Hong Kong Stock Exchange following Listing, constitutes a covered transaction under the outbound investment rule or is subject to any prohibition or notification obligation thereunder. However, we cannot rule out potential amendments to the outbound investment rule that further restrict U.S. person’s investment, while the America First Investment Policy is likely to expand the scope of the outbound investment rule. We cannot guarantee that the U.S. Treasury Department will not adopt a different interpretation and treat an equity [REDACTED] in our H shares by a U.S. person as a covered transaction that requires notification or is prohibited. Such uncertainties may reduce the interest of U.S. [REDACTED] in our equity securities, which could in turn adversely affect the prevailing market price and liquidity of our H shares and have a detrimental impact on our business, financial condition and prospects.

Our business and prospects depend on our ability to maintain reputation, which could be harmed by negative publicity.

We may not be able to maintain or enhance our reputation. Any loss of trust in products could harm our reputation, which could reduce our revenue and profitability. Any negative publicity about us, our Directors, employees, brand, products, whether warranted or not, may adversely affect reputation and business. If our reputation is damaged, we may face challenges in maintaining current business relationships with customers and in entering into new markets, which may adversely affect our business, financial condition, results of operations and prospects.

We may be exposed to risks relating to fluctuations of raw material costs.

Our raw material costs represent a substantial portion of our total cost of sales. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, raw material costs accounted for 55.8%, 56.5%, 60.7%, 63.8% and 62.3% of our cost of sales for the respective periods. We are subject to commodity price volatility as prices of raw materials may fluctuate due to factors beyond our control, including economic conditions, industry cycles, and geopolitical conflicts, such as recent regional conflicts involving the U.S., Israel and Iran. In particular, we are subject to fluctuations in the prices of copper-related materials, including copper foil and

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copper anodes, which are directly linked to global copper commodity prices. We may not be able to pass through raw material cost increases to customers by raising product price, as our ability to do so is subject to market conditions, competitive dynamics and customer negotiations; while if product price increase significantly, we may lose competitive advantage in the market, in either case affecting our results of operations. See “Business — Our Supply Chain.”

We may not be able to obtain or maintain adequate intellectual property (“IP”) rights protection for our products, or the scope of such IP rights protection may not be sufficiently broad.

Our success depend largely on our ability to protect proprietary technology and products from competition by obtaining, maintaining and enforcing IP rights, including patent rights. The IP application process may be expensive and time-consuming, and we may not be able to file and prosecute all necessary IP applications at a reasonable cost or in a timely manner. IP applications may not be approved in a form that will provide meaningful protection from competition. Patent issuance is not conclusive as to its inventor, scope, validity or enforceability, and our patents may be challenged in China and other jurisdictions. Further, if we fail to extend patent life, we may face competition once the patent life has expired for the product.

We may be subject to IP infringement claims or other IP disputes, which could be costly, time-consuming, and may disrupt our business.

Our competitors may claim that products or manufacturing processes infringe upon their IP rights. Defending against such claims, can be expensive, time-consuming, and divert management’s attention from core business operations. We could be required to pay substantial damages, enter into royalty or licensing agreements on unfavorable terms, or cease the sale of and redesign the infringing products if we fail to defend these claims. Any adverse outcome in any IP litigation could result in our patents being invalidated, held unenforceable, or interpreted narrowly, thereby diminishing the scope of our proprietary protection, which could have a material adverse effect on our business, financial condition, and results of operations.

We may not be able to protect our trade secrets.

We rely on trade secrets, including unpatented know-how, technology and other proprietary information, to protect products and competitive position. If a competitor gains access to and use such information, our competitive position will be compromised. In addition, to the extent that our employees or business partners use IP owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. If we fail in prosecuting or defending any such claims, we may pay charges and lose IP rights.

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We depend on the continued services and contributions of our senior management and other key employees, including senior R&D personnel and skilled engineers.

Our continued success depends and will continue to depend to a significant extent on our abilities to retain key management team members, and their continuing services to formulate and execute our business plan and to identify and pursue new opportunities. The loss of services of any of these individuals, or the ineffective management of any leadership transitions, could significantly delay or prevent the achievement of our development and strategic objectives, which could adversely affect our business, financial condition, results of operations and prospects. In addition, our success depends on our ability to attract and retain a large number of other qualified employees, especially senior R&D personnel and skilled engineers, who we rely on to develop core technologies and products. In order to compete for talent, we may need to offer higher compensation, better training, more attractive career opportunities and other benefits to our employees, which may be costly. We cannot assure you that we will be able to attract, develop or retain the qualified personnel necessary to support future growth, or that we will be able to train new employees to meet our growing business demand.

We are subject to credit risk due to delay in payment and defaults of customers.

As of December 31, 2023, 2024, 2025 and March 31, 2026, our trade receivables were RMB2,717.7 million, RMB4,092.6 million, RMB5,599.3 million and RMB6,566.1 million, respectively. In 2023, 2024, 2025 and the three months ended March 31, 2026, our average trade receivables turnover days were 99 days, 91 days, 91 days and 87 days, respectively. Fluctuations and extension of trade receivables turnover may adversely affect cash flow and liquidity. See “Financial Information — Selected Balance Sheet Items” for details. If the credit-worthiness of our customers deteriorates or if our customers fail to settle trade receivables for any reason, we may incur additional impairment loss, and our business, financial condition and results of operations may be adversely affected.

Our historical results may not be indicative of business, financial condition and results of operations, and we may not be able to manage future growth plans effectively.

In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our revenue was RMB8,938.3 million, RMB13,341.5 million, RMB18,945.2 million, RMB4,037.6 million and RMB6,214.2 million, respectively. We may encounter risks and difficulties relating to our operations and industries. As a result, our past performance may not be indicative of our business, results of operations, and financial condition, and we may not be able to effectively manage our future growth. See “Business — Our Strategies.”

Failure to obtain or maintain the preferential tax treatments or government grants could adversely affect our business, financial condition and results of operations.

According to the applicable PRC tax regulations, the statutory corporate income tax rate in the PRC is 25%. Certain of our Group members enjoyed preferential income tax rates during the Track Record Period. See Note 11 to the Accountant’s Report in Appendix I to this document. If our preferential tax treatments are revoked, become unavailable or if the calculation of our tax liability is successfully challenged by PRC tax authorities, it could

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adversely affect our business, financial condition and results of operations. In addition, during the Track Record Period, we benefited from government grants. We recorded government grants under other income of RMB75.4 million, RMB70.0 million, RMB85.0 million and RMB30.2 million in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively. Any discontinuation, reduction or delay of any government subsidies would have an adverse impact on our business, financial condition and results of operations.

We may be subject to inventory obsolescence risk.

As of December 31, 2023, 2024, 2025 and March 31, 2026, we had inventories of RMB1,548.4 million, RMB2,274.3 million, RMB4,091.7 million and RMB4,913.4 million, respectively. Failure to adequately manage inventory risks may lead to inventory obsolescence, decline in inventory value or inventory write-offs. In 2023, 2024, 2025 and the three months ended March 31, 2026, our average inventory turnover days were 87 days, 76 days, 91 days and 100 days, respectively. Any fluctuation and extension of inventory turnover may adversely affect our cash flow and liquidity. See “Financial Information — Selected Balance Sheet Items — Current Assets/Liabilities — Inventories” for details. In addition, it may be difficult to accurately forecast demand and determine the appropriate inventory level. If the actual demand is lower than forecast, we may be subject to overstock, resale of inventories at less favorable terms, or write-downs of inventories.

Failure to fulfill our obligations in respect of contract liabilities could adversely affect our liquidity and financial condition.

Our contract liabilities were RMB22.6 million, RMB28.9 million, RMB65.8 million and RMB82.0 million as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively. See “Financial Information — Selected Balance Sheet Items — Current Assets/Liabilities.” If we are not able to fulfil obligations to our contract liabilities, such contract liabilities will not be recognized as revenue and we may have to refund the advance payment by our customers, affecting our liquidity and financial condition.

We have granted and may continue to grant share-based awards.

We have established the 2020 Share Option Incentive Plan and the 2024 Share Option Incentive Plan. The fair value of shares granted to employees is recognized as an expense over the vesting period, being the period over which all of the vesting conditions are satisfied. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, we recognized expenses arising from equity-settled share-based payments of RMB34.5 million, RMB77.1 million, RMB252.1 million, RMB63.8 million and RMB62.4 million, respectively. See Note 26 to the Accountant’s Report in Appendix I to this document. We may continue to grant share-based awards in the future, and our financial performance and ownership interests of our Shareholders may be affected by the share-based compensation as the expenses associated with share-based compensation will decrease our net profit and the establishment of a new share incentive plan may potentially dilute the ownership interests of our Shareholders.

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If we determine our intangible assets to be impaired, our business, financial condition and results of operations may be adversely affected.

As of December 31, 2023, 2024, 2025 and March 31, 2026, our intangible assets were RMB115.3 million, RMB107.9 million, RMB129.8 million and RMB127.1 million, respectively. Our intangible assets may be subject to impairment. Please see Note 16 to the Accountant’s Report in Appendix I to this document. If we determine our intangible assets to be impaired, our results of operations and financial condition may be adversely affected.

Our revenue and cost of sales are subject to foreign exchange fluctuations.

We sell to customers in various overseas countries, which results in transactions and balances denominated in currencies other than the functional currency of the Company, being RMB, which exposes us to foreign exchange risks. As of December 31, 2023, 2024, 2025 and March 31, 2026, our USD denominated financial assets amounted to RMB2,809.0 million, RMB4,329.8 million, RMB5,702.1 million and RMB6,788.2 million, accounting for 17.5%, 20.4%, 20.2% and 20.7% of our total assets, respectively. Meanwhile, our USD denominated financial liabilities amounted to RMB1,801.5 million, RMB2,540.7 million, RMB2,968.7 million and RMB4,320.9 million, accounting for 29.1%, 27.4%, 22.6% and 27.1% of our total liabilities, respectively. Any significant fluctuations in the exchange rates between foreign currencies and RMB may materially and adversely affect our results of operations. In 2024 and the three months ended March 31, 2025, we incurred net foreign exchange gains of RMB97.1 million and RMB8.7 million, respectively. In 2023, 2025 and the three months ended March 31, 2026, we incurred net foreign exchange losses of RMB15.5 million, RMB1.5 million and RMB148.5 million.

Fair value change in our financial instruments may adversely affect our financial condition and results of operations.

During the Track Record Period, certain of our financial instruments are subject to fair value measurement. For further details, see “Financial Information — Critical Accounting Policies and Estimates — Fair Value Measurement.” We made equity investments and unlisted equity investments during the Track Record Period. Based on business intent and holding purpose for the relevant investments at initial recognition, such investments are designated as either (i) other financial assets at FVPL, or (ii) financial assets at FVOCI. As of December 31, 2023, 2024, 2025 and March 31, 2026, our other financial assets at FVPL amounted to RMB118.0 million, RMB69.9 million, RMB85.0 million and RMB85.0 million, respectively, while our other financial assets at FVOCI amounted to RMB210.9 million, RMB430.3 million, RMB486.8 million and RMB1,037.9 million, respectively. Any net change in the fair value of such assets is recorded in our statements of comprehensive profit or loss and other comprehensive income and therefore may adversely affect our results of operations.

Our transfer pricing arrangements may be subject to scrutiny by the relevant tax authorities in the jurisdictions where we operate.

During the Track Record Period, we engaged in cross-border intra-group transactions among our entities in the Chinese Mainland, Hong Kong, Singapore and Thailand, primarily comprising (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

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intra-group transactions. 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. Under the applicable laws and regulations in the jurisdictions in which we operate, arrangements and transactions among related parties may be subject to audit or challenge by the relevant tax authorities. See “Business — Cross Border Intra-group Transactions.” If relevant tax authorities determine that our cross-border intra-group transactions are not conducted on an arm’s length basis, they may adjust the income of the relevant entities, which could result in increased tax liabilities. In addition, transfer pricing arrangements may give rise to tax recoverable in certain jurisdictions.

Rising staff costs and shortages of qualified employees may materially adversely affect our business, financial condition, and results of operations.

Our success depends on our ability to hire, train, retain and motivate our employees. If employees engage in a strike or other work stoppage, we may experience significant operational disruption and/or accept higher staff costs, adversely affecting our business, financial condition and results of operations. We have employees in various jurisdictions, and are subject to varied laws and regulation. In addition, we may incur compensation and other costs at our own expense. Such incidents could result in a deterioration of our relationship with employees and damage our reputations, which could result in production and operation disruption. In addition, there is no guarantee that we will maintain a stable and qualified work force at favorable costs. Staff costs have been increasing and may continue increasing. We may increase total compensation to attract and retain professionals required to achieve business objectives. However, these increased costs might not be passed onto customers on selling prices in light of market competition, which could adversely affect our business, financial condition and results of operations.

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

We cannot assure you that our insurance will be adequate to cover the associated losses and potential claims. If we are held liable for amounts and claims exceeding the limits of our insurance coverage or outside the scope of our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

We operate in a number of countries and regions, which are subject to legal, regulatory, operational and other risks inherent in internal and cross-border operations.

In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our revenue generated from overseas sales was RMB7,217.5 million, RMB11,104.1 million, RMB15,554.8 million, RMB3,330.8 million and RMB5,250.3 million, respectively, representing 80.7%, 83.2%, 82.1%, 82.5% and 84.5% of our total revenue, respectively. Having operations in multiple jurisdictions and expanding into new markets may subject ourselves to the following risks: (i) challenges in providing products and customer support, recruiting and managing sales channels effectively; (ii) challenges in commercializing products in new markets; (iii) differences in accounting treatment in different countries and jurisdictions, uncertainties in

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interpretation and application of tax laws and regulations, onerous tax obligations and unfavorable tax conditions and foreign exchange losses; (iv) exposure to litigation or third-party claims, difficulty in obtaining or enforcing legal rights and judgments overseas; (v) instability or unavailability of international transportation or logistics services; (vi) changes in laws, regulations and policies as well as political, economic and market instability, geopolitical risks or civil unrest in the relevant countries and jurisdictions; and (vii) unfavorable market conditions, intense competition, downward pressure on our selling price.

Acquisitions, investments or strategic alliances may fail and materially and adversely affect our business and results of operations.

We may make acquisitions of, or investments in, businesses or technologies in the future. The process of identifying and consummating acquisitions, investments, and the subsequent integration of new assets, businesses or brands into existing business, requires attention from management and could result in a resource diversion from existing business, which could have an adverse effect on operations. Investments, acquired assets or businesses may not generate expected financial results, strengthen competitive position or achieve goals and business strategy, including anticipated benefits, synergies, cost savings, or efficiencies, particularly where market conditions change or the acquired business underperforms. In terms of valuation risks, acquisitions or investments could require significant cash and result in dilutive issuances of equity securities, goodwill impairment charges, amortization expenses for other intangible assets and exposure to unknown liabilities of the acquired business or investment. In addition, our due diligence may fail to identify all of the problems, liabilities of an acquired business. We may be subject to litigation or other claims in connection with the acquired company or face retention or cultural challenges, in which case our business, financial condition and results of operations may be adversely affected.

We may not be able to obtain additional capital when desired, on favorable terms.

We may need to raise additional capital in the future to expand our business. We may raise additional funds through the issuance of equity or debt securities, or through obtaining credit from financial institutions. Our ability to obtain additional capital is impacted by factors including, but not limited to, our market position, future profitability, financial position, and the general macroeconomic condition in China. We may not be able to raise additional funds on favorable terms. Debt securities may contain terms that require significant interest payments, covenants that restrict our business, or other terms unfavorable to us. In addition, to the extent we raise funds through the issuance of additional equity securities, our shares will experience additional dilution.

We may be involved in legal proceedings and commercial or contractual disputes.

We may be subject to claims, litigation and disputes, various legal and administrative proceedings, and any resulting damages. In addition, agreements we entered into may include indemnification provisions which may subject us to costs and damages in the event of a claim against an indemnified third party. Legal and administrative proceedings may be costly and time consuming and may divert our management attention, and may adversely affect our business, financial condition and results of operations.

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Failure to comply with the PRC Labor Contract Law, PRC Social Insurance Law, Regulation on the Administration of Housing Provident Funds, or other PRC labor related regulations and rules may subject us to legal or administrative sanctions.

Employers in the PRC are subject to various requirements in terms of signing labor contracts, minimum wages, paying remuneration, determining the term of employees’ probation and unilaterally terminating labor contracts. See “Regulatory Overview — Regulations Relating to Labor, Social Insurance and Housing Provident Fund.” During the Track Record Period, we and our PRC subsidiaries did not make full contributions to social insurance and housing provident fund for all employees in accordance with the Regulations on Administration of Housing Provident Fund (《住房公積金管理條例》) and the Social Insurance Law of the PRC (《中華人民共和國社會保險法》). See “Business — Employee — Social Insurance and Housing Provident Fund.”

Our use of some leased properties could be challenged by third parties or government authorities, which may affect our operations.

We lease properties mainly for office purposes. As of March 31, 2026, we had not completed the lease registration for all of our seven leased properties relating to production and business operations across China with the relevant land and real estate administration authorities. As advised by our PRC Legal Advisor, failure to complete the registration and filing of lease agreements does not affect the validity of the lease agreements. However, we may be subject to fines ranging from RMB1,000 to RMB10,000 for each lease if we fail to rectify within the prescribed period after receiving notices from the relevant PRC government authorities. For further details, see “Business — Properties — Lease Properties.”

Our business growth and results of operations may be adversely affected by natural disasters, health epidemics and pandemics, and social disruption and other outbreaks.

Our business could be adversely affected by natural disasters, such as snowstorms, earthquakes, fires or floods, public health hazards, such as the outbreaks of widespread epidemics, public security hazards or other events, such as wars, acts of terrorism, environmental accidents, power shortages or communication interruptions. Any of the foregoing events may result in the loss or corruption of data, malfunctions of software and hardware, and adversely affect our ability to manufacture our products. As a result, our business, financial condition and results of operations may be adversely affected.

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RISKS RELATING TO CONDUCTING BUSINESS IN JURISDICTIONS WHERE WE OPERATE

Failure to adapt to changes in the economic, political and social conditions, as well as government policies, laws and regulations, and industry practice guidelines in the jurisdictions where we operate could materially and adversely affect our business, financial condition, results of operations and prospects.

Our business, financial condition, results of operations and prospects are subject to the economic, political and legal conditions in the jurisdictions where we operate. Laws, regulations and policies related to our industries will continue to evolve and undergo changes or adjustments, compliance to which may incur additional costs for us. Compliance with these laws, regulations and policies, such as requirements to obtain and maintain the requisite licenses and approvals, may require additional resources and expenditure, and our business, financial condition, results of operations and prospects may be adversely affected.

Development in the legal system of certain geographic markets in which we operate could materially and adversely affect us. The legal systems in these geographic markets vary significantly from one jurisdiction to another.

The legal systems of some geographic markets we operate are consistently evolving. The interpretation and enforcement of these laws and regulations are subject to future implementations, and the application of some of these laws and regulations to our businesses is not settled. It may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we have in many of the geographic markets where we operate. Local courts may have discretion to reject enforcement of foreign awards or arbitration awards. Proceedings in certain of our geographic markets may be protracted, resulting in substantial costs and diversion of resources and management attention. In addition, changes in current laws or regulations or the imposition of new laws and regulations in our geographic markets may slow industry growth and affect our business, financial condition and results of operations.

Regulations on currency exchange may limit our foreign exchange transactions, including our ability to pay dividends and other obligations, and may affect your [REDACTED] value.

Conversion of Renminbi into foreign currency and remittance of foreign currency out of the PRC are subject to Chinese foreign exchange regulations. If there are unfavorable changes in exchange rates, or our ability to convert Renminbi into foreign currency is limited, we may not have sufficient foreign exchange. Under current PRC foreign exchange regulations, certain current account transactions such as profit distributions, interest payments and trade-related expenses can be conducted in foreign currency without prior approval from the SAFE, as long as certain procedural requirements are met. However, capital account transactions such as capital transfers, direct investments, securities investments and repayment of borrowings are subject to foreign exchange policies and require prior approval from the SAFE or registration

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with the SAFE or authorized banks. If we fail to obtain approvals from the SAFE to convert Renminbi into any foreign exchange for any of the above purposes, our business may be materially and adversely affected.

Fluctuations in exchange rates could result in losses.

Fluctuations in exchange rates between the Renminbi, the Hong Kong dollar, the US dollar and other currencies are unpredictable. As a result, fluctuations in exchange rates may have an adverse effect on your [REDACTED] in our Shares. Furthermore, during the Track Record Period, we invested in certain structured financial products, the returns on which were linked to movements in foreign exchange rates. We may continue to enter into similar arrangements in the future, and any significant adverse movements in foreign exchange rates could result in substantial investment losses, which may in turn materially and adversely affect our financial condition and results of operations.

Holders of our H Shares may be subject to PRC income tax obligations.

Under current PRC tax laws and regulations, non-PRC resident individuals and non-PRC resident enterprises are subject to different tax obligations with respect to the dividends paid to them by us and the gains realized upon the sale or other disposition of H Shares by them. We are required to withhold tax from dividend payments, unless applicable tax treaties between the PRC and the jurisdiction in which the foreign individual or enterprise resides reduce or exempt the relevant tax obligations. See “Regulatory Overview — Regulations Relating to Taxation.” Despite the arrangements mentioned above, the interpretation and application of applicable PRC tax laws and regulations are subject to the then relevant laws and regulations due to several factors, including whether the relevant preferential tax treatment will be revoked in the future such that all non-PRC resident individual holders will be subject to PRC individual income tax at a flat rate of 20%. If there is any change to applicable tax laws and rules and interpretation or application with respect to such laws and rules, the value of your [REDACTED] in our H Shares may be materially affected.

Any decrease or discontinuation of tax rebate for our exported products may have a negative effect on our profitability.

According to the Announcement on Value-Added Tax and Consumption Tax Policies for Export Business (《關於出口業務增值稅和消費稅政策的公告》) issued by the MOF and the SAT on January 30, 2026, and effective from January 1, 2026, unless otherwise provided by law, export goods and services are subject to the exemption and refund of value-added tax (“VAT”) policies. Subject to the relevant PRC laws, we are entitled to a rebate of VAT from the PRC tax authority in connection with our export sales for our products. The tax rebate comprised a refund of VAT incurred on the raw materials we used for production of our products in the PRC. We cannot assure you that the PRC governmental policies on tax rebate will not change or be canceled. If there is any reduction, suspension, discontinuation or cancellation of tax rebate which may adversely affect the recoverability of our VAT recoverable, our business, financial condition and profitability would be adversely affected.

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You may have limited resources in effecting service of legal process and enforcing judgments against us, our Directors and senior management.

We are a company incorporated under the laws of the PRC and a majority of our assets and subsidiaries are located in the PRC. Some of our Directors and senior management reside within the PRC. The assets of these Directors and senior management also may be located within the PRC. It may not be possible for [REDACTED] to effect service of process upon us or those persons inside the PRC or to enforce against us or them in the PRC any judgments obtained from non-PRC courts. The PRC does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts in the United States, the United Kingdom, Japan or other countries. The Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) (the “**New Arrangement**”) came into effect on January 29, 2024. Under the New Arrangement, any party concerned may apply to the relevant PRC or Hong Kong court for recognition and enforcement of the effective judgments in civil and commercial cases, subject to the conditions set forth in the New Arrangement. However, we cannot assure you that all final judgments will fully fall into the scope of New Arrangement and thus be recognized and effectively enforced by the relevant PRC and Hong Kong court.

Filing with the CSRC may be required in connection with our future [REDACTED], and we cannot predict whether we will be able to complete such filing.

On February 17, 2023, the CSRC released Trial Administrative Measures for Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the “**Trial Measures**”) and five relevant guidelines, which became effective on March 31, 2023. Pursuant to the Trial Measures, PRC domestic companies which, after the overseas offering and listing, offers subsequent securities in the same overseas market or conducts offering and listing in other overseas markets (the “**Future Offerings**”), shall complete the filing procedures of, and report relevant information to, the CSRC. See “Regulatory Overview — Regulations on Securities and Overseas Listings.” It is uncertain whether we can, or how long it will take us to, complete filings procedures in connection with the Future Offerings. We may be subject to approval, filing or other requirements by other PRC government authorities under the PRC laws in the future. Any failure to complete the relevant procedures may have an adverse effect on the Future Offerings.

Taiwanese [REDACTED] may be required to obtain approvals from the Department of Investment Review of the Ministry of Economic Affairs of Taiwan (the “DIR”) for investments in the Chinese Mainland.

Pursuant to applicable rules and regulations for investments made by Taiwanese persons in the Chinese Mainland (collectively “Chinese Mainland Investment Approval Regulations”), an investment in the Chinese Mainland made by individuals with Taiwan household registrations or Taiwan-incorporated entities (each a “Taiwanese Investor”) requires prior approval from or post-investment report to the DIR. For details, see “Regulatory Overview — Regulations in Taiwan Relating to Investment in the Chinese Mainland” of this document. We cannot guarantee that the current practices and policies of the DIR will remain unchanged in the future, and any changes in the practices and policies may affect Taiwanese Investors’ likelihood of obtaining the approval from the DIR. If any [REDACTED] by Taiwanese [REDACTED] in our Company violates the Chinese Mainland Investment Approval

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Regulations, such Taiwanese [REDACTED] may be subject to fines ranging from NT\$50,000 to NT\$25,000,000. Such penalties would not be imposed on our Company or our Company’s subsidiaries in the Chinese Mainland. Nevertheless, any breach of the [REDACTED] restrictions or the failure by Taiwanese [REDACTED] to obtain the requisite approval from the DIR for their [REDACTED] in our Group may delay or adversely affect [REDACTED] from Taiwanese [REDACTED] in our Company.

RISKS RELATED TO THE [REDACTED]

We will be concurrently subject to [REDACTED] and regulatory requirements of the Chinese Mainland and Hong Kong.

As our A Shares are listed on the Shenzhen Stock Exchange and our H Shares will be [REDACTED] on the Hong Kong Stock Exchange, we will be required to comply with the applicable listing rules and other regulatory regimes of both jurisdictions unless an exemption is available or a waiver has been obtained. Accordingly, we may incur additional costs and resources to ensure our compliance with the listing rules of both jurisdictions. Following the [REDACTED], our A Shares will continue to be traded on the Shenzhen Stock Exchange and our H Shares will be [REDACTED] on the Hong Kong Stock Exchange. Under current laws and regulations in China, without the approval from the relevant regulatory authorities, our H Shares and A Shares are neither interchangeable nor fungible. There is no [REDACTED] or settlement between the H Share and A Share markets. With different [REDACTED] characteristics, the H Share and A Share markets have divergent [REDACTED] volumes, liquidity and [REDACTED] bases, as well as different levels of retail and institutional [REDACTED] participation. As a result, the [REDACTED] performance of our H Shares and A Shares may not be comparable. Nonetheless, fluctuations in the price of our A Shares may adversely affect the [REDACTED] of our H Shares, and vice versa. The historical prices of our A Shares may not be indicative of the performance of our H Shares. Therefore, you should not place undue reliance on the trading history of our A Shares when making [REDACTED] decision in our H Shares.

There has been no prior public market for our H Shares, and an active [REDACTED] market for our H Shares may not develop or be sustained.

Prior to the completion of the [REDACTED], there has been no public market for our H Shares. There can be no guarantee that an active [REDACTED] market for our H Shares will develop or be sustained after the completion of the [REDACTED]. The [REDACTED] is the result of negotiations between our Company and the [REDACTED], which may not be indicative of the price at which our H Shares will be [REDACTED] following completion of the [REDACTED]. The market price of our H Share may drop below the [REDACTED] at any time after completion of the [REDACTED].

The price and [REDACTED] volume of our H Shares may be subject to significant volatility in response to various factors beyond our control, including the general market conditions of securities in Hong Kong and elsewhere in the world.

The [REDACTED] price of our H Shares may be volatile and could fluctuate widely in response to factors beyond our control, including general market conditions of the securities markets in Hong Kong and elsewhere in the world. In particular, the performance and

RISK FACTORS

fluctuation of the market prices of other companies with business operations located mainly in the Chinese Mainland that have listed their securities in Hong Kong may affect the volatility in the price of and [REDACTED] volumes for our H Shares. The trading performances of the securities of these companies at the time of or after their offerings may affect the overall investor sentiment towards Chinese Mainland-based companies listed in Hong Kong and consequently may impact the [REDACTED] performance of our H Shares.

Future sales or perceived sales of substantial amounts of our H Shares in the public market could have a material adverse impact on the prevailing market price of our H Shares and our ability to raise additional capital in the future, or may result in dilution of your shareholding.

The market price of our H Shares could decline as a result of future sales of a substantial number of our H Shares or other securities relating to our H Shares in the public market, or the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Future sales, or anticipated sales, of substantial amounts of our securities, including any future offerings, could also adversely affect our ability to raise capital at a specific time and on terms favorable to us. In addition, our Shareholders may experience dilution in their holdings if we issue more securities in the future. New Shares or shares-linked securities issued by us may also confer rights and privileges that take priority over those conferred by the H Shares. Shares controlled by our Single Largest Group of Shareholders [are subject to] certain lock-up periods beginning on the date on which [REDACTED] in our Shares commences on the Hong Kong Stock Exchange. While we currently are not aware of any intention of our Single Largest Group of Shareholders to dispose of significant amounts of their Shares after the expiry of the [lock-up periods], we cannot assure you that they will not dispose of any Shares they may own now or in the future. Market sale of Shares by the Single Largest Group of Shareholders and the availability of these Shares for future sale may have a negative impact on the market price of our Shares. In addition, we may have existing arrangements or agreements to dispose part or all of the H Shares they hold immediately or within certain period upon completion of the [REDACTED] for legal and regulatory, business and market, or other reasons. Such disposal may occur within a short period or any time or period after the [REDACTED]. Any sale of the H Shares subscribed by such [REDACTED] pursuant to such arrangement or agreement could adversely affect the market price of our H Shares and any sizeable sale could have a material and adverse effect on the market price of our H Shares and could cause substantial volatility in the [REDACTED] volume of our H Shares.

The interests of our Single Largest Group of Shareholders may not be aligned with the interests of other Shareholders.

Immediately upon the completion of the [REDACTED], without taking into account any Shares which may be issued pursuant to the exercise of the [REDACTED] or our 2024 Share Option Incentive Plan, our Single Largest Group of Shareholders will be entitled to exercise a total of [REDACTED]% of the voting power at general meetings of our Company. Our Single Largest Group of Shareholders will, through their voting power at the Shareholders' meetings and their delegates on the Board, have significant influence over our business and affairs, including decisions in respect of mergers or other business combinations, acquisition or disposition of assets, issuance of additional Shares or other equity securities, timing and amount of dividend payments, and our management.

RISK FACTORS

Our historical dividends may not be indicative of our future dividend policy, and there can be no assurance whether and when we will pay dividends in the future.

There is no assurance that we will be able to declare or distribute dividends of any amount in any year in the future. Under the applicable PRC laws and regulations, the payment of dividends may be subject to certain limitations, and the calculation of our profit under the Accounting Standards for Business Enterprises may differ in certain respects from the calculation under IFRS Accounting Standards. The declaration, payment and amount of any future dividends are subject to the discretion of our Directors, after taking into account various factors, including but not limited to our results of operations, financial condition, cash flows, capital expenditure requirements, market conditions, regulatory restrictions on the payment of dividends and other factors as our Directors may deem relevant, and subject to the approval at Shareholders’ meeting. Please see “Financial Information — Dividends” for further details of our dividend policy. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Our historical dividends should not be taken as indicative of our dividend policy in the future.

You should not place any reliance on any information released by us in connection with the listing of our A Shares on Shenzhen Stock Exchange.

As our A Shares are listed on the Shenzhen Stock Exchange, we have been subject to periodic reporting and other information disclosure requirements in China. The presentation of financial and operational information for the Track Record Period disclosed on the Shenzhen Stock Exchange or other media outlets complying with CSRC requirements may not be directly comparable to the financial and operational information contained in this document. By applying to purchase our H Shares in the [REDACTED], you will be deemed to have agreed that you will not rely on any information other than that contained in this document and any formal announcements made by us in Hong Kong with respect to the [REDACTED].

You should read the entire document carefully and only rely on the information included in this document to make your [REDACTED] decision, and we caution you not to rely on any information contained in press articles or other media coverage relating to us, our Shares or the [REDACTED].

We caution our [REDACTED] not to rely on any information contained in press articles or other media regarding us, our Shares and the [REDACTED]. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it and our [REDACTED] should not rely on such information.

RISK FACTORS

Certain facts, forecast and other statistics in this document obtained from official government sources have not been independently verified and may not be reliable.

Certain facts, forecast and other statistics in this document are derived from official government sources. We believe that the sources of the said information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. Nevertheless, information from official government sources has not been independently verified by us, the Joint Sponsors, [REDACTED] or any of their respective affiliates or advisers and, therefore, we make no representation as to the accuracy of such facts and statistics. Further, we cannot assure our [REDACTED] that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, our [REDACTED] should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

WAIVERS AND EXEMPTIONS

In preparation of the [REDACTED], we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and exemption from strict compliance with the relevant provisions of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive directors must be ordinarily resident in Hong Kong.

Since our principal business and operations are substantially located, managed and conducted in the PRC, our Directors consider that appointment of additional executive Directors who will be ordinarily resident in Hong Kong would not be beneficial to or appropriate for the Group. As none of our executive Directors are ordinarily based in Hong Kong, we do not, and do not contemplate that we will in the foreseeable future, have a sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 and 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 8.12 and 19A.15 of the Listing Rules. We will put in place the following measures in order to ensure that regular communication is maintained between the Stock Exchange and our Company:

- (a) we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two authorized representatives are Mr. WU Chuan Pin, an executive Director, and Mr. Lee Ming-kuei (“**Mr. Lee**”), one of our joint company secretaries. Each of the authorized representatives confirms that he possesses valid travel documents and can readily travel to Hong Kong. Each of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable period of time upon the request of the Stock Exchange and will be readily contactable by telephone and email. Each of the authorized representatives is authorized to communicate on behalf of our Company with the Stock Exchange;
- (b) the authorized representatives have means to contact our Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors for any matter;
- (c) all of our Directors have confirmed that they possess or can apply for and renew valid travel documents to visit Hong Kong and would be able to meet with the Stock Exchange upon reasonable notice and within a reasonable period. Each of our Directors will be readily contactable by telephone and email, and is authorized to communicate on behalf of our Company with the Stock Exchange;
- (d) each of our Directors has provided his/her respective contact details, including addresses, office phone numbers, mobile phone numbers, email addresses and fax numbers (where applicable), to the Stock Exchange and the authorized representatives. In the event that any Director expects to travel or otherwise be out of office, he/she will provide the contact details and his/her place of accommodation to the authorized representatives;

WAIVERS AND EXEMPTIONS

- (e) our Company has appointed Somerley Capital Limited as compliance advisor pursuant to Rule 3A.19 of the Listing Rules who will have access at all times to the authorized representatives, our Directors and other senior management of our Company for the period commencing on the date of the [REDACTED] of our H Shares on the Main Board and ending on the date when our Company distributes its annual report for the first full financial year in accordance with Rule 13.46 of the Listing Rules; and
- (f) meetings between the Stock Exchange and our Directors can be arranged through the authorized representatives of our Company or directly with our Directors within a reasonable time frame. The Company will inform the Stock Exchange promptly in respect of any change in the authorized representatives and/or its compliance advisor.

APPOINTMENT OF JOINT COMPANY SECRETARIES

Pursuant to Rule 8.17 of the Listing Rules, we must appoint a company secretary who satisfies Rule 3.28 of the Listing Rules. According to Rule 3.28 of the Listing Rules, our company secretary must be an individual who, by virtue of his or her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

The Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Chartered Governance Institute;
- (b) a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong)); and
- (c) a certified public accountant (as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)).

In assessing “relevant experience,” the Stock Exchange will consider the individual’s:

- (a) length of employment with the issuer and other issuers and the roles he or she played;
- (b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and the Takeovers Code;
- (c) relevant training taken and/or to be taken in addition to be the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

We have appointed Mr. Lee as one of our joint company secretaries. Mr. Lee joined our Group in September 1993 and has been our deputy general manager and secretary of our Board since January 2003. He is primarily responsible for the Company’s Board related matters, capital markets, and corporate governance of our Group. Although our Company believes,

WAIVERS AND EXEMPTIONS

having regard to his past experience in handling corporate matters, that he has a thorough understanding of our Company and the Board, he does not possess the requisite qualifications required by Rule 3.28 of the Listing Rules. Therefore, our Company has appointed Mr. CHOW Tsz Ho (“**Mr. Chow**”), who is a Hong Kong resident and possesses such qualifications, to be a joint company secretary to assist Mr. Lee in the compliance matters for the [REDACTED] as well as other Hong Kong regulatory requirements for a period of three years commencing from the [REDACTED]. For the biographies of our joint company secretaries, see “Directors and Senior Management — Joint Company Secretaries” in this document. Over such three-year period, we will implement measures to assist Mr. Lee to satisfy the requisite qualifications as prescribed in Rule 3.28 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 8.17 and 3.28 of the Listing Rules in relation to Mr. Lee’s appointment as joint company secretary pursuant to Chapter 3.10 of the Guide for New Listing Applicants on the following conditions:

- (a) Mr. Lee must be assisted by Mr. Chow, who possesses the qualification and experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the validity period of the waiver; and
- (b) the waiver is valid for a period of three years from the [REDACTED] and will be revoked immediately if and when Mr. Chow ceases to provide such assistance or if there are material breaches of the Listing Rules by our Company.

It is anticipated that Mr. Lee will gain the relevant experience with the assistance of Mr. Chow. In addition, Mr. Lee will comply with the annual professional training requirements under Rule 3.29 of the Listing Rules and enhance his understanding of the Listing Rules during the three-year period from the [REDACTED]. Our Company will further ensure that Mr. Lee has access to the relevant training and support to familiarize himself with the Listing Rules and the duties of a company secretary of an [REDACTED] on the Stock Exchange.

Before the end of the initial three-year period, we will evaluate Mr. Lee’s experience in order to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied at the time and on-going assistance would be needed. We would then endeavor to demonstrate to the satisfaction of the Stock Exchange that Mr. Lee, having had the benefit of Mr. Chow’s assistance for three years, would then have acquired the “relevant experience” within the meaning of Rule 3.28 of the Listing Rules so that a further waiver would not be necessary.

WAIVER AND EXEMPTION IN RESPECT OF THE 2024 SHARE OPTION INCENTIVE PLAN

The Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance prescribe certain disclosure requirements in relation to the share options granted by our Company (the “**Share Option Disclosure Requirements**”):

- (a) rule 17.02(1)(b) of the Listing Rules requires a listing applicant to, inter alia, disclose in the document full details of all outstanding options and awards and their potential dilution effect on the shareholdings upon [REDACTED] as well as the impact on the earnings per share arising from the issue of shares in respect of such outstanding options or awards;

WAIVERS AND EXEMPTIONS

- (b) paragraph 27 of Appendix D1A to the Listing Rules requires a listing applicant to disclose, inter alia, particulars of any capital of any member of the group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted, the price and duration of the option, and the name and address of the grantee, or an appropriate negative statement, provided that where options have been granted or agreed to be granted to all the members or debenture holders or to any class thereof, or to employees under a share option scheme, it shall be sufficient, so far as the names and addresses are concerned, to record that fact without giving the names and addresses of the grantees; and
- (c) paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires that the number, description and amount of any shares in or debentures of the company which any person has, or is entitled to be given, an option to subscribe for, together with the particulars of the option, that is to say, (a) the period during which it is exercisable; (b) the price to be paid for shares or debentures subscribed for under it; (c) the consideration (if any) given or to be given for it or for the right to it; and (d) the names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures must be specified in the document.

Pursuant to paragraphs 6 to 7 of Chapter 3.6 of the Guide for New Listing Applicants, the Stock Exchange would normally grant waiver from disclosing the names and addresses of certain grantees if the applicant could demonstrate that such disclosures would be irrelevant or unduly burdensome, subject to certain conditions specified therein (the “**Waiver Conditions**”):

As of the Latest Practicable Date, the 2024 Share Option Incentive Plan was in effect, to which the Share Option Disclosure Requirements are applicable. For details, see “Appendix IV — Statutory and General Information — D. 2024 Share Option Incentive Plan” to this document.

As of the Latest Practicable Date, the total number of A Shares underlying all outstanding options under the 2024 Share Option Incentive Plan amounted to 29,540,000, accounting for approximately [REDACTED]% of the total [REDACTED] Shares upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED]), of which the outstanding options representing 600,000 A Shares, 400,000 A Shares and 28,540,000 A Shares were granted to our three Directors and two members of senior management (other than Directors) and 595 grantees who are employees of our Group and are not Directors, members of senior management or connected persons of our Company, respectively, accounting for approximately 2.03%, 1.35% and 96.61% of the total outstanding options under the 2024 Share Option Incentive Plan, and approximately [REDACTED]%, [REDACTED]% and [REDACTED]% of the total issued Shares upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED]).

WAIVERS AND EXEMPTIONS

We have applied to (i) the Stock Exchange for a waiver from strict compliance with the requirements under Rule 17.02(1)(b) and paragraph 27 of Appendix D1A to the Listing Rules and (ii) the SFC for a certificate of exemption from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance pursuant to section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in connection with the disclosure of certain details relating to the 2024 Share Option Incentive Plan and the grantees in this document on the grounds that the waiver and the exemption will not prejudice the interests of the investing public and full compliance with such disclosure requirements would be unduly burdensome for our Company for the following reasons:

- (a) given that 595 grantees (other than our Directors, senior management and the connected persons of the Company) are involved under the 2024 Share Option Incentive Plan, strict compliance with such disclosure requirements in setting out full details of all the grantees under the 2024 Share Option Incentive Plan in this document would be costly and unduly burdensome for our Company in light of a significant increase in cost and time for information compilation and document preparation. For example, the disclosure of personal information of each grantee may require the consent of all grantees to comply with personal information privacy laws and principles. Given the number of grantees, obtaining their consent would cause an unnecessary burden on our Company;
- (b) full disclosure of the outstanding options granted to each grantee could provide our employees with access to information about the remuneration of their peers or other employees, which may have a negative impact on employee morale, lead to negative internal competition and result in increased costs of recruiting and retaining talents. On the contrary, not disclosing such details in full will allow us more flexibility in determining our remuneration policies and details;
- (c) full disclosure of the details of the grantees and the respective options granted to them will provide competitors with details of our employee remuneration and facilitate their recruitment activities, which may affect our Group’s ability to recruit and retain valuable personnel;
- (d) the grant and exercise in full of the options under the 2024 Share Option Incentive Plan will not cause any material adverse impact to the financial position of our Group;
- (e) there will not be any new H Shares [REDACTED] under the 2024 Share Option Incentive Plan as such plan is A-Share incentive plan;
- (f) not being fully compliant with the Share Option Disclosure Requirements would not prevent the Company from providing our potential [REDACTED] with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Company; and
- (g) material information relating to the options, including most of the information required under the Waiver Conditions, has been disclosed in this document to provide prospective [REDACTED] with sufficient information to make an informed decision, and such information includes:
 - (i) a summary of the terms of the 2024 Share Option Incentive Plan;

WAIVERS AND EXEMPTIONS

- (ii) the aggregate number of A Shares subject to the outstanding options and the percentage in our total issued Shares of which such number represents;
- (iii) the potential dilutive effect and the impact on earnings per Share upon full exercise of the options and the issuance of new Shares in respect of the options immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised); and
- (iv) the details of the outstanding options granted under the 2024 Share Option Incentive Plan by the range of underlying A Shares, including the date of grant, vesting period, exercise price and the percentage of our Company’s total issued share capital represented upon completion of the [REDACTED].

In light of the above, our Directors believe that the grant of the waiver and exemption sought under this application and the non-disclosure of the required information will not hinder potential [REDACTED] from making an informed assessment of the activities, assets and liabilities, financial position, management and prospects of our Group and will not prejudice the interests of the public [REDACTED].

The Stock Exchange [has granted] us a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix D1A to the Listing Rules with respect to the options granted under the 2024 Share Option Incentive Plan, subject to the conditions that:

- (a) the grant of a certificate of exemption from strict compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance by the SFC;
- (b) on an individual basis, full details of the outstanding options granted by our Company under the 2024 Share Option Incentive Plan to each of our Directors, members of the senior management and other connected persons of our Company, including all the particulars required by the Share Option Disclosure Requirements, will be disclosed in this document;
- (c) in respect of the outstanding options granted by our Company under the 2024 Share Option Incentive Plan to grantees other than those referred to in sub-paragraph (b) above, disclosure will be made on an aggregate basis, categorized into lots based on the number of A Shares underlying each individual grantee, being (i) less than 50,000 A Shares, (ii) 50,001 to 100,000 A Shares, and (iii) over 100,000 A Shares. For each lot of A Shares, the following details are disclosed in this document, including (i) the aggregate number of the grantees and the number of A Shares subject to the options granted to them under the 2024 Share Option Incentive Plan, (ii) the consideration paid for the grant of the options granted under the 2024 Share Option Incentive Plan, and (iii) the exercise period and the exercise price for the options granted under the 2024 Share Option Incentive Plan;
- (d) the aggregate number of A Shares underlying the outstanding options and the percentage of our Company’s total issued share capital represented by such number of A Shares as of the Latest Practicable Date will be disclosed in this document;
- (e) the potential dilutive effect and the impact on earnings per Share upon full exercise of the options and the issue of new A Shares in respect of the options will be disclosed in this document;

WAIVERS AND EXEMPTIONS

- (f) a summary of the principal terms of the 2024 Share Option Incentive Plan will be disclosed in the section headed “Appendix IV — Statutory and General Information — D. 2024 Share Option Incentive Plan” in this document;
- (g) the particulars of this waiver are set out in this document; and
- (h) a full list of all the grantees with outstanding options over A Shares under the 2024 Share Option Incentive Plan, containing all details as required under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix D1A to the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance will be made available for public inspection in accordance with “Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection” in Appendix V to this document.

The SFC [has granted] us a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance with respect to the options granted under the 2024 Share Option Incentive Plan, subject to the conditions that:

- (a) On an individual basis, full details of the outstanding options granted by our Company under the 2024 Share Option Incentive Plan to each of our Directors, members of the senior management and other connected persons of our Company, will be disclosed in the section headed “Appendix IV — Statutory and General Information — D. 2024 Share Option Incentive Plan” in Appendix IV to this document as required by paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) in respect of the outstanding options granted under the 2024 Share Option Incentive Plan to grantees other than those referred to in sub-paragraph (a) above, disclosure will be made on an aggregate basis, categorized into lots based on the number of A Shares underlying each individual grantee, being (i) less than 50,000 A Shares, (ii) 50,001 to 100,000 A Shares, and (iii) over 100,000 A Shares. For each lot of A Shares, the following details are disclosed in this document, including (i) the aggregate number of the grantees and the number of A Shares subject to the options granted to them under the 2024 Share Option Incentive Plan, (ii) the consideration paid for the grant of the options granted under the 2024 Share Option Incentive Plan, and (iii) the exercise period and the exercise price for the options granted under the 2024 Share Option Incentive Plan;
- (c) a full list of all the grantees containing all the particulars as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance will be made available for physical public inspection in accordance with “Documents Delivered to the Registrar of Companies and Available on Display—Document Available for Inspection” in Appendix V to this document; and
- (d) the particulars of this exemption will be disclosed in this document and that this document will be issued on or before [REDACTED].

WAIVERS AND EXEMPTIONS

[REDACTED]

WAIVERS AND EXEMPTIONS

[REDACTED]

CONTINUING CONNECTED TRANSACTIONS

We have entered into certain transactions which will constitute continuing connected transactions of our Company under the Listing Rules following the completion of the [REDACTED]. We have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the announcement requirements under the Listing Rules pursuant to Rule 14A.105 of the Listing Rules for such continuing connected transactions. For further details, see “Connected Transactions” in this document.

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

DIRECTORS

Name	Residential address	Nationality
Executive Directors		
Mr. WU Chuan Pin (吳傳彬)	Room 2401, Building 1, Yujingyuan No. 8 Heilongjiang North Road Yushan Town, Kunshan, Jiangsu, PRC	Chinese (Hong Kong)
Mr. WU Chuanlin (吳傳林)	Room 2401, Building 1, Yujingyuan No. 8 Heilongjiang North Road Yushan Town, Kunshan, Jiangsu, PRC	Chinese (Hong Kong)
Mr. KAO Wen-hsien (高文賢)	Room 809, Building 3 No. 66 Heilongjiang North Road Yushan Town, Kunshan, Jiangsu, PRC	Chinese (Taiwan)
Mr. SHYR Jyh-jong (石智中)	6F, No. 77, Shisizhang Road Xindian District, New Taipei City Taiwan, PRC	Chinese (Taiwan)
Mr. ZHANG Jin (張進)	Room 1804, Building 3 Ziyou Dushi Garden No. 468 Hengjing Road Zhoushi Town, Kunshan, Jiangsu, PRC	Chinese

Non-Executive Directors

Ms. CHEN May Fong (陳梅芳)	Room 2401, Building 1, Yujingyuan No. 8 Heilongjiang North Road Yushan Town, Kunshan, Jiangsu, PRC	Chinese (Hong Kong)
Mr. LIN Ming-yen (林明彥)	Room 1004, Building 1, Yujingyuan No. 8 Heilongjiang North Road Yushan Town, Kunshan, Jiangsu, PRC	Chinese (Taiwan)

Independent Non-Executive Directors

Mr. KAU Chei-chan (高啟全)	1st Floor, No. 1, Building 15 Hongwei Shanshui Mingcheng Hangzhou West Road Xialu District Huangshi Hubei, PRC	Chinese (Taiwan)

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

Name	Residential address	Nationality
Mr. LU Zongyuan (陸宗元)	Building 69, Angel Bay West Huan Cheng Road Kunshan, Jiangsu, PRC	Chinese
Ms. WANG Yongcui (王永翠)	Room 102, No. 72 Runan Street Huangpu District, Shanghai, PRC	Chinese
Mr. CHAN Chi Hung (陳志雄)	Flat D, 29/F Block 1 Oscar By The Sea, 8 Pung Loi Road Tseung Kwan O, N.T. Hong Kong, PRC	Chinese (Hong Kong)

Further information about our Directors are set out in “Directors and Senior Management” in this document.

PARTIES INVOLVED IN THE [REDACTED]

Joint Sponsors

China International Capital Corporation

Hong Kong Securities Limited

29/F, One International Finance Centre

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CORPORATE INFORMATION

Registered Office	No. 1, Donglong Road Yushan Town, Kunshan, Jiangsu, PRC
Headquarters and Principal Place of Business in the PRC	No. 1, Donglong Road Yushan Town, Kunshan, Jiangsu, PRC
Principal Place of Business in Hong Kong	31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong
Company’s Website	<u>www.wustec.com</u> <i>(The information on the website does not form part of this document)</i>
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Nomination Committee	Mr. KAU Chei-chan (高啟全) (<i>Chairperson</i>) Ms. CHEN May Fong (陳梅芳) Mr. LU Zongyuan (陸宗元)
Strategy and ESG Committee	Ms. CHEN May Fong (陳梅芳) (<i>Chairperson</i>) Mr. WU Chuan Pin (吳傳彬) Mr. KAO Wen-hsien (高文賢) Mr. SHYR Jyh-jong (石智中)

[REDACTED]

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INDUSTRY OVERVIEW

The information and statistics set out in this section and other sections of this document were extracted from a report prepared by CIC under our commission, various official government publications and other publicly available sources. We engaged CIC to prepare an independent industry report, or the CIC Report, in connection with the [REDACTED]. The information from official government sources has not been independently verified by us, or any of our directors and advisors, or any other persons or parties involved in the [REDACTED], and no representation is given as to its accuracy.

SOURCE OF INFORMATION

We engaged CIC, an independent market research and consulting company that provides industry consulting services, commercial due diligence and strategic consulting, to conduct detailed research on and analysis of Global PCB industry. We have agreed to pay a fee of RMB0.8 million to CIC in connection with the preparation of the CIC Report. We have incorporated certain information from the CIC Report into this section, as well as into the “Summary”, “Business”, “Financial Information” sections and elsewhere in this document to provide potential with a comprehensive presentation of the industries where we operate. During the preparation of the CIC Report, CIC conducted both primary and secondary research, and gathered knowledge, statistics, information and insights on industry trends within the target research markets. The primary research involved interviews with key industry experts and leading industry participants. The secondary research consisted of analyzing data from various publicly available sources, such as the National Bureau of Statistics. The CIC Report was compiled based on the following assumptions: (i) the overall social, economic and political environment in China is expected to remain stable during the forecast period; (ii) related key industry drivers are likely to propel continued growth in global PCB industry throughout the forecast period; and (iii) there will be no force majeure or unforeseen industry regulations through which the market may be affected in either a dramatic or fundamental way during the forecast period.

OVERVIEW OF THE GLOBAL PCB INDUSTRY

A PCB is a substrate for assembling electronic components, specifically a printed circuit that forms connections between designated points and components on a universal base material according to a predetermined design. The main function of the PCB is to enable a variety of electronic components to form a predetermined circuit connection, and play a relay transmission role. PCBs are irreplaceable in most electronic devices and products. According to product types, PCBs can be categorized into single/double-layer PCBs, MLPCBs, FPCs, HDI PCBs, and package substrates. In particular, MLPCBs can be further divided by layer count into eight layers and below, 10 to 20 layers, 22 to 30 layers, and 32 layers and above. PCBs are widely used in data communications, automobiles, consumer electronics, industrial control and other fields. Such layer-count classification and relevant application mapping are defined pursuant to prevailing industry-recognised standards.

Market Size of the Global PCB Market

In terms of sales revenue, the global PCB market size increased from US\$80.9 billion in 2021 to US\$85.2 billion in 2025, representing a CAGR of 1.3% from 2021 to 2025. The growth during the period was mainly driven by the cyclical recovery of the consumer electronics

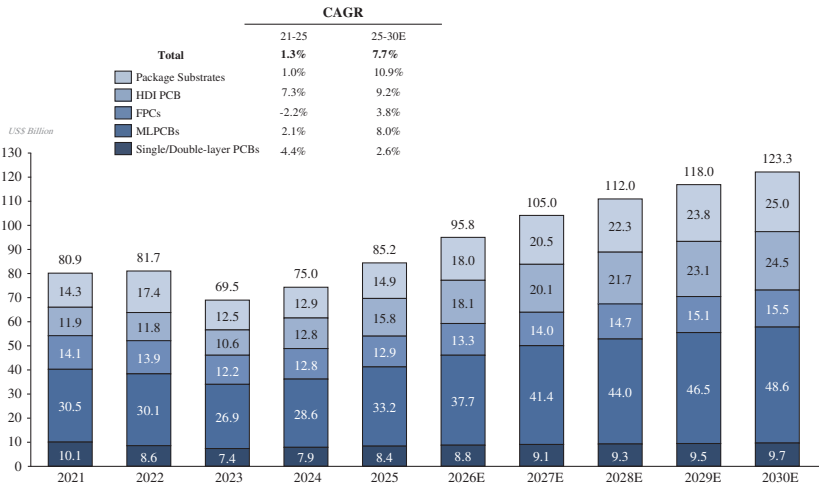
INDUSTRY OVERVIEW

sector, coupled with sustained momentum from multiple factors including breakthroughs in AI technology, upgrades in high-speed network infrastructure, and the widespread adoption of automotive intelligence. These drivers have further propelled the overall development of the industry. In 2023, affected by global macroeconomic volatility and industry-wide inventory cycle adjustments, the global PCB market experienced a short-term cyclical downturn. Meanwhile, the industry continued to optimize capacity and rationalize supply and demand dynamics. With the gradual recovery of the global economy and the continued penetration of high-growth applications such as data communications and smart vehicles, the global PCB market is projected to achieve steady growth with a CAGR of 7.7% from 2025 to 2030.

By Product Types

By product types, in 2025, in terms of sales revenue, the global market sizes of single/double-layer PCBs, MLPCBs, FPCs, HDI PCBs, and package substrates were US\$8.4 billion, US\$33.2 billion, US\$12.9 billion, US\$15.8 billion, and US\$14.9 billion, respectively. The growing demand for AI-driven data communications infrastructure, the continuous advancement in the electrification, intelligence and connectivity of automobiles, as well as the expansion of emerging application sectors, have brought continuous development opportunities to the industry. It is expected that by 2030, the global market sizes of single/double-layer PCBs, MLPCBs, FPCs, HDI PCBs, and package substrates will reach US\$9.7 billion, US\$48.6 billion, US\$15.5 billion, US\$24.5 billion, and US\$25.0 billion, respectively.

**Market Size of the Global PCB Market, by Product Type,
as Measured by Sales Revenue, 2021-2030E**



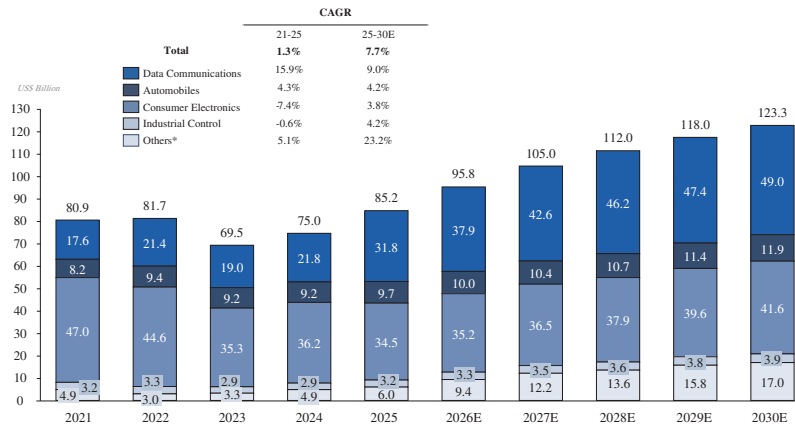
Source: Prismark, CIC Report

By Applications

By different applications, in terms of sales revenue, the global PCB market reached US\$31.8 billion, US\$9.7 billion, US\$34.5 billion, and US\$3.2 billion in the application fields of data communications, automobile, consumer electronics, and industrial control in 2025, respectively. The aforementioned market sizes are expected to grow to US\$49.0 billion, US\$11.9 billion, US\$41.6 billion and US\$3.9 billion by 2030, representing CAGRs of 9.0%, 4.2%, 3.8% and 4.2% from 2025 to 2030, respectively.

INDUSTRY OVERVIEW

Market Size of the Global PCB Market, by Application Scenarios, as Measured by Sales Revenue, 2021-2030E



Source: Prismark, CIC Report

* Others mainly include medical equipment, aerospace sectors, etc.

With the continuous development of the global PCB industry, the supply and demand dynamics have exhibited structural changes. The rapidly growing demand for high-end, high-value-added products, such as higher-layer-count PCBs used in data centers, cannot be fulfilled by the existing production capacity, which has resulted in a shortage of supply in the high-end PCB market. With the addition of new production capacity in the high-end segment, such shortage of supply is expected to gradually resolved.

Global data communications PCBs are the fastest-growing application segment in the global PCB market, with a CAGR of 15.9% from 2021 to 2025. Affected by weak demand for general-purpose servers, the data communications PCB market experienced a short-term decline in 2023, but this did not change its long-term high-growth trend. It is projected to continue to exhibit the strongest growth from 2025 to 2030 with a CAGR of 9.0%, driven by rapid development of AI and cloud computing technologies. The accelerated construction of AI infrastructure, large-scale expansion of data centers, and iterative upgrading of high-speed networks have jointly driven robust growth in demand for high-end PCB products. Supported by strong demand, capacity utilization rates within the segment have remained elevated, leading to a constrained supply of high-end data communications PCB products.

Global automobile PCBs are the second fastest-growing application segment in the global PCB market, with a CAGR of 4.3% from 2021 to 2025. Affected by amid short-term corrections in the global automotive market and moderating end-user demand for automobiles, the market size declined slightly in 2023, but this did not change its long-term upward trend. Supported by the ongoing trends of vehicle electrification and intelligence, the industry is projected to continue expanding at a CAGR of 4.2% from 2025 to 2030. As the global penetration rate of new energy vehicles continues to rise and high-level autonomous driving technologies gradually achieve commercialization and large-scale promotion, market demand will further concentrate on high-value-added automobile PCB products, and the PCB value per vehicle is expected to maintain steady growth. Leading enterprises in the industry will

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continuously expand high-end automobile PCB production capacity and deepen the research and development of core technologies to alleviate the supply gap of high-end products and promote the balanced development of supply and demand in the industry.

Affected by weak demand for traditional consumer electronic products (personal computers, smartphones, and televisions), the global consumer electronics PCB industry experienced contraction from 2022 to 2023. Driven by the new demand generated from the iteration and upgrading of the smart terminal industry, the industry is expected to resume growth from 2025 to 2030, with a CAGR of 3.8% during the period. The global industrial control PCB industry has maintained overall stable development, with a CAGR of -0.6% from 2021 to 2025. Affected by slower infrastructure investment and weak end-market demand, the industry size declined slightly in 2023, but this did not alter its long-term development trend. It is forecast to grow at a CAGR of 4.2% from 2025 to 2030 as it continues to benefit from the advancement of industrial automation, intelligent manufacturing, and IoT. On the supply side, leading enterprises focus on expanding high-end industrial control PCB production capacity to break technical bottlenecks in high-reliability and anti-interference, alleviate the tight supply of high-end products and promote the industrial upgrading.

Drivers and Development Trends of the Global PCB Industry

Upgrading of AI computing infrastructure drives growth in demand for high-end PCBs. The continuous iteration of generative AI large language models and the accelerated construction of global intelligent computing centers have driven the rapid growth in shipments of core computing infrastructure including AI servers and HPC, and high-speed switches and routers. The number of newly added global data center cabinet units grew from 850.0 thousand in 2021 to 1,376.1 thousand in 2025, achieving a CAGR of 12.8% during this period. It is projected to reach 2,123.7 thousand by 2030. In particular, driven by the boom in artificial intelligence, the number of newly added cabinet units in AI data centers is expected to grow from 435.8 thousand in 2025 to 649.0 thousand by 2030, further fueling robust demand for supporting PCB products. As computing equipment continues to upgrade toward higher transmission rates and greater computing density, it imposes increasingly stringent requirements on PCB products in terms of high-frequency and high-speed transmission performance, wiring density, signal integrity and long-term operational reliability. This is accelerating the upgrade of related PCB products toward higher layer counts, enhanced performance and greater integration, with this technological upgrade trend emerging as a core growth driver for the global PCB industry. In 2025, the global data center PCB market size reached US\$19.8 billion. It is expected that the market size will increase to US\$22.8 billion in 2026 and will continue to expand at a CAGR of 9.6% from 2025 to 2030, a growth rate significantly higher than the overall global PCB industry’s CAGR of 7.7%.

The dual drivers of automotive electrification and intelligentisation have positioned automotive PCBs as a growing segment within the global PCB industry. The continuous increase in global new energy vehicle penetration and the scaled deployment of advanced autonomous driving are accelerating the transition of automotive electronic and electrical architectures from distributed to domain-centralized and central computing designs, profoundly reshaping the demand structure for automobile PCBs. Electrification creates essential demand for the battery, motor, and electronic control systems, significantly boosting the use of high-reliability PCBs per vehicle. Simultaneously, vehicle intelligentization and

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upgrades to electrical and electronic architectures are driving strong demand for high-layer-count, high-frequency, high-speed, and highly integrated PCBs used in domain controllers, in-vehicle sensing systems, and high-speed communication modules, which together upgrade the overall product structure toward higher-end applications. Global NEV sales reached 23.3 million in 2025 and is projected to reach approximately 53.8 million in 2030, marking an accelerated phase of industry electrification. The penetration rate of L1-L4 automated driving features in mass-produced passenger vehicles reached 69.1% globally in 2025 and is expected to rise to 72.5% in 2026. Driven by these trends, the growth potential of the global automobile PCB market is poised for sustained expansion.

Further Breakthroughs in New Materials and Advanced Processes. On the material front, the breakthrough development of new materials such as low dielectric constant laminates, high-temperature resistant resins, ultra-low profile copper foils, and quartz glass has achieved performance improvement from the base material perspective. Low-loss base materials can significantly reduce high-frequency signal transmission loss, matching the high-speed transmission requirements of AI computing equipment. High thermal conductivity materials can further enhance the thermal conductivity of base materials, solving the heat dissipation and reliability challenges of new energy vehicles and high-power equipment. On the process front, the iteration of advanced manufacturing processes such as femtosecond laser drilling, ultra-precision circuit manufacturing, and high-precision multi-layer lamination has realized the mass production of micro-scale microvias and ultra-fine circuits, greatly improving PCB wiring density, integration, and interconnection reliability to meet the miniaturization needs of electronic products. The further innovation of new materials and advanced processes not only comprehensively optimizes the core performance of PCBs to match the needs of high-end scenarios, but also optimizes production costs through yield improvement, driving the industry towards high-end and high-value-added transformation.

Green transformation. Driven by carbon neutrality objectives, global attention to environmental protection and sustainable development has been continuously enhanced, and the global PCB industry is accelerating its transition towards low-carbon and sustainable manufacturing models. The industry has gradually reduced the use and emission of hazardous substances at the source through the promotion and application of environmentally friendly materials. Research and development breakthroughs in recyclable and biodegradable materials as well as other related technologies further provide solid support for the green development of PCB products throughout their entire life cycle. Meanwhile, supported by the circular economy concept, closed-loop production technologies, including waste circuit board resource recycling and recycled copper foil, have continued to undergo innovation, and the industry is gradually establishing a green industrial chain ecosystem covering the entire process from production to recycling.

Competitive Landscape of the Global PCB Market

The PCB industry is intensely competitive, with more than 2,500 enterprises worldwide with independent mass production capabilities participating in the competition, while the resources and production capacity of the industry are highly concentrated towards the leading manufacturers. Compared with industry peers, the Company offers high-layer-count PCBs, which are primarily used in the fields of data communications, smart vehicles, industrial control and others.

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Company	Company Profile and Main Products	Main Application Scenarios
The Company	The Company is a public company founded in 1992 and listed on the Shenzhen Stock Exchange, headquartered in Jiangsu, China, mainly engaged in the production and sale of high-layer-count MLPCBs and high-build-up HDI PCBs.	Data communications (high-speed network switches and routers, AI servers and HPC), smart vehicles and industrial control
Company A	Company A is a public company founded in 2006 and listed on the Taiwan Stock Exchange, headquartered in Taiwan, mainly engaged in the production and sale of FPCs and HDI PCBs.	Consumer electronics and automobiles
Company B	Company B is a public company founded in 1990 and listed on the Taiwan Stock Exchange, headquartered in Taiwan, mainly engaged in the production and sale of package substrates, high-layer-count MLPCBs and HDI PCBs.	Data communications (wireless telecommunications) and consumer electronics
Company C	Company C is a public company founded in 1998 and listed on the Shenzhen Stock Exchange, headquartered in Jiangsu, China, mainly engaged in the R&D, production and sale of FPCs, HDI PCBs, precision manufacturing components and optoelectronic display devices.	Consumer electronics and automobiles
Company D	Company D is a public company founded in 1984 and listed on the Shenzhen Stock Exchange, headquartered in Guangdong, China, primarily engaged in production and sale of high-layer-count MLPCBs, high-build-up HDI PCBs and package substrates.	Data communications (high-speed network switches and routers, wireless telecommunications, AI servers and HPC), automobiles and industrial control
Company E	Company E is a public company founded in 1978 and listed on Nasdaq, headquartered in the United States, committed to providing high-layer-count MLPCBs, high-build-up HDI PCBs, radio frequency and microelectronic components, as well as system integration services.	Data communications (high-speed network switches and routers, AI servers and HPC), aerospace, automobiles and industrial control
Company F	Company F is a public company founded in 2006 and listed on the Shenzhen Stock Exchange and Hong Kong Stock Exchange, headquartered in Guangdong, China, mainly engaged in the R&D, production and sale of diversified high-precision high-layer-count MLPCBs and high-build-up HDI PCBs.	Consumer electronics, industrial control and automobiles
Company G	Company G is a public company founded in 1973 and listed on the Taiwan Stock Exchange, headquartered in Taiwan, primarily engaged in production and sale of MLPCBs and high-build-up HDI PCBs.	Data communications (wireless telecommunications, general-purpose servers and AI servers and HPC) and consumer electronics
Company H	Company H is a public company founded in 1991 and listed on the Taiwan Stock Exchange, headquartered in Taiwan, mainly engaged in the production and sale of high-layer-count MLPCBs and high-build-up HDI PCBs.	Data communications (storage, general-purpose servers), automobile and industrial control
Company I	Company I is an enterprise founded in 1969 and headquartered in Japan, mainly engaged in the production and sale of FPCs and HDI PCBs.	Consumer electronics and automobiles
Company J	Company J is a public company founded in 1978 and listed on the Taiwan Stock Exchange, headquartered in Taiwan, mainly engaged in the design, production and sale of high-layer-count MLPCBs and HDI PCBs and other related electronic components.	Data communications (general-purpose servers, AI servers and HPC) and automobile
Company K	Company K is a public company founded in 1993 and listed on the Shanghai Stock Exchange, headquartered in Guangdong, China, mainly engaged in the production and sales of MLPCBs, FPCs and high-end electronic materials.	Automobiles and consumer electronics and industrial control
Company L	Company L is a public company founded in 1985 and listed on the Shanghai Stock Exchange, headquartered in Guangdong, China, mainly engaged in the R&D, production and sale of high-layer-count MLPCBs and HDI PCBs.	Data communications (high-speed network switches and routers, AI servers and HPC) and automobile
Company M	Company M is a public company founded in 2002 and listed on the Shenzhen Stock Exchange and Hong Kong Stock Exchange, headquartered in Guangdong, China, mainly engaged in the design, production and sale of high-layer-count MLPCBs and high-build-up HDI PCBs.	Data communications (high-speed network switches and routers) and automobile
Company N	Company N is a public company founded in 1972 and listed on the Korea Exchange, headquartered in South Korea, mainly engaged in the R&D, production and sale of high-layer-count MLPCBs and HDI PCBs.	Data communications (wireless telecommunications, general-purpose servers, switches and routers)
Company O	Company O is a public company founded in 1975 and listed on the Tokyo Stock Exchange, headquartered in Japan mainly engaged in the design, production and sale of MLPCBs, HDI PCBs and package substrates.	Automobile , data communications (wireless telecommunications) and consumer electronics
Company P	Company P is a public company founded in 1961 and listed on the Tokyo Stock Exchange, headquartered in Japan, mainly engaged in the R&D, production and sale of MLPCBs and HDI PCBs.	Automobiles
Company Q	Company Q is a public company founded in 1979 and listed on the Taiwan Stock Exchange, headquartered in Taiwan, mainly engaged in the R&D, production and sale of MLPCBs and HDI PCBs.	Automobile and data communications (wireless telecommunications)
Company R	Company R is a public company founded in 1988 and listed on the Taiwan Stock Exchange, headquartered in Taiwan, mainly engaged in the R&D, production and sale of MLPCBs and HDI PCBs.	Automobile
Company S	Company S is a public company founded in 1987 and listed on the Vienna Stock Exchange Prime Market, headquartered in Austria, mainly engaged in the R&D, production and sale of MLPCBs, FPCs and HDI PCBs.	Consumer electronics, industrial control and automobile
Company T	Company T is a public company founded in 1995 and listed on the Shenzhen Stock Exchange, headquartered in Guangdong, mainly engaged in the R&D, production and sale of MLPCBs, HDI PCB and FPC.	Industrial control consumer electronics and automobile

Source: CPCA, Prismark, Annual Reports of Listed Companies, Interviews with Industry Experts by CIC, CIC Report

In 2025, the Company’s PCB revenue reached US\$2,661.2 million, ranking sixth among global PCB manufacturers with a market share of 3.1%.

INDUSTRY OVERVIEW

Ranking of the Global Manufacturers of PCB, in terms of Sales Revenue of PCBs, 2025

Rank	Company	Revenue, 2025 (US\$ million)	Market Share (%)
1	Company A	5,895.5	6.9%
2	Company B	4,235.1	5.0%
3	Company C	3,758.0	4.4%
4	Company D	3,275.0	3.8%
5	Company E	2,906.4	3.4%
6	The Company	2,661.2	3.1%
7	Company F	2,652.5	3.1%
8	Company G	2,534.5	3.0%
9	Company H	2,447.9	2.9%
10	Company I	2,176.5	2.6%
Sum of Top 10		32,542.6	38.2%

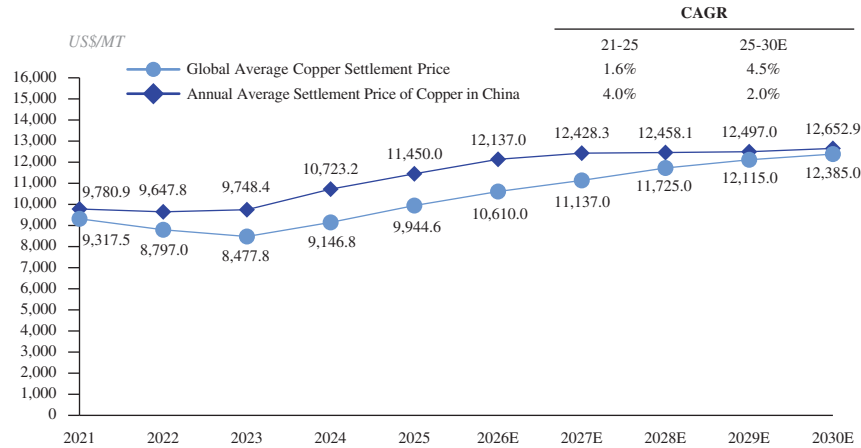
Source: Annual Reports of Listed Companies, Interviews with Industry Experts by CIC, CIC Report

Analysis of the Main Costs in the Global PCB Market

The main raw material costs for PCBs include CCL, copper foil, and copper balls. Copper-related materials account for 60% to 70% of PCB total raw material costs, making PCB costs highly correlated with copper prices. Its price fluctuations are mainly affected by factors including the global macroeconomic environment, market supply and demand dynamics. To mitigate the impact of volatility in raw material prices, leading PCB manufacturers typically implement refined cost management and control, optimize production processes so as to minimize raw material wastage, conduct dynamic adjustments to raw material inventories, and enter into long-term price-locking agreements with core suppliers — thereby locking in core procurement costs and stabilizing cost expectations across the supply chain. During the Track Record Period, the Company’s PCB products with 22 layers and above consistently maintained a high revenue share with an upward trend, growing from 38.4% in 2023 to 54.9% in 2025. Such products provide high-performance and high-reliability hardware support for downstream end applications including high-speed network switches, AI servers and HPC. Their value proposition is underpinned by technological capabilities and quality barriers. The Company adopts a flexible pricing mechanism guided by technological value and quality premium, with dynamic adjustments in line with market supply and demand. Accordingly, the marginal impact of copper price fluctuations on the Company’s average selling prices of its products was limited during the Track Record Period. See “Business — Our Supply Chain — Raw Material” for further details about our measures implemented to manage and mitigate the impact of fluctuations in the prices of raw materials.

INDUSTRY OVERVIEW

Average Copper Settlement Price, 2021-2030E



Source: London Metal Exchange, Shanghai Metals Market, CIC Report

Industry Threats and Challenges for the Global PCB Industry

Intensifying market competition: The PCB industry features numerous participants and a fragmented competitive landscape. Intensifying market competition has driven downstream customers to raise stricter requirements for PCB manufacturers in product quality stability, delivery capacity and technical capability. To sustain competitiveness, PCB manufacturers need to continuously invest resources to improve product quality, delivery efficiency and technical expertise.

Rising technical requirements amid rapid downstream technological iteration. The PCB industry is inherently technology-intensive. Rapid technological iteration in downstream sectors including automobile, data communications and consumer electronics has continuously raised market requirements for PCB performance, process precision and material adaptability. Failure to keep up with industry technological trends and meet downstream demand will weaken suppliers' product competitiveness and result in loss of market share.

OVERVIEW OF THE GLOBAL MLPCB MARKET

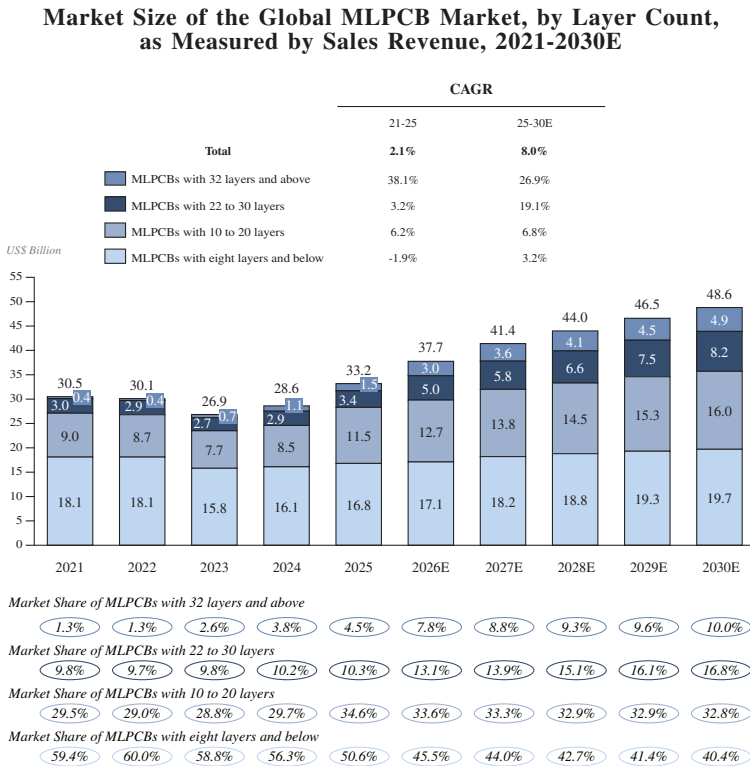
In 2025, the global MLPCB market size represented US\$ 33.2 billion. MLPCBs are a core and mainstream product type of PCBs. In 2025, the proportion of the global market size of MLPCBs to the global market size of PCBs reached 38.9%. Based on single/double-layer PCBs, MLPCBs are products formed by alternately laminating multiple layers of conductive copper foils and insulating dielectric materials, with electrical interconnection between layers achieved through plated through holes, blind vias and buried vias. Compared with single/double-layer PCBs, MLPCBs have core advantages in supporting more sophisticated circuit designs and achieving higher-density component layout, enabling the integration of more functional modules within a limited space. Within the multilayer PCB industry, products are typically categorized by layer count and corresponding technical capabilities into four major segments: eight layer and below, 10 to 20 layer, 22 to 30 layer, and 32 layer and above MLPCBs. Each segment, defined by distinct technical barriers and performance characteristics, serves specific downstream application areas.

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MLPCBs with 22 and above layers (covering the 22 to 30 layer and 32 layer and above segments) are mainly used in applications with extremely stringent requirements for high-frequency/high-speed signal transmission, signal integrity, wiring density and long-term operational reliability, acting as core components enabling cutting-edge high-end fields such as AI servers, HPC, 400G and above high-speed switches and routers, and other data center and AI computing infrastructure. These products represented 14.8% of global MLPCB market revenue in 2025, and amid the continued explosive growth in AI computing demand, their market share is forecast to increase to 26.8% by 2030.

Market Size of the Global MLPCB Market

In terms of sales revenue, the global market size of MLPCBs increased from US\$30.5 billion in 2021 to US\$33.2 billion in 2025, representing a CAGR of 2.1% during 2021 to 2025. The global market size of MLPCBs is expected to reach US\$48.6 billion by 2030, representing a CAGR of 8.0% from 2025 to 2030. The market sizes of MLPCBs with eight layers and below, 10 to 20 layers, 22 to 30 layers, and 32 layers and above reached US\$16.8 billion, US\$11.5 billion, US\$3.4 billion and US\$1.5 billion in 2025, respectively, and are expected to reach US\$19.7 billion, US\$16.0 billion, US\$8.2 billion and US\$4.9 billion by 2030, respectively. In terms of market share by layer count, the global MLPCB market in 2025 was dominated by MLPCBs with eight layers and below, accounting for 50.6% of the total sales revenue of the global MLPCB market. This was followed by MLPCBs with 10 to 20 layers, accounting for 34.6% of total sales revenue, while MLPCBs with 22 to 30 layers and 32 layers and above accounted for 10.3% and 4.5%, respectively.



Source: Prismark, CIC Report

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Competitive Landscape of the Global MLPCB Market

In 2025, the global MLPCB market size was US\$33.2 billion. The global MLPCB market is a mainstream sub-segment of the overall PCB market, accounting for approximately 38.9% of the total PCB market size in 2025. The MLPCB sector has approximately 1,200 to 1,500 market participants worldwide and demonstrates a relatively fragmented competitive landscape. In terms of revenue in 2025, the Company ranked first globally in the market for MLPCBs with MLPCB revenue of US\$1,498.3 million, representing a 4.5% global market share. The market for high-layer MLPCBs with 22 layers and above is a sub-segment of the global MLPCB market, accounting for approximately 14.8% of the global MLPCB market size in 2025. The global market for high-layer MLPCBs with 22 layers and above features a concentrated competitive landscape, with only about 50 to 70 core market participants worldwide. In 2025, the Company reached US\$724.8 million sales revenue of MLPCBs with 22 layers and above and ranked first globally in the market with a market share of 14.9%.

Ranking of the Global Manufacturers of PCBs, in terms of Sales Revenue of MLPCBs, 2025

Rank	Company	Revenue, 2025 (US\$ million)	Market Share (%)
1	The Company	1,498.3	4.5%
2	Company D	1,495.4	4.5%
3	Company H	1,486.4	4.5%
4	Company J	1,356.7	4.1%
5	Company E	1,318.8	4.0%
6	Company F	1,219.8	3.7%
7	Company K	1,042.9	3.1%
8	Company L	1,019.5	3.1%
9	Company A	637.9	1.9%
10	Company G	628.0	1.9%
Sum of Top 10		11,703.7	35.3%

Source: Annual Reports of Listed Companies, Interviews with Industry Experts by CIC, CIC Report

Ranking of the Global PCB Manufacturers, in terms of Sales Revenue of MLPCBs with 22 Layers and Above, 2025

Rank	Company	Revenue, 2025 (US\$ million)	Market Share (%)
1	The Company	724.8	14.9%
2	Company D	643.0	13.2%
3	Company E	593.4	12.2%
4	Company F	541.5	11.1%
5	Company J	530.3	10.9%
Sum of Top 5		3,033.0	62.3%

Source: CIC Report, Annual Reports of Listed Companies, Interviews with industry experts by CIC

INDUSTRY OVERVIEW

Industry Threats and Challenges for the Global MLPCB Industry

Technological Complexity and Challenges of High-layer MLPCBs: AI servers, high-speed switches and routers drive the demand for higher PCB layer counts, raising the complexity of inter-layer alignment. Micrometre-level precision in imaging and lamination is essential to avoid signal transmission failures. To meet the signal integrity and thermal stability requirements of AI hardware, MLPCBs adopt specialty materials with narrow process windows, including high glass-transition-temperature substrates, ultra-low loss laminates and thick copper foils, which creates challenges for mass production capacity expansion. Failure to overcome these technical bottlenecks through continuous R&D investment may push up costs, lengthen lead times and weaken market competitiveness.

Challenges from Key Material Supply Chain Imbalance: The global MLPCB industry is exposed to structural supply chain pressures for core inputs including copper foils, epoxy resins, glass fiber fabrics and CCLs, which require long-term technology accumulation and rigorous customer qualification. Driven by AI and high-speed networking demand, the 12 to 18 months capacity expansion cycle for these high-end specialty materials creates a lead time mismatch, resulting in periodic material shortages and extended procurement lead times across the global MLPCB supply chain.

OVERVIEW OF THE GLOBAL DATA COMMUNICATIONS PCB INDUSTRY

Data communications PCBs underpin digital information transmission, with market trends closely tied to the development of data centers and network infrastructure. Driven by AI computing power growth and global digital transformation, it represents a highly resilient and innovative segment in the PCB industry. The global data communications PCB market reached US\$31.8 billion in 2025, accounting for 37.3% of the total PCB market. It is projected to grow to US\$49.0 billion by 2030. Based on application scenarios, data communications PCBs are mainly classified into two core categories, namely data center PCBs and telecommunication infrastructure PCBs.

Data Center PCBs. In 2025, the global data center PCB market size represented 62.3% of the total global data communications PCB market size. Data center PCBs are primarily used in AI servers and HPC, switches and routers, as well as general-purpose servers. Their core function is to support high-speed interconnection and stable operation of the foregoing equipment, and to safeguard the stability and efficiency of computing power output and signal transmission in data centers:

AI Servers and HPC. AI server and HPC PCBs enable high-speed interconnection among accelerator chips such as GPUs, ASICs, and FPGAs. Compared with general-purpose server PCBs, they have more advanced technical specifications and design requirements, and usually adopt high-end HDI technology combined with low dielectric constant materials as a standard design. In 2025, the AI server and HPC PCB market size accounted for 34.5% of the total global data center PCB market size.

INDUSTRY OVERVIEW

Switches and Routers. PCBs in switches and routers act as the critical interconnection and physical substrate that enables high-speed, high-bandwidth, low-latency signal transmission, stable power distribution, and efficient thermal management for reliable and high-performance network operation. In 2025, the global switch and router PCB market size accounted for 37.4% of the total global data center PCB market size.

General-purpose Servers: PCBs for general-purpose servers mainly adopt multilayer board design and low-loss dielectric design, which ensure efficient and stable internal data transmission while enhancing overall computing performance. In 2025, the global general purpose PCB market size accounted for 21.8% of the total global data center PCB market size.

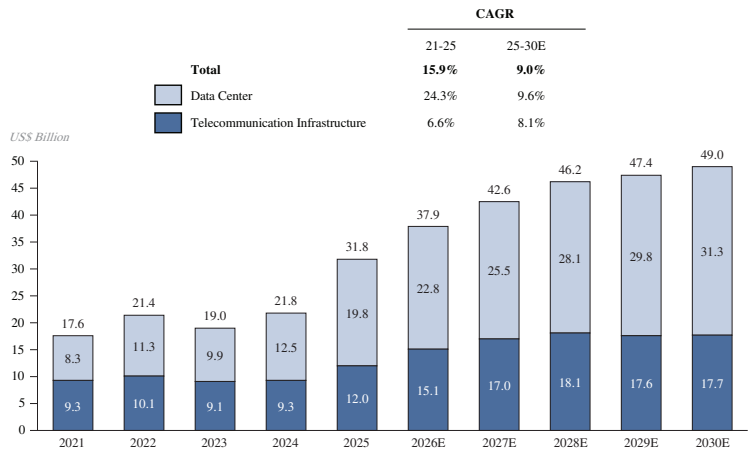
Others: Others mainly include storage and power supply PCBs, accounting for 6.3% of the global data center PCB market in terms of 2025 sales revenue.

Telecommunication Infrastructure PCBs: Telecommunication infrastructure PCBs are key components for communication equipment, supporting circuit interconnection, signal transmission and functional integration. In 2025, this market accounted for 37.7% of the global data communications PCB market.

Market Size of the Global Data Communications PCB Industry

By application scenario, in terms of sales revenue, the global market size of data center PCBs increased from US\$8.3 billion in 2021 to US\$19.8 billion in 2025, representing a CAGR of 24.3% for the period 2021 to 2025. The global market size of data center PCBs is expected to reach US\$31.3 billion by 2030, representing a CAGR of 9.6% for the period 2025 to 2030. In terms of sales revenue, the global market size of telecommunication infrastructure PCBs increased from US\$9.3 billion in 2021 to US\$12.0 billion in 2025, representing a CAGR of 6.6% for the period 2021 to 2025. The global market size of telecommunication infrastructure PCBs is expected to reach US\$17.7 billion by 2030, representing a CAGR of 8.1% for the period 2025 to 2030.

**Market Size of the Global Data Communications PCB Market,
as Measured by Sales Revenue, 2021-2030E**



Source: Prismark, CIC Report

INDUSTRY OVERVIEW

Competitive Landscape of the Global Data Communications PCB Market

In 2025, the global data communications PCB market size reached US\$31.8 billion, accounting for 37.3% of the overall PCB market. The global data communications PCB industry features relatively fragmented, with more than 900 market participants engaged in the market as of 2025, and resources and production capacity are highly concentrated among the leading players. In 2025, the Company’s data communications PCB revenue was US\$2,149.8 million, ranking first among data communications PCB manufacturers globally with a market share of 7.0% in terms of global data communications PCB sales revenue.

The data center PCB market is a core sub-segment of the broader data communications PCB market. In 2025, the global market size of data center PCBs accounted for approximately 62.3% of the overall data communications PCB market. While the data communications PCB market is characterized by a large number of participants and a relatively fragmented competitive landscape, the global data center PCB market presents a relatively concentrated competitive pattern, with about 150 to 200 market participants worldwide engaged in the data center PCB business. In 2025, the Company’s data center PCB revenue was US\$2,011.8 million, and the Company ranked first globally in the data center PCB market with a market share of 10.2%.

With the rapid advancement of AI and other emerging technologies, the global demand for AI computing has been continuously on the rise, which has driven the construction of data centers into a new phase of rapid development. From a long-term development perspective, as the core carrier of the digital economy and AI computing infrastructure, data center PCBs are expected to embrace long-term and extensive growth space in conjunction with the continuous upgrading of computing power demand, and the development of the industry demonstrates strong sustainability.

Ranking of the Global Manufacturers of PCBs, in terms of Sales Revenue of Data Communications PCBs, 2025

Rank	Company	Revenue, 2025 (US\$ million)	Market Share (%)
1	The Company	2,149.8	7.0%
2	Company J	1,724.9	5.6%
3	Company F	1,504.6	4.9%
4	Company D	1,369.0	4.4%
5	Company H	1,327.6	4.3%
6	Company E	1,165.4	3.8%
7	Company L	1,059.7	3.4%
8	Company B	927.5	3.0%
9	Company G	783.1	2.5%
10	Company M	553.0	1.8%
Sum of Top 10		12,564.6	40.7%

Source: Annual Reports of Listed Companies, Interviews with Industry Experts by CIC, CIC Report

INDUSTRY OVERVIEW

Ranking of the Global Manufacturers of PCBs, in terms of Sales Revenue of Data Center PCBs, 2025

Rank	Company	Revenue, 2025 (US\$ million)	Market Share (%)
1	The Company	2,011.8	10.2%
2	Company J	1,579.5	8.0%
3	Company F	1,223.5	6.2%
4	Company H	1,209.2	6.1%
5	Company E	930.0	4.7%
6	Company D	889.9	4.5%
7	Company L	657.3	3.3%
8	Company B	533.6	2.7%
9	Company M	497.7	2.5%
10	Company N	456.2	2.3%
Sum of Top 10		9,988.7	50.5%

Source: Annual Reports of Listed Companies, Interviews with Industry Experts by CIC, CIC Report

Industry Threats and Challenges for the Global Data Communications PCB Industry

Shortage of specialised production equipment: Manufacturing of data communications PCBs relies predominantly on specialised precision equipment sourced from overseas suppliers. Driven by surging global demand for computing power, equipment manufacturers are operating at full capacity with substantially extended order lead times, resulting in persistently tight supply of such specialised equipment across the industry. Constrained by insufficient equipment availability, PCB manufacturers fail to implement capacity expansion schedules as planned. The growth of data communication PCB capacity lags behind rising orders from downstream orders, which in turn prolongs product delivery cycles and constitutes a critical bottleneck restricting capacity expansion of the industry.

Rapid process iteration and high mass production threshold pressure: Driven by AI high-bandwidth transmission demands, data communications PCBs are rapidly iterating toward high-layer count, ultra-fine circuit and high-precision drilling processes, bringing unprecedented manufacturing and technical barriers. Advanced production technologies such as mSAP and laser drilling require high-precision imported equipment and sophisticated procession, resulting in high investment costs and slow yield ramp-up. Enterprises incapable of keeping up with rapid process upgrades and standardized precision production will be eliminated from the highend market, suffering shrinking high-margin business and insufficient capacity to meet upgraded downstream customer demands.

OVERVIEW OF THE GLOBAL AUTOMOBILE PCB INDUSTRY

As a core foundational component supporting the advancement of automotive intelligence, PCBs have evolved from meeting the demand for simple module control as traditional auxiliary circuit connection carriers to serving as integrated platforms and fulfilling comprehensive functions including domain-level integrated control, integrated computing and

INDUSTRY OVERVIEW

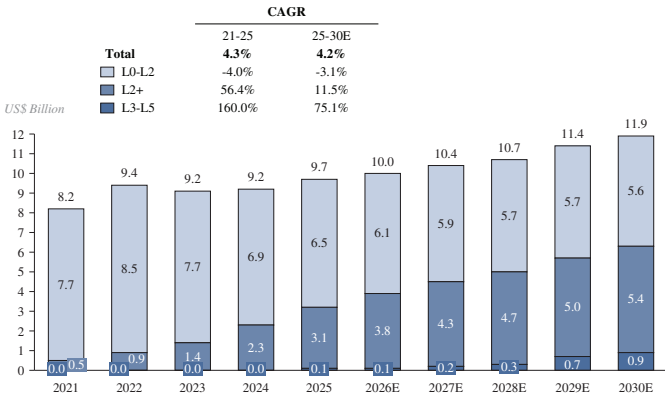
signal transmission. Currently, the evolution of automated driving systems is centered on the large-scale application of fused perception (millimeter-wave radar, lidar), visual perception (high-definition cameras), and central computing & decision-making (automated driving domain controllers). Among these, the perception and computing platforms represented by automated driving domain controllers constitute the core segment with the greatest growth potential in the PCB industry, and their development is directly linked to the future commercialization of automated driving above L2+. This transformation has reshaped the demand for automotive-grade PCBs, with the PCB value per smart vehicle reaching approximately six to eight times that of traditional vehicles.

Market size of the Global Automobile PCB Industry

Due to the installation of more intelligent cockpits and automated driving perception modules, new energy vehicles have much higher requirements for the quantity, performance, and reliability of interconnected components than traditional internal combustion engine vehicles, becoming the core engine for the growth of demand for electronic components. With the continuous increase in the penetration rate of new energy vehicles and automated driving technology, the functional requirements and application scenarios of PCBs in the automobile field are constantly expanding, which is expected to continuously drive the growth of the global automobile PCB market size. Notably, this overall growth is accompanied by structurally differentiated performance across different automated driving levels, reflecting the varying demand for PCBs driven by different degrees of automotive intelligence.

The L0-L2 automobile PCB, as the current mainstay, reached a market size of US\$6.5 billion in 2025 and is projected to decline to US\$5.6 billion in 2030, representing a CAGR of -3.1% from 2025 to 2030. The L2+ automobile PCB has emerged as the core growth engine of the industry, expanding rapidly from US\$0.5 billion in 2021 to US\$3.1 billion in 2025, and is projected to reach US\$5.4 billion by 2030, with CAGRs of 56.4% from 2021 to 2025 and 11.5% from 2025 to 2030. Meanwhile, the L3-L5 automobile PCB segment remains in its early developmental stage, with a market size of US\$0.1 billion in 2025, which is projected to reach US\$0.9 billion by 2030, representing a CAGR of 75.1% from 2025 to 2030, underscoring its strong long-term growth potential.

Market Size of the Global Automobile PCB, by Automated Driving Levels, 2021-2030E



Source: Prismark, CIC Report

INDUSTRY OVERVIEW

Competitive Landscape of the Global Automobile PCB Market

In 2025, the global automobile PCB market size reached US\$9.7 billion, accounting for 11.4% of the overall PCB market. The global automobile PCB sector comprises more than 700 participants and comprise traditional and smart vehicle PCB segments. Smart vehicle PCBs require rigorous compliance with automotive-grade reliability and durability standards, involving lengthy certification processes and resulting in a concentrated market led by major players. Conversely, traditional automobile PCBs follow established technical standards, feature product homogeneity, and have low entry barriers, fostering intense price competition and a fragmented supplier landscape. In 2025, the Company’s automobile PCB revenue was US\$446.6 million, and, the Company ranks sixth globally in the automobile PCB industry with a market share of 4.6%.

Ranking of the Global Manufacturers of PCBs, in terms of Sales Revenue of Automobile PCBs, 2025

Rank	Company	Revenue, 2025 (US\$ million)	Market Share (%)
1	Company K	1,019.9	10.5%
2	Company O	641.0	6.6%
3	Company P	576.4	5.9%
4	Company I	477.3	4.9%
5	Company H	450.1	4.6%
6	The Company	446.6	4.6%
7	Company D	421.2	4.3%
8	Company Q	397.0	4.1%
9	Company R	373.0	3.8%
10	Company F	365.7	3.8%
Sum of Top 10		5,168.2	53.1%

Source: Annual Reports of Listed Companies, Interviews with Industry Experts by CIC, CIC Report

Industry Threats and Challenges for the Global Automobile PCB Industry

Intensified market competition and raw material cost fluctuations. As the demand for automobile PCB maintains steady growth, domestic and overseas manufacturers continue to expand production capacity, driving intensified market competition. High-end automobile PCBs require premium specialty materials with strict certification and low substitutability, making them more vulnerable to raw material price volatility.

Technical challenges from vehicle electrification and intelligence. Vehicle electrification and intelligence set strict technical requirements for automobile PCBs. NEVs and smart vehicles require PCBs to withstand high voltage and high current, adopting heavy copper boards, metal substrates and embedded copper structures. Domain controller PCBs need high-speed data fusion, signal isolation and long-term reliability under extreme temperature and vibration. Such stringent requirements demand premium materials and advanced lamination processes, leading to low production yields and higher costs. Manufacturers lacking signal integrity design capability and harsh environment adaptability cannot meet technical standards and will lose market share in the global automobile PCB market.

INDUSTRY OVERVIEW

OVERVIEW OF THE GLOBAL INDUSTRIAL CONTROL PCB INDUSTRY

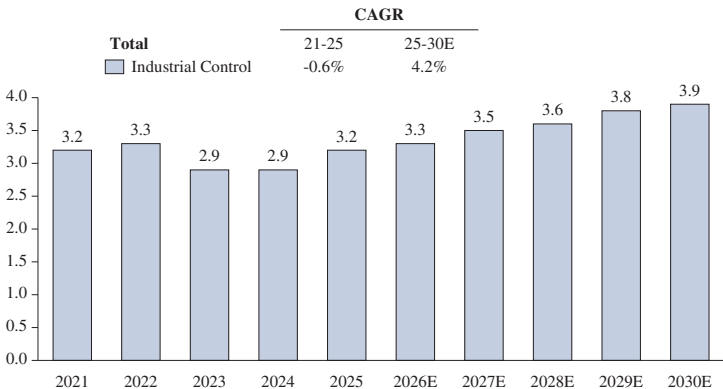
Industrial control PCBs are high-reliability core components in the industrial control sector, enabling precise production control, equipment coordination, and data exchange. They are designed for long-term stable operation under harsh conditions, featuring high precision, strong reliability, robust anti-interference, wide temperature tolerance, and extended lifespan. In industrial production, they are primarily used in automation systems, industrial robots, and smart manufacturing equipment, serving as the core control, signal processing, and motion control units that ensure automated and intelligent operation.

Market Size of the Global Industrial Control PCB Industry

The global industrial digitalization and automation transformation are advancing at an accelerated pace, with prominent trends in smart manufacturing, industrial Internet of Things (IIoT), and high-end equipment upgrading, directly driving the steady expansion of the global industrial control PCB market. Benefiting from the accelerated automation transformation of factories, the popularization of industrial robots, and the mass production of new energy manufacturing equipment. The market size is expected to further increase to US\$3.9 billion by 2030, with a CAGR of 4.2% from 2025 to 2030.

The widespread adoption of smart manufacturing drives robust demand for high-performance PCBs. Amid global industrial digitalisation and automation, industrial control systems require PCBs with higher layer counts, greater routing density and better signal integrity, with eight to 12 layer PCBs as mainstream and growing demand for 16+ layer ones, directly driving market growth. The integration between the device interconnection and information silos has driven the growing demand in areas such as edge computing gateways, industrial Ethernet modules and smart grids, which in turn has created the demand for more communication and sensor interfaces, ultimately leading to a sustained increase in demand for high-end PCB products.

Market Size of the Global Industrial Control PCB Industry, as Measured by Sales Revenue, 2021-2030E



Source: Prismark, CIC Report

INDUSTRY OVERVIEW

Competitive Landscape of the Global Industrial Control PCB Market

In 2025, the global industrial control PCB market size reached US\$3.2 billion, accounting for 3.7% of the overall PCB market. The global industrial control PCB industry presents a fragmented competitive landscape with more than 800 market participants worldwide. This segment is characterized by a relatively modest overall market size, with scattered customer demand. Benefiting from its technical capabilities in high-reliability and high-stability PCB solutions, the Company ranks sixth globally in the industrial control PCB market with US\$58.4 million sales revenue of industrial control PCB, holding a 1.9% market share.

Ranking of the Global Manufacturers of PCBs, in terms of Sales Revenue of Industrial Control PCBs, 2025

Rank	Company	Revenue, 2025 (US\$ million)	Market Share (%)
1	Company S	192.6	6.1%
2	Company E	162.8	5.2%
3	Company K	155.8	4.9%
4	Company F	120.3	3.8%
5	Company D	63.2	2.0%
6	The Company	58.4	1.9%
7	Company G	58.0	1.8%
8	Company M	56.9	1.8%
9	Company T	49.2	1.6%
10	Company J	46.5	1.5%
Sum of Top 10		963.7	30.6%

Source: Annual Reports of Listed Companies, Interviews with Industry Experts by CIC, CIC Report

Industry Threats and Challenges for the Global Industrial Control PCB Industry

Fragmented market structure and intense homogenized competition: The global industrial control PCB market is highly fragmented, giving rise to fierce homogeneous competition and compressed profit margins across the industry. Such products demand long-term stable supply and high operational reliability. If industrial control PCB manufacturers cannot sustain standardized production, strict quality control and comprehensive after-sales services, they may face declining customer trust, shrinking market share and weakened brand influence.

Upgrading of industrial scenarios driving higher performance requirements: The development of Industry 4.0, smart manufacturing and the Industrial Internet of Things (IIoT) has driven equipment integration and intelligence. Industrial control PCBs must withstand extreme temperatures, vibration and electromagnetic interference. Consequently, materials must possess high temperature resistance, corrosion resistance, vibration resistance, high signal integrity and long-term stability. Industrial control PCB manufacturers failing to upgrade processes or optimize material selection through R&D risk will be unable to satisfy complex industrial requirements, leading to a decline in market competitiveness.

REGULATORY OVERVIEW

PRC REGULATORY OVERVIEW

We develop, manufacture and sell a wide variety of PCB products. This section sets out a summary of the most important PRC laws, regulations and policies to which we are subject.

REGULATIONS RELATING TO PCB

Pursuant to the *Standard Conditions for the Printed Circuit Board* (《印製電路板行業規範條件》) (the “**Standard Conditions**”) and *Interim Measures for the Administration of Announcement of Standard of Printed Circuit Board* (《印製電路板行業規範公告管理暫行辦法》) promulgated by the Ministry of Industry and Information Technology of the PRC (the “**MIIT**”) on December 28, 2018 and came into effect on February 1, 2019, the MIIT is responsible for the administration of industry standard announcements for the PCB. PCB enterprises on the announcement list shall organize their production and operation activities in accordance with the requirements of the Standard Conditions, covering aspects such as industrial layout and project construction, production scale and process technology, quality management, intelligent manufacturing, green manufacturing, energy and land conservation, comprehensive resource utilization and environmental protection, work safety and occupational health and social responsibility, and conduct self-inspections in accordance with the requirements of the Standard Conditions.

On December 27, 2023, the National Development and Reform Commission of the PRC (the “**NDRC**”) promulgated the *Adjustment of Industrial Structure Guidance Catalog (2024 version)* (《產業結構調整指導目錄(2024年本)》), and became effective on February 1, 2024, which is composed of three categories: encouraged, restricted, and eliminated. The Encouraged Category primarily includes technologies, equipment, and products that significantly promote economic and social development. The high-density interconnect substrates, single-layer, double-layer, and multilayer flexible boards, rigid-flex PCBs and IC substrates, high-density fine-line flexible circuit boards (line width/spacing ≤ 0.05 mm), high-frequency microwave PCBs, high-speed communication circuit boards and flexible circuit boards are classified as the information industry and belong to the encouraged category.

REGULATIONS RELATING TO COMPANIES AND FOREIGN INVESTMENT

The *Company Law of the PRC* (《中華人民共和國公司法》) (the “**Company Law**”) was passed by the Standing Committee of the National People’s Congress (the “**SCNPC**”) on December 29, 1993, came into effect on July 1, 1994 and was last amended on December 29, 2023, came into effect on July 1, 2024. The articles of association of a listed company shall, in addition to complying with the items required to be specified in the articles of association of a company limited by shares, in accordance with the provisions of laws and administrative regulations, also set forth the composition and functions of the special committees of the board of directors, as well as stipulate matters such as the compensation assessment mechanisms for directors and senior management personnel.

REGULATORY OVERVIEW

Guidance Catalog of Industries for Foreign Investment

On December 15, 2025, the Ministry of Commerce of the PRC (the “**MOFCOM**”) and the NDRC released the *Encouraged Industry Catalogue for Foreign Investment (2025 Edition)* (《鼓勵外商投資產業目錄(2025年版)》), which became effective on February 1, 2026, and stipulates that high-density interconnect laminates, single-layer, double-layer and multilayer flexible boards, rigid-flex PCBs, high-density and fine-line (line width/line spacing $\leq$ 0.05mm) flexible circuit boards and IC packaging substrates fall under the national encouraged industry catalogue for foreign investment.

On September 6, 2024, the MOFCOM and the NDRC released the *Special Administrative Measures for Access of Foreign Investment (2024 Version)* (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the “**Negative List 2024**”), which became effective on November 1, 2024. Any industry not listed on the Negative List 2024 is a permitted industry and generally accessible to foreign investment unless specifically prohibited or restricted by any PRC laws or regulations. Our principal business operations do not fall under the “restricted” category or the “prohibited” category under the Negative List 2024.

The Foreign Investment Law

On March 15, 2019, the National People’s Congress (the “**NPC**”) promulgated the *Foreign Investment Law of the PRC* (《中華人民共和國外商投資法》), which became effective on January 1, 2020, and sets out the definition of foreign investment and the framework for promotion, protection and administration of foreign investment activities. On December 26, 2019, the State Council promulgated the *Implementation Regulations on the Foreign Investment Law* (《中華人民共和國外商投資法實施條例》), which became effective on January 1, 2020, further requires that foreign-invested enterprises (the “**FIEs**”) and domestic enterprises be treated equally with respect to participation in standard setting. On December 30, 2019, the MOFCOM and the SAMR jointly issued the *Measures for Reporting of Foreign Investment Information* (《外商投資信息報告辦法》) (the “**Foreign Investment Information Measures**”), which came into effect on January 1, 2020. Starting from January 1, 2020, foreign investors and FIEs in the PRC shall submit information relating to their investment through the Enterprise Registration System and the National Enterprise Credit Information Publicity System established by the SAMR by submitting initial reports of establishment, reports on changes to the investment, reports on termination of the investment and annual investment reports in accordance with the Foreign Investment Information Measures. On May 5, 2026, the State Council issued the Provisions of the State Council on Outbound Investment (《國務院關於對外投資的規定》), which will become effective on July 1, 2026 and aims to promote high-quality outbound investment by improving service, management, and protection systems, and authorizes the Chinese government to take countermeasures and investigations against foreign investment barriers and discriminatory practices.

REGULATORY OVERVIEW

REGULATIONS RELATING TO PRODUCTION SAFETY

On June 29, 2002, the SCNPC promulgated the *Production Safety Law of the PRC* (《中華人民共和國安全生產法》) (the “**Production Safety Law**”), which was recently amended by the SCNPC on June 10, 2021 and became effective on September 1, 2021. According to the Production Safety Law, enterprises that are engaged in production and business activities shall abide by the relevant laws and regulations concerning work safety, strengthen work safety management, establish and improve the all-staff work safety responsibility system and work safety rules and regulations, increase investment in funds, materials, technologies and personnel for work safety, improve the conditions for work safety, strengthen the standardized and information technology development of work safety, establish a dual prevention mechanism of graded management and control of safety risks and the screening and handling of hidden dangers, improve the risk prevention and resolution mechanism, and improve the level of work safety so as to ensure workplace safety. The safety facilities of a producer or business operator for engineering projects to be built, renovated or expanded shall be designed, constructed, and put into operation and use simultaneously with the principal part of the projects. Investments in safety facilities shall be included in the budgetary estimates for the construction projects. Any entity that fails to provide required production safety conditions is prohibited from engaging in production activities.

REGULATIONS RELATING TO PRODUCT QUALITY

According to the *Product Quality Law of the PRC* (《中華人民共和國產品質量法》) promulgated by the SCNPC on February 22, 1993 and amended with immediate effect on December 29, 2018, producers shall: (i) be responsible for the quality of the products they produce; (ii) not produce products that have been explicitly eliminated by the state; (iii) not forge the place of origin, forge or falsely use the name and address of another person’s factory; and not forge or fraudulently use quality marks such as certification marks; (iv) not produce or market adulterated products or use fake goods as genuine or sub-standard products as standard; and (v) ensure that the packaging quality of fragile, flammable, explosive, toxic, corrosive, radioactive and other dangerous goods, products that cannot be inverted during storage and transportation and other products with special requirements meets the corresponding requirements, and make warning signs or warning instructions in Chinese, or indicate matters needing attention during storage and transportation. If a defect in the product causes damage to the person or property of others, the victim may claim compensation from the producer of the product or from the seller of the product. Producers or sellers who produce or sell substandard products will be ordered to cease production and sales, the illegally produced or sold products will be confiscated, and a fine will be imposed. If there is any illegal income, the illegal income will also be confiscated. If the circumstances are serious, the business license shall be revoked. If a crime is constituted, criminal responsibility shall be investigated in accordance with law.

REGULATORY OVERVIEW

REGULATIONS RELATING TO THE IMPORT AND EXPORT OF GOODS AND TECHNOLOGY

According to the *Foreign Trade Law of the PRC* (《中華人民共和國對外貿易法》) promulgated by the SCNPC on May 12, 1994, which was recently amended on December 27, 2025 and became effective on March 1, 2026, and the *Notice of the Department of Enterprise Management and Inspection on Matters Related to the Record-filing of Consignors and Consignees of Import and Export Goods* (《企業管理和稽查司關於進出口貨物收發貨人備案有關事宜的通知》) published by the General Administration of Customs of the PRC (the “GAC”) with immediate effect on January 3, 2023, if consignors and consignees of import and export goods apply for record-filing, they shall obtain the market entity qualification and are not required to obtain the record-filing of foreign trade business operators. For technologies that fall under the category of free import and export, the contract record-filing and registration formalities shall be handled with the foreign trade department in charge under the State Council or the institutions entrusted by it.

According to the *Customs Law of the PRC* (《中華人民共和國海關法》), promulgated by the SCNPC on January 22, 1987, implemented on July 1, 1987, and latest amended and took effect on April 29, 2021, unless otherwise provided, import and export goods may be handled by the consignors and consignees of the import and export goods themselves for customs declaration and tax payment procedures, or they may entrust customs declaration enterprises to handle customs declaration and tax payment procedures. According to the *Administrative Provisions of the Customs of the PRC on Filing of Customs Declaration Entities* (《中華人民共和國海關報關單位備案管理規定》) promulgated by the GAC on November 19, 2021, which became effective on January 1, 2022, customs declaration entities shall refer to the customs declaration enterprise and the consignor or consignee of imported and exported goods under the provisions. Customs declaration entities may conduct customs declaration business within the customs territory of the PRC. An application for the record-filing of a consignor or consignee of imported and exported goods or a customs declaration enterprise shall obtain the qualification of market entity eligibility.

REGULATIONS RELATING TO CONSTRUCTION AND ENVIRONMENTAL PROTECTION

According to the *Urban and Rural Planning Law of the PRC* (《中華人民共和國城鄉規劃法》) which was promulgated by the SCNPC with effect from January 1, 2008 and recently amended with immediate effect on April 23, 2019, the *Construction Law of the PRC* (《中華人民共和國建築法》) which was promulgated by the SCNPC with effect from March 1, 1998 and recently amended with immediate effect on April 23, 2019, the *Measures for Administration of Construction Permits for Construction Projects* (《建築工程施工許可管理辦法》) which was promulgated by the Ministry of Housing and Urban-Rural Development of the PRC on June 25, 2014 and recently amended with immediate effect on March 30, 2021, and the *Regulation on Quality Management of Construction Projects* (《建設工程質量管理條例》) which was promulgated on January 30, 2000 and amended with immediate effect on April 23, 2019, for construction activities within statutory planning areas, the construction entity must

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obtain the Land Use Planning Permit and the Construction Project Planning Permit from the county-level urban-rural planning authority, as well as the Construction Permit from the municipal or county-level housing authority, before commencing construction. Upon completion, the entity shall organize the design, construction, supervision, and other relevant entities to carry out the acceptance inspection.

According to the Ecological and Environmental Code of the PRC (《中華人民共和國生態環境法典》) adopted by the NPC on March 12, 2026 and will become effective on August 15, 2026, the *Environmental Protection Law of the PRC* (《中華人民共和國環境保護法》) promulgated by the SCNPC on December 26, 1989, amended on April 24, 2014 and became effective on January 1, 2015, the *Environmental Impact Assessment Law of the PRC* (《中華人民共和國環境影響評價法》) promulgated by the SCNPC on October 28, 2002 and recently amended with immediate effect on December 29, 2018 and other relevant environmental laws and regulations, entities that generate environmental pollution and other public hazards must incorporate environmental protection measures into their plans and establish a responsibility system. Construction projects shall undergo environmental impact assessment (EIA) accordingly. Projects with significant environmental impact shall prepare an EIA report; those with less severe impact shall prepare an EIA form; those with minor impact need only complete a registration form without formal EIA.

REGULATIONS RELATING TO THE MANAGEMENT OF LEASE HOUSING

Pursuant to (i) *the Law on Administration of Urban Real Estate of the PRC* (《中華人民共和國城市房地產管理法》), promulgated by the SCNPC on July 5, 1994 and was last amended on August 26, 2019 and became effective on January 1, 2020, and (ii) *the Administrative Measures on Leasing of Commodity Housing* (《商品房屋租賃管理辦法》), promulgated by the Ministry of Housing and Urban-Rural Development of the People’s Republic of China (the “MOHURD”) on December 1, 2010 and became effective on February 1, 2011, when leasing premises, the lessor and lessee are required to enter into a written lease contract, containing such provisions as the leasing term, use of the premises, rental and repair liabilities, and other rights and obligations of both parties. Both lessor and the lessee shall complete property leasing registration and filing formalities within 30 days from the execution of the property lease contract with the real estate administration department where the leased property is located. If the lessor and lessee fail to go through the registration and filing procedures, both lessor and lessee may be subject to fines.

REGULATIONS RELATING TO OVERSEAS INVESTMENT

The *Measures for Overseas Investment Management* (《境外投資管理辦法》) was promulgated by the MOFCOM on March 16, 2009, which was amended on September 6, 2014 and came into effect on October 6, 2014. If the overseas investments involve sensitive countries and regions or industries, they shall be subject to the approval of competent authorities. For other overseas investments, they shall be subject to filing administration.

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The Administrative Measures for Outbound Investment by Enterprises (《企業境外投資管理辦法》) was promulgated by the NDRC on December 26, 2017 and came into effect on March 1, 2018. The scope of projects subject to approval-based administration includes sensitive projects carried out by investment entities directly or through their controlled overseas enterprises. The approval authority is the NDRC. The scope of projects subject to record-filing management includes non-sensitive projects directly carried out by investment entities, non-sensitive projects involving the direct contribution of assets, equity interests, or the provision of financing or guarantees by the investment entity.

REGULATIONS RELATING TO FOREIGN EXCHANGE ADMINISTRATION

On December 24, 2025, the People’s Bank of China and the SAFE issued the *Notice of the Management of Funds Raised by Overseas Listings of Domestic Enterprises* (《中國人民銀行國家外匯管理局關於境內企業境外上市資金管理有關問題的通知》), which became effective on April 1, 2026, and stipulates that domestic enterprises listed overseas, within 30 working days from the first trading day after the overseas listing, shall apply for overseas listing registration with the bank located in their registered province. The funds raised from overseas listings by domestic enterprises shall, in principle, be remitted into the PRC in a timely manner. If they are retained overseas for businesses such as overseas direct investment, overseas securities investment, or overseas lending, the approval or filing documents from the competent authorities must be obtained prior to the date of completion of the overseas issuance or the over-allotment, and it should comply with the relevant cross-border fund management regulations. According to the *Foreign Exchange Business Guidelines for Capital Account (2024 version)* 《資本項目外匯業務指引(2024年版)》 promulgated by the SAFE on April 3, 2024, and implemented on May 6, 2024, funds raised by domestic companies through overseas listings shall be consistent with the relevant content disclosed in public documents such as prospectuses, corporate bond issuance documents, shareholder circulars, or board of directors or shareholders’ meeting resolutions.

REGULATIONS RELATING TO LABOR, SOCIAL INSURANCE AND HOUSING PROVIDENT FUND

Labor Contract

According to the *Labor Law of the PRC* (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994 and became effective on January 1, 1995, which was and recently amended on December 29, 2018 and became effective on the same day, the *Labor Contract Law of the PRC* (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007, which was and recently amended on December 28, 2012 and became effective on July 1, 2013, and the *Implementation Rules of the Labor Contract Law of the PRC* (《中華人民共和國勞動合同法實施條例》) promulgated by the State Council with immediate effect on September 18, 2008, a written employment contract shall be entered into to create an employment relationship. If an employer fails to enter into a written employment contract with an employee within one year from the date on which the employment relationship is created, the employer must enter into a written employment contract with the employee and pay the employee an amount equal to twice such employee’s salary for the period from the day following the lapse of one month from the date of the creation of the employment relationship to the day prior to the execution of the written employment contract.

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Social Insurance and Housing Provident Fund

According to the *Social Insurance Law of the PRC* (《中華人民共和國社會保險法》) promulgated by the SCNPC on October 28, 2010 and amended with immediate effect on December 29, 2018, the *Administrative Regulations on Housing Provident Fund* (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999 and recently amended with immediate effect on March 24, 2019 and the *Provisional Regulations on Collection and Payment of Social Insurance Premiums* (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999 and amended with immediate effect on March 24, 2019, a domestic enterprise shall pay a premium for basic pension insurance, unemployment insurance, maternity insurance, work injury insurance, basic medical insurance and housing provident fund for its employees at an appropriate percentage based on the amounts stipulated by the laws. Employers who fail to promptly contribute social insurance premiums in full amount shall be ordered by the social insurance premium collection agency to make or supplement contributions within a stipulated period, and shall be subject to a penalty for late payment from the due date at the rate of 0.05% per day; where payment is not made within the stipulated period, the relevant administrative authorities shall impose a fine ranging from one to three times the amount of the amount in arrears. If the employer fails to pay the housing fund within the prescribed time, it may be ordered to pay within a certain period of time, and if it still fails to pay, compulsory enforcement by the court can be applied. 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)》), promulgated by the Supreme People’s Court on July 31, 2025 and 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 of the PRC* (《中華人民共和國勞動合同法》), the people’s court shall uphold such claim.

REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Patent

According to the *Patent Law of the PRC* (《中華人民共和國專利法》), which was promulgated by the SCNPC on March 12, 1984 and recently amended on October 17, 2020 and became effective on June 1, 2021, and the *Implementation Rules of the Patent Law of the PRC* (《中華人民共和國專利法實施細則》), promulgated by the State Council on June 15, 2001, invention patents are valid for twenty years, utility model patents are valid for ten years and design patents are valid for fifteen years, in each case from the date of application. The Chinese patent system adopts a “first come, first file” principle, which means that where more than one person files a patent application for the same invention, a patent will be granted to the person who files the application first. An invention or a utility model must possess novelty, inventiveness and practical applicability to be patentable. Third Parties must obtain consent or a proper license from the patent owner to use the patent. Otherwise, the unauthorized use constitutes an infringement on the patent rights.

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Trademark

According to the *Trademark Law of the PRC* (《中華人民共和國商標法》) promulgated by the SCNPC on August 23, 1982, which was recently amended on April 23, 2019 and became effective on November 1, 2019, registered trademarks are valid for 10 years from the date the registration is approved. A registrant may apply to renew a registration within 12 months before the registration expiration date. If the registrant fails to apply in a timely manner, a grace period of 6 additional months may be granted. If the registrant fails to apply before the grace period expires, the registered trademark shall be deregistered. Renewed registrations are valid for 10 years. On April 29, 2014, the State Council issued the revised *Implementing Regulations of the Trademark Law of the PRC* (《中華人民共和國商標法實施條例》), which became effective on May 1, 2014 and specifies the requirements for the application of trademark registration and renewal.

Copyright

On September 7, 1990, the SCNPC promulgated the *Copyright Law of the PRC* (《中華人民共和國著作權法》) (the “**Copyright Law**”), which was amended on November 11, 2020. According to the Copyright Law, Chinese citizens, legal persons and organizations shall own copyright to their copyrightable works, regardless of whether such works are published or not, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software. Copyright owners enjoy certain legal rights, including the right of publication, right of authorship and right of reproduction. An infringer of copyrights shall be subject to various civil liabilities, which include ceasing infringement activities, apologizing to the copyright owners and compensating the loss of copyright owner. An infringer of copyrights may also be subject to fines and/or administrative or criminal liabilities under certain circumstances. In order to further implement the *Regulations on Computer Software Protection* (《計算機軟件保護條例》) which was recently amended on January 30, 2013 and became effective on March 1, 2013, the National Copyright Administration issued the *Measures for the Registration of Computer Software Copyright* (《計算機軟件著作權登記辦法》) on February 20, 2002, which was amended on July 1, 2004 and specifies detailed procedures and requirements with respect to the registration of software copyrights.

Domain Names

According to the *Administrative Measures for Internet Domain Names* (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and became effective from November 1, 2017, the establishment of domain name root servers and domain name root server operation institutions, domain name registration management institutions and domain name registration service institutions within the territory of the PRC shall obtain permission from the MIIT or the communications administration department of the province, autonomous region or municipality directly under the Central Government. The principle of “first come, first served” applies to domain name registration services. The *Notice of the Ministry of Industry and Information Technology on Regulating the Use of Domain Names in Internet Information Services* (《工業和信息化部關於規範互聯網信息服務使用域名的通知》), which was promulgated by the MIIT on November 27, 2017 and came into effect on January 1, 2018, stipulates the obligations of Internet information service providers and other entities to combat terrorism and maintain network security.

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REGULATIONS RELATING TO TAXATION

Enterprise Income Tax

According to the *EIT Law of the PRC* (《中華人民共和國企業所得稅法》) amended by the SCNPC and became effective on December 29, 2018, and the *Implementation Rules of the EIT Law of the PRC* (《中華人民共和國企業所得稅法實施條例》) amended by the State Council on December 6, 2024 and became effective on January 20, 2025, an enterprise which is established within the PRC in accordance with the laws or established in accordance with any laws of the foreign country (region) but with an actual management entity within the PRC shall be regarded as a resident enterprise. A resident enterprise shall be subject to an EIT of 25% of any income generated within or outside the PRC. Preferential enterprise income tax is granted to industries and projects that are supported and encouraged by the country. For high and new technology enterprises that need the support of the country are entitled to enjoy the reduced enterprise income tax rate of 15%.

Value-added Tax

On December 25, 2024, the SCNPC promulgated the *Value-Added Tax (the “VAT”) Law of the PRC* (《中華人民共和國增值稅法》), which became effective on January 1, 2026, and stipulates that enterprises and individuals selling goods, services, intangible assets, or immovable property within the territory of the PRC, as well as importing goods, shall be taxpayers of value-added tax. The VAT rate for taxpayers selling goods, processing, repair and fitting services, and tangible movable property leasing services, as well as for importing goods, shall be 13%. Unless otherwise stipulated by the State Council, the VAT rate for exported goods shall be zero percent.

Pursuant to the *Announcement on the Additional Deduction Policy for Value-Added Tax of Advanced Manufacturing Enterprises* (《財政部、稅務總局關於先進製造業企業增值稅加計抵減政策的公告》) issued by the MOF and the SAT on September 3, 2023, which took effect on January 1, 2023, from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct an additional 5% of the deductible input value-added tax from their payable value-added tax amount.

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Taxation on Dividends

Individual Investors

Pursuant to the *Individual Income Tax Law of the PRC* (《中華人民共和國個人所得稅法》) (the “IIT Law”), which was promulgated by the SCNPC on September 10, 1980, and was most recently amended on August 31, 2018, and effective on January 1, 2019, and the *Implementation Regulations of the IIT Law* (《中華人民共和國個人所得稅法實施條例》), which was most recently amended on December 18, 2018, and effective on January 1, 2019 by the State Council, dividends distributed by PRC enterprises are subject to individual income tax levied at a flat rate of 20%. At the same time, according to the *Notice on Issues Concerning Differentiated IIT Policies for Dividends and Bonuses of Listed Companies* (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) issued by the MOF, the SAT and the CSRC on September 7, 2015, and effective on September 8, 2015, which was partially abolished by the MOF, the SAT and the CSRC where an individual acquires stocks of a listed company from public offering of the company or from the stock transfer market and holds the stocks for more than one year, the income from dividends is exempt from IIT; where an individual acquires stocks of a listed company from public offering of the company or from the stock transfer market and holds the stocks for one month or less, the full amount of such income from dividends shall be included in taxable income; if the individual holds the stocks for one month to one year, 50% of such income from dividends shall be included in taxable income; the aforesaid income is subject to an IIT at a flat rate of 20%.

Enterprise Investors

In accordance with the *EIT Law of the PRC* (《中華人民共和國企業所得稅法》), which was promulgated by the SCNPC on March 16, 2007, and was most recently amended with immediate effect on December 29, 2018, and the *Implementing Rules of the EIT Law* (《中華人民共和國企業所得稅法實施條例》) most recently amended on December 6, 2024, the rate of EIT shall be 25%. A non-resident enterprise is generally subject to a 10% EIT on PRC-sourced income (including dividends received from a PRC resident enterprise that issues shares in Hong Kong), it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. The aforesaid income tax payable by non-resident enterprises is deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise.

REGULATIONS RELATING TO BONDED ZONES

According to the *Several Opinions of the State Council on Promoting the High Level Opening-up and High-Quality Development of Comprehensive Bonded Zones* (《國務院關於促進綜合保稅區高水平開放高質量發展的若干意見》) issued and implemented by the State Council on January 12, 2019, customs business approval procedures shall be simplified to support enterprises within comprehensive bonded zones in self-filing, reasonably self-determining the verification cycle, self-reporting, and independently making up tax payments.

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Entry and exit management shall be simplified. A facilitated management mode for entry into and exit from the zones is permitted for goods and articles entering from domestic areas that do not involve export tariffs, do not involve trade control certificates, do not require tax refunds, and are not included in customs statistics. The flow of goods shall be facilitated. Intelligent supervision means shall be applied, supervision modes shall be innovated, business processes shall be simplified, automatic data comparison and automatic gate release shall be implemented, direct point-to-point circulation of bonded goods shall be achieved, operating costs shall be reduced, and supervision efficiency shall be enhanced. According to the *Measures of the People's Republic of China for Customs of Comprehensive Bonded Zones* (《中華人民共和國海關綜合保稅區管理辦法》) issued by the GAC on January 1, 2022, implemented on April 1, 2022, revised on October 28, 2024 and became effective on December 1, 2024, customs supervises and administers means of transport, goods and their packaging, containers, articles entering or leaving the comprehensive bonded zones, as well as enterprises within the zones in accordance with these Measures. Unless otherwise stipulated by laws or regulations, goods shipped from a comprehensive bonded zone to overseas are exempt from export tariffs. Goods moving between a comprehensive bonded zone and other special customs supervision areas such as other comprehensive bonded zones or bonded supervision venues are subject to bonded treatment. No customs duties or import-related taxes shall be levied on goods transferred between comprehensive bonded zones and other special customs supervision areas or bonded supervision venues. According to the *Announcement on Value-Added Tax and Consumption Tax Policies for Export Business* (《關於出口業務增值稅和消費稅政策的公告》) issued by the MOF and the SAT on January 30, 2026, and effective from January 1, 2026, goods declared through Customs by export enterprises that enter into a state-approved bonded port area, comprehensive bonded zone, Zhuhai Park of the Zhuhai-Macao Cross-Border Industrial Zone or bonded logistics center (Type B) (collectively referred to as “special areas”), and are sold to entities or individuals within such special areas or to overseas entities or individuals, shall be regarded as export goods.

REGULATIONS ON SECURITIES AND OVERSEAS LISTINGS

Securities Laws and Regulation

The *Securities Law of the PRC* (《中華人民共和國證券法》), which was promulgated by the SCNPC on December 29, 1998, and was amended on December 28, 2019 and took effect on March 1, 2020, comprehensively regulating activities in the Chinese Mainland securities market including issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities, etc. The Securities Law further regulates that a domestic enterprise issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council and for subscription and trading of shares of domestic companies using foreign currencies, detailed measures shall be stipulated by the State Council separately. The CSRC is the securities regulatory body set up by the State Council to supervise and administer the securities market according to law, maintain order in the market, and ensure the market operates in a lawful manner. Currently, the issue and trading of H shares are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

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Overseas Listing

On February 17, 2023, the CSRC promulgated the *Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Companies* (《境內企業境外發行證券和上市管理試行辦法》) and circulated five supporting guidelines (collectively, the “**Filing Rules**”), which has become effective on March 31, 2023. The Filing Rules has comprehensively improved and reformed the regulatory regime for overseas offering and listing of the PRC domestic companies’ securities and regulate both direct and indirect overseas offering and listing of the PRC domestic companies’ securities by adopting a filing-based regulatory regime. The Filing Rules apply to all overseas equity financing and listing activities of PRC domestic companies, including initial and follow-on offerings of shares, depository receipts, convertible corporate bonds, or other equity instruments and trading of securities in overseas market.

The Filing Rules provides that no overseas offering and listing shall be made under any of the following circumstances: (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) the domestic company intending to make the securities offering and listing, or its controlling shareholders and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the domestic company intending to make the securities offering and listing is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the domestic company’s controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller. Additionally, the Filing Rules stipulates that after an issuer has offering and listing securities in an overseas market, the issuer shall submit a report to the CSRC within 3 working days after the occurrence and public disclosure of (i) a change of control thereof; (ii) investigations of or sanctions imposed on the issuer by overseas securities regulators or relevant competent authorities; (iii) changes of listing status or transfers of listing segment; and (iv) a voluntary or mandatory delisting. Overseas offering and listing by domestic companies shall be made in strict compliance with relevant laws, administrative regulations and rules concerning national security in spheres of foreign investment, cybersecurity, data security and etc., and duly fulfill their obligations to protect national security.

On February 24, 2023, the CSRC and three other relevant government authorities jointly promulgated the *Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises* (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》), which became effective on March 31, 2023. Pursuant to the *Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises*, where a domestic enterprise provides or publicly discloses any document or material that involving state secrets and working secrets of state agencies to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, it shall report to the competent department with the examination and

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approval authority for approval in accordance with the law, and submit to the secrecy administration department of the same level for filing. The working papers formed within the territory of the Chinese Mainland by the securities companies and securities service agencies that provide corresponding services for the overseas issuance and listing of domestic enterprises shall be kept within the territory of the Chinese Mainland. Cross-border transfer shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

OTHER REGULATIONS

Information Disclosure

A listed company shall establish a sound information management system in accordance with the regulatory requirements of the securities authorities, market practice, its specific circumstances, and the general information disclosure requirements for listed companies, such as the *Administrative Measures for the Disclosure of Information of Listed Companies* (《上市公司信息披露管理办法》) promulgated by the CSRC on January 30, 2007, which was most recently amended on March 26, 2025 and became effective on July 1, 2025.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN THAILAND

Civil and Commercial Code

The Civil and Commercial Code of Thailand, as amended (the “CCC”), serves as a cornerstone legal framework governing a broad spectrum of legal matters, including, but not limited to: property law, corporate law, family law, inheritance law, contract law, and commercial law. Corporate law, and particularly shareholding regulations, is one of the key areas addressed by the CCC.

Foreign Business Act

The Foreign Business Act B.E. 2542 (1999), as amended (the “FBA”), is the most important law governing foreigners’ participation in businesses in Thailand. Although there is no limit to the percentage of shares that foreign investors may own in a limited company, if half or more than half of a company’s shares are held by non-Thai individuals and/or juristic persons, it will be considered a foreign-majority-owned company and subject to the FBA. Under the FBA, foreign-majority-owned companies are subject to various restrictions when conducting certain business activities in Thailand. Such business activities are divided into 3 (three) lists, i.e., List 1, List 2, and List 3. List 3 includes, among others, all service businesses, wholesale, retail, etc. For the restricted business activities indicated in List 3, a foreign-majority-owned company may apply for a Foreign Business License (“FBL”) with the approval of the Foreign Business Committee, the Ministry of Commerce. Alternatively, a foreign-majority-owned company can opt to pursue a Foreign Business Certificate (“FBC”), which is a notification process and not an approval process, instead of applying for an FBL, if it meets the following qualifications: (1) it qualifies for protection under an international treaty that Thailand has entered into, such as the Treaty of Amity and Economic Relations between the United States and Thailand (“**Thai-US Treaty of Amity**”) in respect of the US majority

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shareholders and directorship requirements; or (2) it obtains an investment promotion from the Board of Investment (“**BOI**”) under the Investment Promotion Act. B.E. 2520 (A.D.1977), as amended; or (3) it is located in an industrial estate, and it obtains an operational license from the Industrial Estate Authority of Thailand (“**IEAT**”). Generally, a manufacturing business (including the sale of the manufactured products) is not a restricted business under List 1, 2, or 3 of the FBA, and therefore, a foreign-majority-owned company can operate a manufacturing business, including the manufacturing of PCB without obtaining an FBL or an FBC. However, if the business structure involves acting purely as an Original Equipment Manufacturer (OEM), providing services classified as service business to other manufacturers (rather than direct manufacturing and sale of own products) and/or charge service fees, it may fall under the restricted List 3 and require a FBC or FBL.

Regulations in Relation to Investment Promotion

Investment Promotion Act B.E. 2520 (1977) (“**IPA**”) aims to promote certain businesses or projects in Thailand that contribute to the country’s economic growth, provided that these businesses are deemed important and beneficial to economic and social development. Under the IPA, the BOI has the authority to assess and grant BOI promotion to businesses that meet the criteria specified under the IPA. The IPA offers investment promotion in various aspects, including tax incentives, permitting to hire skilled workers, land ownership rights and tax benefits related to import of raw materials and machinery.

Factory Act

The Factory Act B.E. 2535 (1992) (the “**FA**”), as amended, is the primary legislation that regulates the establishment, operation, expansion, safety, and environmental impact of industrial facilities in Thailand. The FA is administered by the Department of Industrial Works (the “**DIW**”) of the Ministry of Industry. Under the FA, the definition of a factory generally encompasses any premises utilizing machinery above a specified power threshold (currently 5 horsepower) or employing a minimum number of workers (currently 7 employees) for the purpose of manufacturing or processing activities, as further detailed in relevant Ministerial Regulations. Therefore, depending on the specific scale of operations (e.g., once the Company employs 50 or more employees or possesses machinery with a combined power of 50 horsepower or greater), the Company may be required to apply for and obtain a Factory Business License (Ror.Ngor.4) from the DIW before commencing operations. However, if the Company is situated in an Industrial Zone, the FA requires the Company to apply for and obtain the Kor.2 (another version of the Factory Business License that is required due to the type of industrial estate) from the DIW before commencing operations.

Labor Laws

The principal laws that govern labor matters in Thailand are the CCC Sections 575-586 — Hire of Services, which sets out the principles of the contractual relationship between the employer and the employee, as well as the Labor Protection Act B.E. 2541 (“**LPA**”). This is in addition to certain other relevant laws which primarily include: (1) The Labor Relations Act B.E. 2518 (1975), which provides for the supervision of the establishment of labor unions and other similar employer and employee associations, including their administration; (2) The Act

REGULATORY OVERVIEW

on Establishment of Labor Courts and Labor Court Procedures B.E. 2522 (1979), which was enacted to establish the Labor Courts and their procedures, as well as to protect employees in circumstances of unfair termination; (3) The Provident Fund Act B.E. 2530 (1987); (4) The Social Security Act B.E. 2533 (1990); (5) The Workmen’s Compensation Act B.E. 2537 (1994); (6) The Labor’s Skills Development Act B.E. 2545 (2002); (7) The Persons with Disabilities Empowerment Act B.E. 2550 (2007); and (8) The Emergency Decree on Foreigners’ Working Management B.E. 2560 (2017), which requires foreign nationals to obtain work permits prior to working in Thailand. This Act and the accompanying Royal Decree designate certain occupations that foreign nationals are excluded from undertaking. The present list contains 40 occupations that are prohibited for foreigners.

REGULATIONS IN TAIWAN RELATING TO INVESTMENT IN THE CHINESE MAINLAND

General

The Act Governing Relations between the People of the Taiwan Area and Mainland Area (台灣地區與大陸地區人民關係條例) (“**Relations Act**”) covers a broad spectrum of cross-Taiwan Strait matters, including documentation verification, employment, inheritance, transportation, advertisements, business activities, and civil and criminal penalties.

The Relations Act authorized the Taiwan Ministry of Economic Affairs (經濟部) (the “**MOEA**”) to promulgate the Permission Rules for Investment or Technical Cooperation in Mainland China (在大陸地區從事投資或技術合作許可辦法), and the Review Principles for Investments or Technical Cooperation in Mainland China (在大陸地區從事投資或技術合作審查原則) (collectively, “**Chinese Mainland Investment Approval Regulations**”). Among other things, the Chinese Mainland Investment Approval Regulations set forth a list of items in which Taiwanese Investors (as defined below) may or may not invest or cooperate with the Chinese Mainland (“**Investment List**”). Currently, the Investment List is divided into two categories: general items (一般類) and prohibited items (禁止類). “Prohibited items” are those items for which a Taiwanese Investor’s investment or technical cooperation is prohibited because of reasons linked to (i) international conventions, (ii) national security, (iii) major infrastructure projects, and (iv) industrial developments (such as core technologies and essential components). Items not identified as prohibited are “general items” for which investment is permitted with prior approval from or post-investment report to the Department of Investment Review of the MOEA (the “**DIR**”).

Definition of Investment in the Chinese Mainland

According to Article 3 of the Permission Rules for Investment or Technical Cooperation in Mainland China, an investment in the Chinese Mainland made by individuals with Taiwan household registrations or Taiwan-incorporated entities (“**Taiwanese Investors**”) includes: (i) establishing a new company or enterprise in the Chinese Mainland; (ii) increasing capital in an existing company or enterprise in the Chinese Mainland; (iii) acquiring shareholding in an existing company or enterprise in the Chinese Mainland (excluding the purchase of shares of a listed company); and (iv) establishing or expanding a branch or enterprise in the Chinese Mainland.

REGULATORY OVERVIEW

Under the Chinese Mainland Investment Approval Regulations, where a Taiwanese Investor invests in a company in a third region (i.e. outside Taiwan and the Chinese Mainland) that directly or indirectly engages in any of the aforementioned investment activities in the Chinese Mainland, and such Taiwanese Investor (a) acts as a director, supervisor, manager or holds an equivalent position in such third-region company, or (b) holds more than 10% of the shares or capital contribution in such third-region company, such investment in the third-region company will also be deemed to be an investment in the Chinese Mainland under the Chinese Mainland Investment Approval Regulations. Such investment is subject to prior approval by, or post-investment report to, the DIR.

In addition, according to the rules published by the DIR, where, at the time a Taiwanese Investor invests in a third-region company, such third-region company already has any direct or indirect investment in the Chinese Mainland, such Taiwanese Investor is still required, pursuant to the Chinese Mainland Investment Approval Regulations, to apply for prior approval from, or make a post-investment report to, the DIR in respect of its investment in the Chinese Mainland, even if such Taiwanese Investor does not (a) act as a director, supervisor, manager or hold an equivalent position in such third-region company; or (b) hold more than 10% of the shares or capital contribution in such third-region company.

However, there are exemptions for listed companies on overseas or Hong Kong/Macau securities markets. According to the FAQs (常見問答集) published on the DIR’s website, direct or indirect securities investments made by Taiwanese Investors in companies listed on overseas or Hong Kong/Macau securities markets require prior approval from, or post-investment report to, the DIR only if the Taiwanese Investor (a) acts as director, supervisor, manager or holds an equivalent position or (b) holds a shareholding or capital contribution of more than 10% in such third-region company.

Among our Single Largest Group of Shareholders, Mr. Wu Chuan Pin has invested in our Company through Biggering Holdings and Happy Union, and Ms. Chen May Fong and Mr. Wu Chuanlin have invested in our Company through Biggering Holdings. As advised by our Company’s Taiwan legal advisor, Mr. Wu Chuan Pin has been granted permission to renounce his Republic of China nationality and therefore falls outside the scope of the Relations Act; Ms. Chen May Fong and Mr. Wu Chuanlin have each moved out of the Taiwan household registration system and therefore no longer qualify as “individuals with household registration in Taiwan” under Article 2 of the Relations Act. Accordingly, the investments in our Company by Ms. Chen May Fong, Mr. Wu Chuan Pin and Mr. Wu Chuanlin through Biggering Holdings, as well as the investment in our Company by Mr. Wu Chuan Pin through Happy Union, are currently not subject to the requirements under the aforementioned Chinese Mainland Investment Approval Regulations.

REGULATORY OVERVIEW

Penalty

If a Taiwanese Investor of our Company violates the Chinese Mainland Investment Approval Regulations when investing without obtaining prior approval from or making a post-investment report to the DIR, and such investment falls within the category of general items, such Taiwanese Investor would be subject to an administrative fine ranging from NT\$50,000 to NT\$25,000,000, and may also be ordered by the DIR to cease or rectify the violation within a prescribed period. If such Taiwanese Investor fails to cease or rectify the violation within that period, consecutive penalties may be imposed. Such penalties would not be imposed on our Company or our Company’s subsidiaries in the Chinese Mainland in which such Taiwanese Investors have invested.

Approval from Taiwan Regulatory Authorities for the [REDACTED]

Our Company has [REDACTED] to the Stock Exchange for the [REDACTED] of, and permission to [REDACTED] in, the H Shares to be [REDACTED] pursuant to the [REDACTED] (including any additional H Shares which may be [REDACTED] pursuant to the exercise of the [REDACTED]). As advised by the Company’s Taiwan legal advisor, since our Company is established in the Chinese Mainland, no approval from Taiwan regulatory authorities is required with regard to the [REDACTED] and the [REDACTED].

HISTORY AND CORPORATE STRUCTURE

OVERVIEW

Our history can be traced back to April 1992, when our founders, Mr. WU Li-Gann and Ms. CHEN May Fong, founded WUS Printed Circuit (Kunshan) Company Limited (昆山滬士電子有限公司) (the “**Predecessor**”) in the PRC, and established our first PCB production base in Kunshan. Prior to founding our Group, Mr. WU Li-Gann and Ms. CHEN May Fong started their career in the electronics industry in Taiwan, where they founded WUS TW in May 1978, a PCB manufacturing company that was later listed on the Taiwan Stock Exchange (stock code: 2316.TW). Mr. WU Li-Gann served as a director and the chairman of the Board of our Company from April 1992 to March 2024, and led the Group’s global development in the PCB industry since its establishment. For details of the working and industry experience of Ms. CHEN May Fong, please refer to “Directors and Senior Management” in this document. Leveraging their extensive industry experience and international business insights, our Group has progressively expanded to be the world’s leading PCB solution provider to the data communications sector.

In February 2003, our Predecessor was converted from a limited liability company into our Company, a joint stock limited company, and renamed as WUS Printed Circuit (Kunshan) Co., Ltd. (滬士電子股份有限公司). In August 2010, our A Shares were listed on the Shenzhen Stock Exchange under the stock code 002463. As at the Latest Practicable Date, our Single Largest Group of Shareholders held 20.35% of our total issued share capital.

MILESTONES

The following is a summary of our key business development milestones.

Year	Event
1992 . . .	Our Predecessor, WUS Printed Circuit (Kunshan) Company Limited (昆山滬士電子有限公司), was established.
1998 . . .	We strategically shifted our focus to the communications sector and developed products for communication backplanes, a segment characterized by high technological barriers and significant growth potential. This shift in focus established our technological foundation in high-layer count, high-thickness and oversize PCBs.
2002 . . .	We identified growth opportunities in the automotive industry, and our major subsidiary, WUS KEPZ, was established.
2003 . . .	Our Predecessor was converted from a limited liability company into our Company, a joint stock limited company, and renamed as WUS Printed Circuit (Kunshan) Co., Ltd. (滬士電子股份有限公司).
2007 . . .	We strategically began to exit the highly competitive consumer electronics market and concentrate on data communications and smart vehicles sectors.

HISTORY AND CORPORATE STRUCTURE

Year	Event
2010 . . .	Our A Shares were listed on the Shenzhen Stock Exchange (stock code: 002463).
2012 . . .	Our major subsidiary, WUS Huangshi, was established.
2017 . . .	Our Group increased its shareholding in Schweizer to approximately 19.74% to enhance our strategic cooperation with Schweizer.
2022 . . .	Our subsidiary in Thailand, WUS Thailand, was established.
2023 . . .	Our Group obtained an 80% equity interest in Jiangsu Schweizer through a share transfer and capital increase. The purpose of the acquisition was to support the expansion of our automotive PCB business and enhance our capabilities in serving customers in the automotive sector, which is aligned with our long-term development strategy.
	The construction of our Thai production base commenced.
2024 . . .	Our Thai production base began trial operation.
2025 . . .	We increased our capital expenditures, expanded and upgraded high-end production capacity to meet customer demand.

OUR MAJOR SUBSIDIARIES

As of the Latest Practicable Date, the following entities were our Major Subsidiaries which had made a material contribution to our results of operations during the Track Record Period:

Name of subsidiary	Place of establishment	Date of establishment	Equity interest attributable to our Group	Principal business activities
WUS KEPZ	PRC	September 16, 2002	100%	Manufacturing and Sales of PCB Products
WUS International . .	Hong Kong	August 28, 2006	100%	Trading and Sales of PCB Products
WUS Huangshi	PRC	February 27, 2012	100%	Manufacturing and Sales of PCB Products
Jiangsu Schweizer ⁽¹⁾ .	PRC	December 18, 2017	99%	Manufacturing and Sales of PCB Products
WUS Thailand	Thailand	October 4, 2022	99%	Manufacturing and Sales of PCB Products

HISTORY AND CORPORATE STRUCTURE

Note:

- (1) Jiangsu Schweizer became a subsidiary of our Company in April 2023, when we obtained an 80% equity interest in Jiangsu Schweizer through a share transfer and capital increase at a total consideration of RMB273,608,000, which was determined based on arm’s length negotiations among the parties with reference to the appraised value of the equity of Jiangsu Schweizer conducted by an independent valuer. In December 2024, our Company further increased its shareholding in Jiangsu Schweizer from 80% to 84% through a capital injection. In November 2025, our Company acquired an additional 15% equity interests in Jiangsu Schweizer from Schweizer. As of the Latest Practicable Date, Jiangsu Schweizer was owned as to 99% by our Company and 1% by Schweizer.

For further details of our Company’s subsidiaries, see “— Corporate Structure” in this section.

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

Early Development and Conversion into a Joint Stock Company

Our Predecessor was established on April 14, 1992, under the laws of the PRC as a limited liability company with an initial registered capital of USD20 million, which was contributed by Biggering Limited.

Upon the completion of several rounds of share transfers and capital injections, as of August 20, 2002, the registered capital of our Predecessor was increased to USD67.5 million, held by WUS Holdings as to 45.0%, by Biggering Holdings as to 31.0%, by Zhongxin Venture Capital as to 15.0%, by Hepai Partnership as to 3.0%, by Dukun Kunshan as to 3.0%, by Kunshan Asset as to 2.6% and by Suzhou Huaxi as to 0.4%.

In February 2003, our Predecessor was converted from a limited liability company to our Company, a joint stock company with limited liability, with WUS Holdings, Biggering Holdings, Zhongxin Venture Capital, Hepai Partnership, Dukun Kunshan, Kunshan Asset and Suzhou Huaxi being our promoters and the registered capital of our Company being RMB612,030,326. The shareholding structure of our Company immediately following our conversion into a joint stock company was as follows:

Shareholder	Number of Shares	Percentage of Shareholding
WUS Holdings	275,413,646	45.00%
Biggering Holdings	189,729,401	31.00%
Zhongxin Venture Capital ⁽¹⁾	91,804,549	15.00%
Hepai Partnership ⁽²⁾	18,360,910	3.00%
Dukun Kunshan	18,360,910	3.00%
Kunshan Asset	15,912,789	2.60%
Suzhou Huaxi	2,448,121	0.40%
Total	612,030,326	100.00%

HISTORY AND CORPORATE STRUCTURE

Notes:

- (1) As of the Latest Practicable Date, Zhongxin Venture Capital was wholly owned by Suzhou Oriza Holdings Corporation (蘇州元禾控股股份有限公司), which was owned as to approximately 59.98% by Suzhou Industrial Park Economic Development Co., Ltd. (蘇州工業園區經濟發展有限公司) and other two shareholders each holding less than 30% interests. Suzhou Industrial Park Economic Development Co., Ltd. was owned as to 90% by Suzhou Industrial Park Management Committee (蘇州工業園區管理委員會). As of the Latest Practicable Date, Zhongxin Venture Capital was no longer a substantial shareholder of the Company, thus all the aforementioned entities are Independent Third Parties.
- (2) Immediately following our conversion into a joint stock company, Hepai Partnership was owned as to 49.05% by Mr. WU Chuan Pin and 26.77% by Ms. DENG Wenlan, both of whom are members of the WU Family, and as to 24.18% by Ms. Mok Yuet Ngor, Candy, an Independent Third Party. Hepai Partnership transferred all the Shares held by it to Happy Union in March 2009.

Between February 2003 and March 2009, our Company underwent several rounds of share transfers, upon completion of which our Shares was held by Biggering Holdings as to 31.0%, by WUS Holdings as to 27.0%, by Zhongxin Venture Capital as to 15.0%, by Happy Union as to 6.0%, and by other 11 then shareholders of our Company as to 21.0%. Details of the shareholding structure of our Company at the time was as follows:

Shareholder	Number of Shares	Percentage shareholding
Biggering Holdings	189,729,557	31.00%
WUS Holdings	165,247,580	27.00%
Zhongxin Venture Capital	91,804,549	15.00%
HDF Co., Ltd. ⁽¹⁾	39,700,000	6.49%
Happy Union	36,721,820	6.00%
Dukun Kunshan	18,360,910	3.00%
Shenzhen Zhongke Huishang Venture Capital Co., Ltd. (深圳中科匯商創業投資有限公司) ⁽¹⁾	18,360,910	3.00%
Kunshan Asset ⁽¹⁾	15,912,789	2.60%
Hunan Zhongke Yuelu Venture Capital Co., Ltd. (湖南中科岳麓創業投資有限公司) ⁽¹⁾	10,240,606	1.67%
Multi Yield Plus Co., Ltd. ⁽¹⁾	8,000,000	1.31%
Kunshan Aipai Investment Development Co., Ltd. (昆山市愛派爾投資發展有限公司) ⁽¹⁾	5,000,000	0.82%
Kunshan Hengda Construction Consulting Services Co., Ltd. (昆山市恒達建設專案諮詢服務有限公司) ⁽¹⁾	3,770,000	0.62%
Suzhou Zhengxin Engineering Consulting Services Co., Ltd. (蘇州正信工程造價諮詢事務所有限責任公司) ⁽¹⁾	3,700,000	0.60%
Kunshan Junjia Holdings Co., Ltd. (昆山市駿嘉控股有限公司, now known as Jiangsu Junjia Holdings Co., Ltd. (江蘇駿嘉控股有限公司)) ⁽¹⁾	3,033,484	0.50%
Suzhou Huaxi ⁽¹⁾	2,448,121	0.40%
Total	612,030,026	100.00%

HISTORY AND CORPORATE STRUCTURE

Note:

- (1) Except for Biggering Holdings, Happy Union, WUS Holdings, Zhongxin Venture Capital and Dukun Kunshan (wholly-owned by the Wu Family at the time), other Shareholders of our Company as set out above are all Independent Third Parties at the time.

Listing on the Shenzhen Stock Exchange and Subsequent Change of Share Capital

On August 18, 2010, our A Shares were listed on the Shenzhen Stock Exchange under the stock code 002463. In connection with the A Shares listing (the “A-Shares Listing”), we issued an aggregate of 80,000,000 A Shares, accounting for approximately 11.56% of our enlarged share capital immediately following the completion of the A-Shares Listing. Immediately upon the completion of the A-Shares Listing, our registered capital was increased to RMB692,030,326, and Biggering Holdings and Happy Union held approximately 27.42% and 5.31% of our Company’s then share capital, respectively.

Subsequent to the completion of the A-Shares Listing, our Company underwent several rounds of conversion of capital reserve into share capital from 2011 to 2014, upon completion of which our registered capital was increased to RMB1,674,159,763.

Since 2018, there had been several instances of share capital changes of our Company as a result of conversion of capital reserve into share capital, cancellation of repurchased A Shares and issuance of A Shares under our 2018 Restricted Shares Incentive Plan and 2020 Share Option Incentive Plan. As of the Latest Practicable Date, the total share capital of our Company was RMB1,924,363,537, divided into 1,924,363,537 A Shares.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we had not conducted any acquisitions, disposals or mergers that we consider material to us.

OUR A SHARE LISTING AND REASONS FOR THE H SHARE [REDACTED]

Since August 2010, our A Shares have been listed on the Shenzhen Stock Exchange. Our Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, there had been no instances of our material non-compliance with the applicable rules of the Shenzhen Stock Exchange and other applicable PRC securities laws and regulations. To the best knowledge of our Directors having made all reasonable enquiries, there are no material matters in relation to our compliance record on the Shenzhen Stock Exchange that should be brought to the attention of the Stock Exchange or potential [REDACTED] of the [REDACTED]. Based on the filings on the website of the Shenzhen Stock Exchange and the information available in the public domain, our PRC Legal Advisor is of the view that, there had been no instances of our material non-compliance with the applicable securities laws and regulations in the PRC in relation to its listing on the Shenzhen Stock Exchange in any material respect during the Track Record Period and up to the Latest Practicable Date. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors’ attention that would cause them to disagree with our Directors’ confirmation with regard to the compliance records of our Company on the Shenzhen Stock Exchange.

HISTORY AND CORPORATE STRUCTURE

We seek to [REDACTED] our H Shares on the Stock Exchange to broaden our Company’s international financing channels, enhance our global brand and image, meet the needs of our international business development, and further advance our Company’s globalization strategy. See “Business — Our Strategies” and “Future Plans and Use of [REDACTED]” in this document for more details.

PUBLIC FLOAT

Rule 19A.13A(2) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public, at the time of listing, must (a) represent at least 10% of the issuer’s total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK\$3,000,000,000.

Our A Shares are listed on the Shenzhen Stock Exchange. The total number of the H Shares to be [REDACTED] pursuant to the [REDACTED] represents approximately [REDACTED]% of the total issued share capital of our Company (before any exercise of the [REDACTED]). Based on [REDACTED] H Shares to be [REDACTED] pursuant to the [REDACTED] (assuming the [REDACTED] is not exercised), the total market value of the H Shares expected to be held by the public represents approximately HK\$[REDACTED] calculated based on [REDACTED] of HK\$[REDACTED] per H Share (being the low end of the indicative [REDACTED]), which is higher than HK\$3,000,000,000, thereby satisfying Rule 19A.13A(2)(b) of the Listing Rules.

FREE FLOAT

Rule 19A.13C(2) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK\$50,000,000; or (b) have an expected market value at the time of listing of not less than HK\$600,000,000.

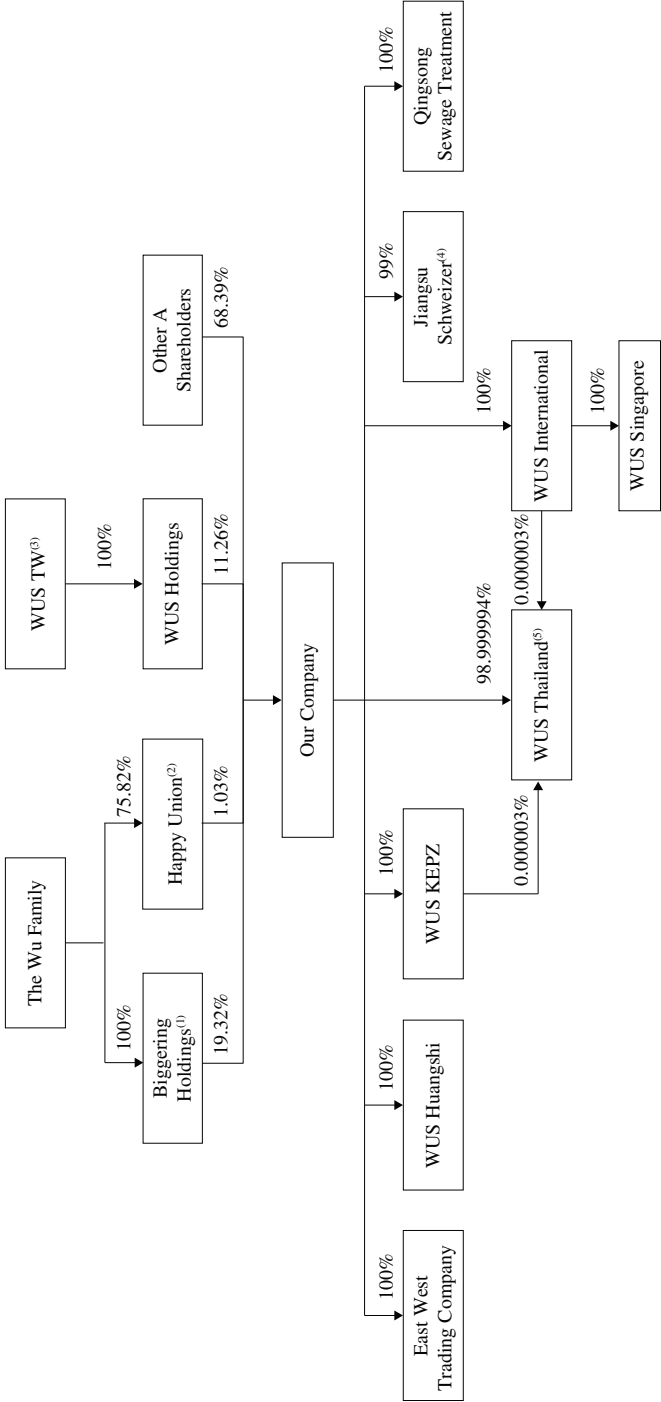
The Company has proposed to adopt mechanism B under Chapter 4.14 of the Guide for New Listing Applicants. Accordingly, 10% of the initial [REDACTED] shall be [REDACTED] to the [REDACTED], and at least 40% of the [REDACTED] shall be [REDACTED] to the [REDACTED] (other than [REDACTED]) pursuant to paragraph 3.2 of Practice Note 18 to the Listing Rules. Therefore, at least 50% of the [REDACTED] will not be subject to lock-up at the time of the [REDACTED]. Taking into account the total number of at least [REDACTED] H shares which will be held by the public and not subject to any disposal restrictions, with expected [REDACTED] at the time of the [REDACTED] of approximately HK\$[REDACTED] calculated based on the low-end indicative [REDACTED] of HK\$[REDACTED] per H Share, which is higher than the prescribed [REDACTED] of not less than HK\$600,000,000 under Rule 19A.13C(2)(b), the Company will thereby satisfy the free float requirement under Rule 19A.13C(2)(b) of the Listing Rules at the time of [REDACTED].

HISTORY AND CORPORATE STRUCTURE

CORPORATE STRUCTURE

Corporate Structure Immediately Before the [REDACTED]

The following chart sets forth the simplified shareholding and corporate structure of our Group immediately before the [REDACTED], assuming that no changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED].



Notes:

(1) Prior to the passing of Mr. WU Li-Gann, Biggering Holdings was legally owned as to 25%, 25%, 35% and 15% by Mr. WU Li-Gann, Ms. CHEN May Fong, Mr. WU Chuan Pin and Mr. WU Chuanlin, respectively. Following the passing of Mr. WU Li-Gann in April 2024, pursuant to the inheritance agreement, Biggering Holdings shall be legally owned as to 38.75%, 41.25% and 20% by Ms. CHEN May Fong, Mr. WU Chuan Pin and Mr. WU Chuanlin, respectively.

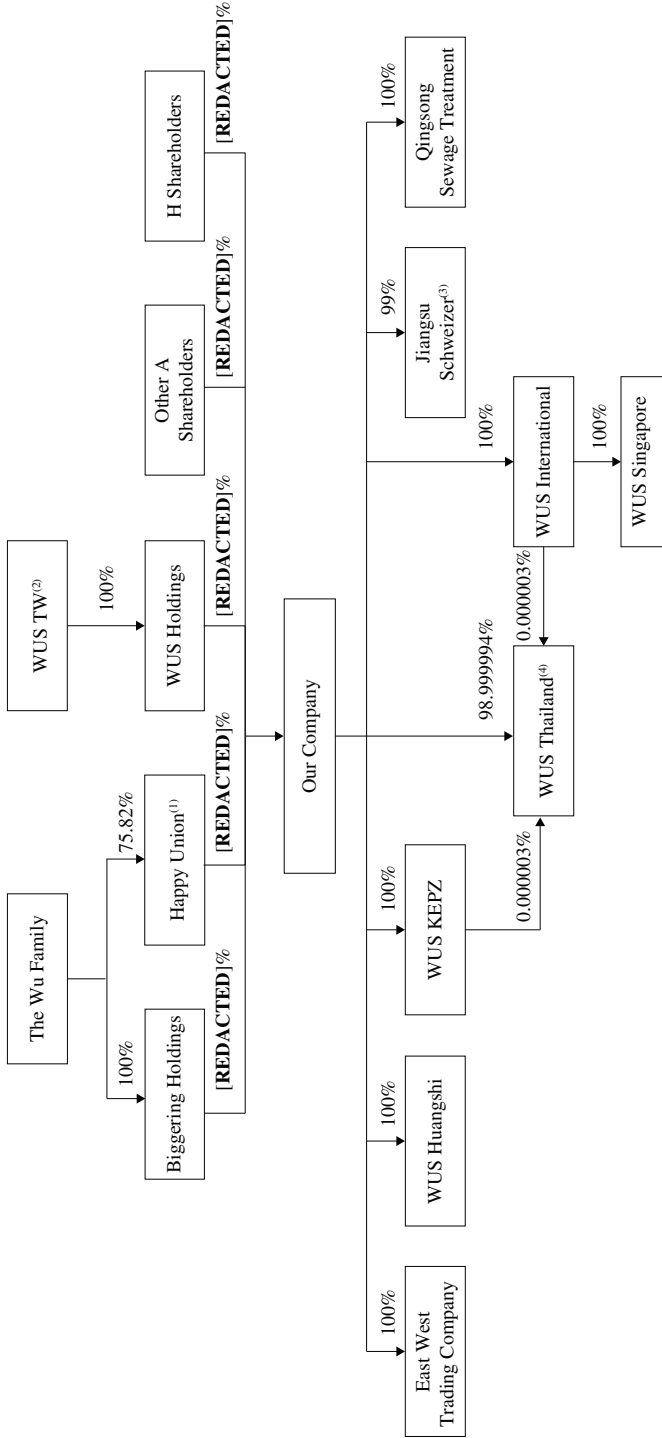
HISTORY AND CORPORATE STRUCTURE

- (2) As of the Latest Practicable Date, Happy Union was legally owned as to 75.82% by Mr. WU Chuan Pin and 24.18% by Ms. Mok Yuet Ngor, Candy, an Independent Third Party.
- (3) WUS TW was founded by the Wu Family and the Wu Family ceased to control WUS TW after 2009. As of the Latest Practicable Date, none of the members of the Wu Family held any shares of WUS TW.
- (4) As of the Latest Practicable Date, Jiangsu Schweizer was owned as to 99% by our Company and 1% by Schweizer, and Schweizer was owned as to 19.74% by our Group. On November 20, 2025, our Board has resolved to acquire an additional 15% equity interests in Jiangsu Schweizer from Schweizer. On November 25, 2025, the aforementioned equity purchase has been completed and Jiangsu Schweizer was owned as to 99% by our Company and 1% by Schweizer.
- (5) As of the Latest Practicable Date, WUS Thailand was owned as to 99% by our Group and 1% by WUS Printed Circuit (Singapore) Pte. Ltd., a company wholly owned by WUS TW.

HISTORY AND CORPORATE STRUCTURE

Corporate Structure Immediately Following the Completion of the [REDACTED]

The following chart sets forth the simplified shareholding and corporate structure of our Group immediately following the completion of the [REDACTED], assuming the [REDACTED] is not exercised and that no changes are made to the issued share capital of the Company between the Latest Practicable Date and [REDACTED].



Notes (1) – (4): See “– Corporate Structure Immediately Before the [REDACTED]” in this section.

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.

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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.

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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.

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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.

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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

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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.

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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.

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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.

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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.

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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.

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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

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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

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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.

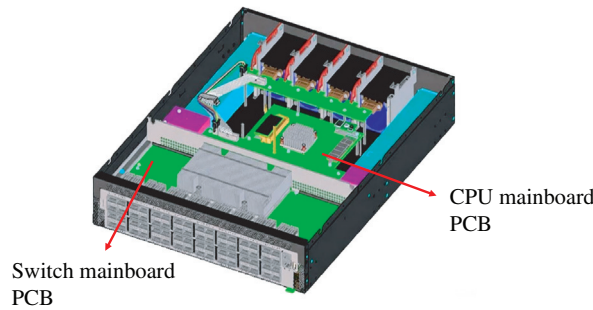
Data Communications

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.

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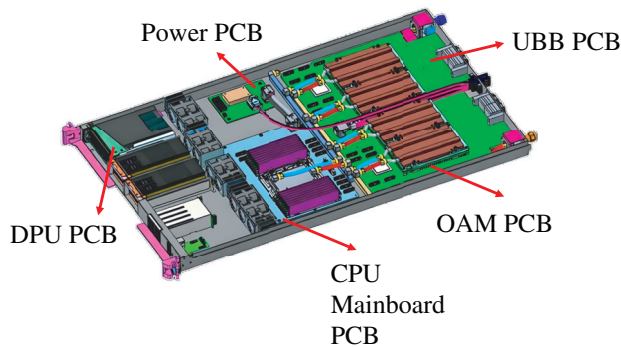
High-speed Network Switches and Routers

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:



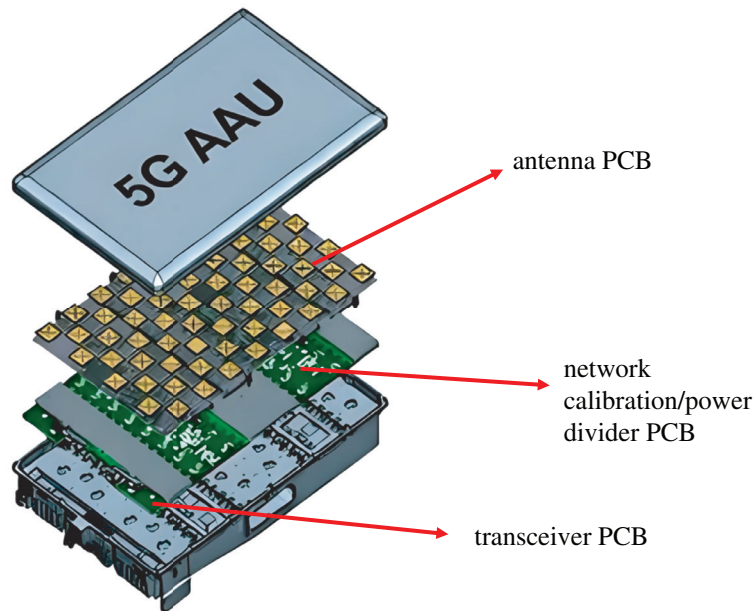
BUSINESS

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

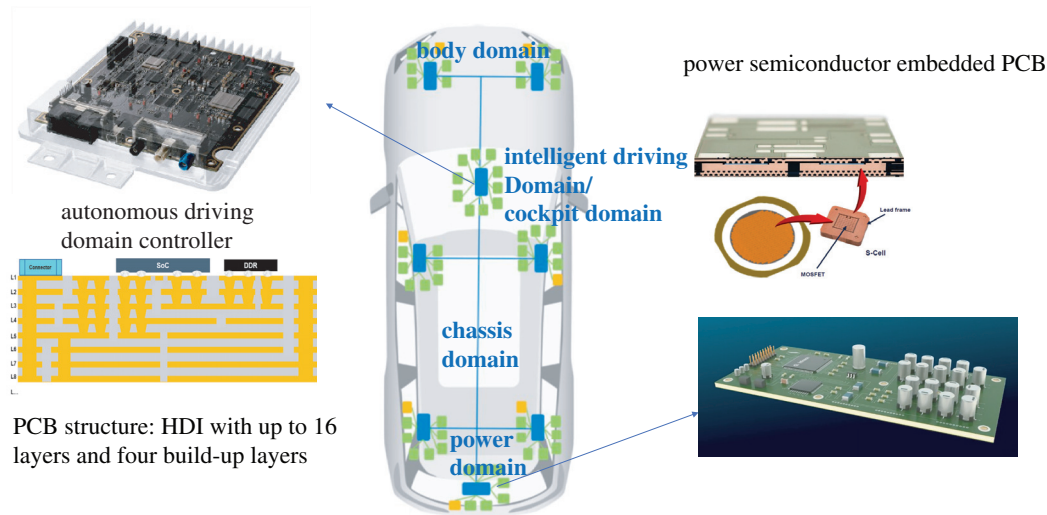
Smart Vehicles

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:



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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⁽¹⁾</i>	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.

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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.

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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.

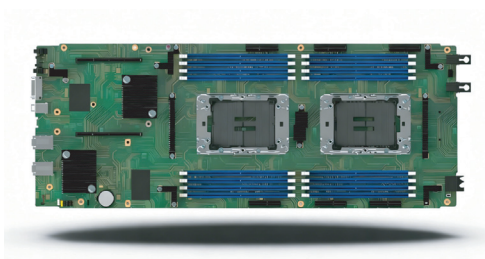
OUR TECHNOLOGIES

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)

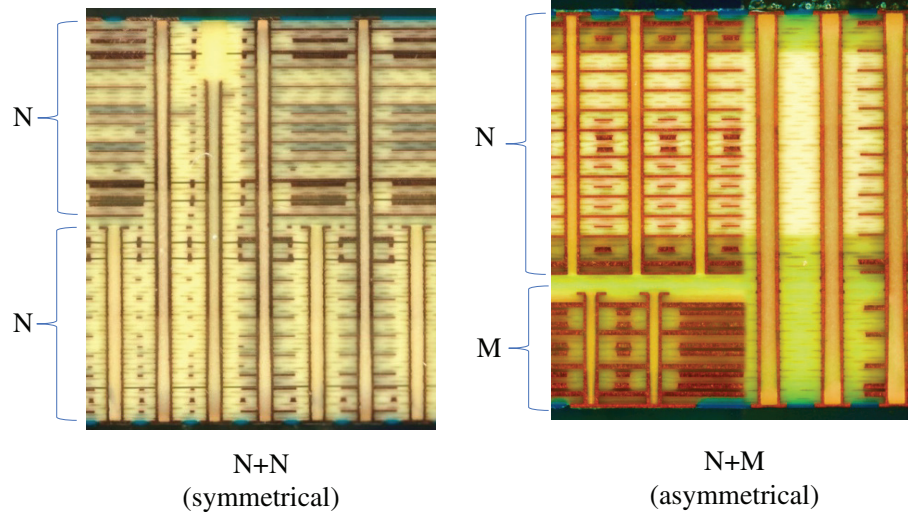


Switch Mainboard (40 layers)



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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.

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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.

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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

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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.

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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

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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:

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(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.

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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

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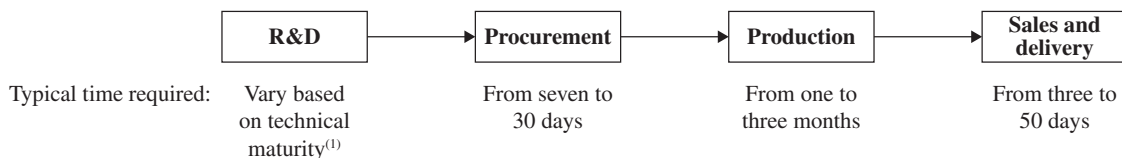
material differences dedicated reconfiguration or process may be required. For newer facilities, we source production equipment to the same specifications to ensure consistency. We prioritize stability, precision and reliability in equipment, focusing on technologies that support high-layer-count and 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.

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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

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	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.

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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.

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- **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

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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.”

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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.

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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.

								Year of commencement of business relationship
Rank	Customer	Sales Amount	Percentage of total revenue	Major type of product/services purchased	Credit terms	Payment Method	Type of customer	
		(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

								Year of
		Sales	Percentage	Major type of product/services		Payment	Type of	commencement
Rank	Customer	Amount	of total	purchased	Credit terms	Method	customer	of business
		(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

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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

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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

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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

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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.

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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..

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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.

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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

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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.

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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.

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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

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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

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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.

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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

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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.

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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.

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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.

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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.

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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

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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

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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

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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.

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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.

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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.

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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

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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.

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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.

FINANCIAL INFORMATION

The following discussion and analysis should be read in conjunction with our consolidated financial statements in the Accountant’s Report in Appendix I, together with the accompanying notes. Our consolidated financial statements have been prepared in accordance with IFRSs. The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. These statements are based on assumptions and analysis we make in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed in “Risk Factors” and “Forward-Looking Statements” and elsewhere in this document.

OVERVIEW

We are the world’s leading PCB solution provider to the data communications sector. Our products are key components within these application sectors which have experienced continual growth. 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.

We have demonstrated a solid financial performance during the Track Record Period, reflecting our dedicated focus on high-performance and high-reliability PCB, and our successful capitalization of the market opportunities brought by the data communications and smart vehicles sector expansion, driving sustained growth in our revenue, gross profit and net profit. For the years ended December 31, 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; (iii) our net profit attributable to owners of the company increased by 71.1% from RMB1,512.5 million in 2023 to RMB2,587.2 million in 2024, and by 47.7% to RMB3,822.3 million in 2025, and by 62.9% from RMB762.5 million for the three months ended March 31, 2025 to RMB1,242.1 million for the three months ended March 31, 2026; and (iv) our net profit margin was 16.9%, 19.4%, 20.2%, 18.9% and 20.0% in the same periods, respectively.

BASIS OF PRESENTATION

The historical financial information has been prepared in accordance with International Financial Reporting Standards (“IFRSs”), which comprise all standards and interpretations approved by the International Accounting Standards Board. All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2025, together with the relevant transitional provisions, have been adopted by the Group in the preparation of the Historical Financial Information throughout the Track Record Period. The Historical Financial

FINANCIAL INFORMATION

Information has been prepared on a historical cost basis, as modified by the revaluation of certain financial assets and liabilities at fair value through profit or loss or through other comprehensive income, which are carried at fair value. The preparation of the Historical Financial Information in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires the management to make judgments, estimates and assumptions in the process of applying our Group’s accounting policies. Judgments made by the management in the application of IFRSs that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in Note 4 to the Accountant’s Report included in Appendix I to this document.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Demand from Customers

Our products are used in a broad range of application sectors, including data communications, smart vehicles, industrial control and others. The market size and dynamics of these industries have a significant impact on our business performance. To capture the market opportunities and meet evolving demands, we have continuously enhanced R&D capabilities and upgrade product portfolio towards high-performance, high-reliability and high-layer-count PCBs, addressing the increasingly stringent performance requirement in application sectors such as high-speed network switches and routers, AI servers and HPC and smart vehicles. Our performance remains subject to the volume and timing of customer orders for products that incorporate our PCBs. Our product success depends on external factors, including pricing, product positioning, regulatory developments, and macroeconomic conditions.

Customer Base Maintenance and Expansion

Our business growth is driven by ability to maintain relationship with existing customers and expand customer base. We have established collaborations with customers across data communications, smart vehicles and industrial control sectors. As customers demand higher performance and shorter lead times, our ability to deliver on quality, service, and reliability impacts customer collaboration. Our ability to align with customers’ development timelines and specifications reinforces our position within their supply chains and contributes to business growth. Our financial performance also depends on ability to acquire and retain new customers. We seek to expand customer base across regions and application sectors by leveraging technology, production and sales capabilities and delivering advanced PCBs for applications with entry barriers to strengthen competitive positioning and resilience in a competitive market.

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Impact of Our Product Mix on Overall Gross Profit Margin

In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our gross profit margin was 28.4%, 31.7%, 33.8%, 31.3% and 34.8%, respectively. The improvement in our gross profit margin was primarily driven by a product mix shift towards products with higher margins, such as PCBs used in AI servers and HPC and high-speed network switches and routers, which are typically technology-intensive and advanced for complexity, functionality, and qualification thresholds. Increased sales of high-margin products drives gross profit margin growth. We focus on advancing product development through investments in higher-end technologies, maintaining product reliability, and enhancing customer collaboration. Our ability to manage product mix and align with customers’ technology roadmaps, co-develop products for application requirements, and maintain technology leadership remains critical to enhancing profitability and competitiveness.

R&D Investment and Technological Capability

Our competitiveness and business growth hinge on ability to adapt to technology advancements and effectively carry out R&D activities. We have been investing and will continue to invest in R&D activities to strengthen technological capabilities and product innovation. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our R&D expenses amounted to RMB538.9 million, RMB789.6 million, RMB1,140.9 million, RMB212.8 million and RMB417.0 million, representing 6.0%, 5.9%, 6.0%, 5.3% and 6.7% of our total revenue in the same periods, respectively. Our R&D efforts have resulted in advanced core technologies that support high-performance PCB products across application scenarios. See “Business — Our Technologies” and “Business — Intellectual Property.” We engage in early-stage collaboration with customers during the R&D phase to jointly develop tailored PCB products aligned with their technical requirements. Externally, we collaborate with supply chain partners to jointly enhance product performance and technological development. Internally, we improve coordination between R&D and production teams to accelerate development cycles and establish a response mechanism to translate customer requirements into mass production.

Raw Materials and Supply Chain Management

Our results of operations are influenced by the availability and pricing of key raw materials, including copper-clad laminates, prepregs, copper foil, copper anodes, gold salts, dry films and ink, which form the majority of our cost of sales. In 2023, 2024, 2025 and for the three months ended March 31, 2025 and 2026, cost of raw materials represented approximately 55.8%, 56.5%, 60.7%, 63.8% and 62.3% of our cost of sales respectively. Raw material cost is critical in determining our product pricing. Meanwhile, raw material prices are subject to fluctuations driven by various factors beyond our control. Our supply chain management system diversifies supply chain sources and mitigate risks related to raw material price fluctuation and supply shortage. We have established long-term cooperation with our key suppliers and identified new suppliers with competitive prices. We monitor market trends and conduct periodic price assessments to support procurement.

FINANCIAL INFORMATION

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

We have identified accounting policies that are material to our financial information preparation. Some accounting policies require us to apply estimates and assumptions as well as complex judgments related to accounting items. Our management evaluates such estimates, assumptions and judgments based on past experience and other factors, including industry practices and expectations of future events deemed to be reasonable under the circumstances. See Notes to the Accountant’s Report in Appendix I to this document. There has not been material deviation from our management’s estimates or assumptions and actual results, and we have not made material changes to these estimates or assumptions during the Track Record Period. We do not expect material changes in these estimates and assumptions in the foreseeable future.

Fair Value Measurement

Assets and liabilities subject to Level 3 fair value measurement mainly include unlisted securities of other financial assets at FVPL and other financial assets at FVOCI. The judgment of Level 3 is based on the materiality of unobservable inputs towards calculation of whole fair value. During the Track Record Period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3. Our Directors have (i) reviewed the terms of the relevant investments and (ii) reviewed the fair value measurement assessment of the relevant investments presented by our finance department and carefully considered all information available and various applicable valuation techniques and process in determining the valuation of the relevant investments, such as cost to investment and market approach method. Accordingly, our Directors are of the view that the valuation analysis is fair and reasonable, and our financial statements are properly prepared. For details, see Note 3.3(c) to the Accountant’s Report in Appendix I to this document.

RESULTS OF OPERATIONS

The following table sets forth a summary of our consolidated statements of comprehensive profit or loss and other comprehensive income 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>									
Revenue	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
Cost of sales	(6,395,780)	(71.6)	(9,105,698)	(68.3)	(12,544,974)	(66.2)	(2,773,520)	(68.7)	(4,052,018)	(65.2)
Gross profit	2,542,529	28.4	4,235,843	31.7	6,400,247	33.8	1,264,107	31.3	2,162,138	34.8
Selling and marketing expenses	(264,924)	(3.0)	(365,727)	(2.7)	(531,026)	(2.8)	(113,638)	(2.8)	(164,769)	(2.7)
General and administrative expenses	(196,965)	(2.2)	(324,792)	(2.4)	(427,841)	(2.3)	(85,536)	(2.1)	(126,119)	(2.0)
Research and development expenses	(538,937)	(6.0)	(789,584)	(5.9)	(1,140,946)	(6.0)	(212,774)	(5.3)	(417,025)	(6.7)
Net impairment losses on financial assets	11,670	0.1	(16,590)	(0.1)	(43,486)	(0.2)	(4,131)	(0.1)	2,428	0.0
Other income	199,521	2.2	219,091	1.6	230,178	1.2	51,759	1.3	59,539	1.0

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	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>									
Other gains/(losses)-net	4,326	0.1	101,145	0.8	(49,549)	(0.3)	4,958	0.1	(98,852)	(1.6)
Operating Profit	1,757,220	19.7	3,059,386	22.9	4,437,577	23.4	904,745	22.4	1,417,340	22.8
Finance income	51,004	0.6	62,284	0.5	64,154	0.4	17,995	0.5	8,633	0.2
Finance costs	(125,225)	(1.4)	(146,802)	(1.1)	(93,199)	(0.5)	(26,930)	(0.7)	(29,086)	(0.5)
Finance cost, net	(74,221)	(0.8)	(84,518)	(0.6)	(29,045)	(0.1)	(8,935)	(0.2)	(20,453)	(0.3)
Share of profit/(loss) of associates, net	22,337	0.2	(25,108)	(0.2)	(10,345)	(0.1)	(3,903)	(0.1)	(3,510)	(0.1)
Profit before income tax	1,705,336	19.1	2,949,760	22.1	4,398,187	23.2	891,907	22.1	1,393,377	22.4
Income tax expense	(215,818)	(2.4)	(383,445)	(2.9)	(579,514)	(3.0)	(131,930)	(3.3)	(151,938)	(2.4)
Profit for the year/period	1,489,518	16.7	2,566,315	19.2	3,818,673	20.2	759,977	18.8	1,241,439	20.0
Profit for the year/period attributable to:										
Owners of the Company	1,512,538	16.9	2,587,237	19.4	3,822,306	20.2	762,466	18.9	1,242,081	20.0
Non-controlling interests	(23,020)	(0.3)	(20,922)	(0.2)	(3,633)	(0.0)	(2,489)	(0.1)	(642)	(0.0)

Revenue

We generate revenues from (i) sales of PCBs and (ii) others, which comprises sales of recyclable offcut materials and revenue generated from property sales and leasing business. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, 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.

Revenue by Application of PCBs

The following table sets forth a breakdown of our revenue by application of PCBs, in absolute amounts and as percentages of the total revenue, 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										
<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⁽⁴⁾</i>	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
<i>Others⁽⁵⁾</i>	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

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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) Primarily include revenue generated from sales of recyclable offcut materials and from property sales and leasing business.

Revenue generated from our sales of PCBs for data communications accounted for a majority of our revenue during the Track Record Period. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, accounting for 65.7%, 75.7%, 77.4%, 77.4% and 81.9% of our revenue in the same periods, respectively.

Comparison between the three months ended March 31, 2026 and the three months ended March 31, 2025.

Our revenue increased by 53.9% from RMB4,037.6 million in the three months ended March 31, 2025 to RMB6,214.2 million in the three months ended March 31, 2026, primarily attributable to increased revenue generated from sales of PCB, as indicated by increased PCB sales volume from 669,626 m² to 781,903 m² in the same period.

Sales of PCB Products

Revenue generated from sales of PCBs for data communications increased by 62.8% from RMB3,126.1 million in the three months ended March 31, 2025 to RMB5,088.7 million in the three months ended March 31, 2026, primarily attributable to (i) the 103.4% revenue growth from sales of PCBs used in high-speed network switches and routers to RMB3,171.2 million in the same periods driven by increased sales of PCBs used in network switches, in line with the continued large-scale deployment of high-speed network switches and routers to support the accelerating build-out of AI-related infrastructure globally, and (ii) 89.7% revenue growth from sales of general-purpose servers from RMB513.0 million to RMB972.8 million in the same periods, primarily driven by the increased demand for general-purpose server build-out as a component of AI infrastructure.

Revenue generated from sales of PCBs for smart vehicles increased by 12.1% from RMB655.4 million in the three months ended March 31, 2025 to RMB734.9 million in the three months ended March 31, 2026, primarily attributable to the 31.3% revenue growth from sales of PCBs for automotive intelligence and electrification systems from RMB224.5 million to RMB294.7 million in the same periods, in line with acceleration of vehicle electrification and intelligentisation trends globally.

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Revenue generated from sales of PCBs for industrial control and others decreased by 1.9% from RMB100.9 million in the three months ended March 31, 2025 to RMB99.0 million in the three months ended March 31, 2026, primarily attributable to varying customer demand patterns, characterized by small batch sizes and a wide variety of product types.

Others

Revenue generated from others increased by 87.9% from RMB155.2 million in the three months ended March 31, 2025 to RMB291.5 million in the three months ended March 31, 2026, primarily attributable to sales growth from recyclable offcut materials in line with PCB sales growth.

Comparison between 2025 and 2024

Our revenue increased by 42.0% from RMB13,341.5 million in 2024 to RMB18,945.2 million in 2025, primarily attributable to an increase in revenue generated from sales of PCBs for data communications, particularly as a result of strong demands from AI-related applications, which require our products to support intensive computing workloads and network demands.

Sales of PCB Products

Revenue generated from sales of PCBs for data communications increased by 45.2% from RMB10,093.3 million in 2024 to RMB14,656.3 million in 2025, primarily attributable to the 109.9% revenue growth from sales of PCBs used in high-speed network switches and routers from RMB3,892.1 million to RMB8,169.1 million in the same periods driven by (i) increased deployment of high-speed network switches and routers in response to the continued ramp-up of AI-related infrastructure deployment globally, in particular in countries and jurisdictions with concentrated data center activities, including the U.S., PRC, Europe and Japan, in particular increased sales of PCBs used in 800G network switches; and (ii) our enhanced technological and production capabilities, resulting from sustained R&D investment in PCB technologies, particularly for products with higher layer counts and/or better performances, which have enabled us to meet the demanding specifications of technologically advanced equipment for AI infrastructure.

Revenue generated from sales of PCBs for smart vehicles increased by 26.4% from RMB2,408.4 million in 2024 to RMB3,044.6 million in 2025, which was primarily attributable to the 114.6% revenue growth from sales of PCBs used in automotive intelligence and electrification systems from RMB549.5 million to RMB1,179.3 million in the same periods, primarily driven by the accelerating vehicle electrification and intelligence trend in China and globally levels, in particular rapid demand for power semiconductor embedded PCBs and increased demand for millimeter-wave radar.

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Revenue generated from sales of PCBs for industrial control and others increased by 31.2% from RMB337.3 million in 2024 to RMB442.4 million in 2025. Our revenue in this sector is affected by varying customer demand patterns, where orders are characterized by small batch sizes and a wide variety of product types, leading to fluctuation in revenue.

Others

Revenue generated from others increased by 59.6% from RMB502.6 million in 2024 to RMB801.9 million in 2025, primarily due to sales growth from recyclable offcut materials in line with PCB sales growth.

Comparison between 2024 and 2023

Our revenue increased by 49.3% from RMB8,938.3 million in 2023 to RMB13,341.5 million in 2024, which was primarily attributable to increased revenue generated from sales of PCBs for data communications.

Sales of PCB Products

Revenue generated from sales of PCB products for data communications increased by 71.9% from RMB5,870.2 million in 2023 to RMB10,093.3 million in 2024, primarily attributable to (i) the 139.9% revenue growth from sales of PCBs for AI servers and HPC from RMB1,240.1 million to RMB2,975.3 million, driven by accelerated build-out of AI infrastructure and related equipment upgrades and rapid iteration of AI servers, and (ii) the 54.1% revenue growth from sales of PCBs for high-speed network switches and routers from RMB2,524.9 million to RMB3,892.1 million in the same periods, driven by large-scale deployment of high-speed network switches and routers in countries and jurisdictions with concentrated data center activities.

Revenue generated from sales of PCB products for smart vehicles sector increased by 11.6% from RMB2,158.0 million in 2023 to RMB2,408.4 million in 2024, primarily attributable to the 72.9% revenue growth from sales of PCBs for automotive intelligence and electrification systems from RMB317.8 million to RMB549.5 million in the same periods driven by (i) the mass production of our power semiconductor embedded PCBs used in the smart vehicles sector and (ii) higher sales of PCBs for millimeter-wave radar and automated driving.

Revenue generated from sales of PCBs for industrial control and others decreased by 38.0% from RMB543.7 million in 2023 to RMB337.3 million in 2024, primarily attributable to the variations in customer demand patterns as explained above.

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Others

Revenue generated from others increased by 37.1% from RMB366.4 million in 2023 to RMB502.6 million in 2024, primarily due to sales growth from recyclable offcut materials in line with PCB sales growth.

Revenue by layers of PCB products

The following table sets forth a breakdown of our revenue by product category, in absolute amounts and as percentages of the total revenue, 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	%
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
Others ⁽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.

The following table sets forth a breakdown of sales volume of our PCB products by layers for the periods indicated.

	Year ended December 31,			Three months ended March 31,	
	2023	2024	2025	2025	2026
	Sales Volume	Sales Volume	Sales Volume	Sales Volume	Sales Volume
	(m ²)	(m ²)	(m ²)	(m ²)	(m ²)
Sales of PCB products					
32 layers and above	16,095	32,348	66,220	10,644	30,233
22 to 30 layers	147,103	260,637	278,908	71,266	71,556
10 to 20 layers	402,600	468,541	697,959	135,518	219,693
Eight layers and below	1,840,761	1,877,035	1,942,092	452,198	460,421
Total	2,406,559	2,638,561	2,985,179	669,626	781,903

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During the Track Record Period, we maintained a focus on high-layer-count, high-performance, and high-reliability PCBs. Revenue generated from sales of PCBs with 22 layers and above (especially PCBs with 32 layers and above) accounted for an increasing proportion during the Track Record Period and represented a majority of our revenue in 2024 and 2025. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, we derived 38.4%, 53.3%, 54.9%, 54.0% and 59.4% of our total revenue from sales of PCBs with 22 layers and above, and 8.5%, 13.3%, 22.4%, 16.0% and 32.1% of our total revenue from sales of PCBs with 32 layers and above.

Comparison between the three months ended March 31, 2026 and the three months ended March 31, 2025.

Our revenue increased by 53.9% from RMB4,037.6 million in the three months ended March 31, 2025 to RMB6,214.2 million in the three months ended March 31, 2026, primarily attributable to an increase in revenue generated from sales of PCBs with 22 layers and above, as evidenced by increased sales volume from PCBs with 22 layers and above from 81,910 m² to 101,789 m² in the same period.

Sales of PCB Products

Revenue generated from sales of PCBs with 32 layers and above increased by 207.7% from RMB647.8 million in the three months ended March 31, 2025 to RMB1,993.5 million in the three months ended March 31, 2026, primarily attributable to sales growth for PCBs used in high-speed network switches and routers driven by continued scale-up of 800G network switch deployment.

Revenue generated from sales of PCBs with 22 to 30 layers increased by 10.5% from RMB1,533.5 million in the three months ended March 31, 2025 to RMB1,695.0 million in the three months ended March 31, 2026 primarily attributable to (i) sales growth for PCBs used in network switches and routers, such as PCBs for 400G network switches, and (ii) sales growth for PCBs used in AI servers and HPC.

Revenue generated from sales of PCBs with 10 to 20 layers increased by 54.7% from RMB892.9 million in the three months ended March 31, 2025 to RMB1,381.4 million in the three months ended March 31, 2026, primarily attributable to sales growth for PCBs used in general-purpose servers and PCBs used in network switches and routers.

Revenue generated from sales of PCBs with eight layers and below remained relatively stable at RMB808.3 million in the three months ended March 31, 2025 and RMB852.7 million in the three months ended March 31, 2026.

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Comparison between 2025 and 2024

Our revenue increased by 42.0% from RMB13,341.5 million in 2024 to RMB18,945.2 million in 2025, primarily due to increased revenue from sales of PCBs with 22 layers and above.

Sales of PCB Products

Revenue generated from sales of PCBs with 32 layers and above increased by 140.3% from RMB1,768.2 million in 2024 to RMB4,249.8 million in 2025, primarily attributable to sales growth for PCBs used in high-speed network switches and routers, such as PCBs for 800G network switches and PCBs for AI servers and HPC.

Revenue generated from sales of PCBs with 22 to 30 layers increased by 15.6% from RMB5,331.5 million in 2024 to RMB6,163.2 million in 2025, primarily attributable to sales growth for PCBs used in high-speed network switches and routers, such as PCBs for 400G network switches.

Revenue generated from sales of PCBs with 10 to 20 layers increased by 40.2% from RMB3,014.7 million in 2024 to RMB4,226.8 million in 2025, primarily attributable to sales growth for PCBs used in network switches and routers and AI servers and HPC.

Revenue generated from sales of PCBs with eight layers and below increased by 28.6% from RMB2,724.6 million in 2024 to RMB3,503.5 million in 2025, primarily attributable to sales growth from PCBs used in the smart vehicles sector, particularly power semiconductor embedded PCBs.

Comparison between 2024 and 2023

Our revenue increased by 49.3% from RMB8,938.3 million in 2023 to RMB13,341.5 million in 2024, primarily attributable to increased revenue generated from sales of PCBs with 22 layers and above.

Sales of PCB Products

Revenue generated from sales of PCBs with 32 layers and above increased by 132.3% from RMB761.1 million in 2023 to RMB1,768.2 million in 2024, primarily attributable to sales growth of higher-layer-count PCBs used in high-speed network switches and routers and AI servers and HPC driven by the increased deployment of high-speed network switches and routers and accelerated build-out of AI infrastructure in regions with concentrated data center activities.

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Revenue generated from sales of PCBs with 22 to 30 layers increased by 99.3% from RMB2,675.3 million in 2023 to RMB5,331.5 million in 2024, primarily attributable to sales growth for higher-layer-count PCBs used in AI servers and HPC and high-speed network switches and routers, driven by the same factors as discussed above.

Revenue generated from sales of PCBs with 10 to 20 layers increased by 27.5% from RMB2,364.9 million in 2023 to RMB3,014.7 million in 2024, primarily attributable to sales growth for PCBs used in general-purpose servers and AI servers and HPC.

Revenue generated from sales of PCBs with eight layers and below remained relatively stable at RMB2,770.6 million and RMB2,724.6 million in 2023 and 2024, respectively.

Cost of Sales

Our cost of sales includes (i) cost of raw materials, including copper-clad laminates, prepregs, copper foil, copper anodes, gold salts, dry films and ink, (ii) staff costs, (iii) production costs, (iv) warranty costs, (v) impairment losses and tax surcharges and (vi) others. The following table sets forth a breakdown of the components of our cost of sales, in absolute amount and as a percentage of our total cost of sales 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>									
Raw materials	3,565,995	55.8	5,142,507	56.5	7,613,939	60.7	1,768,156	63.8	2,522,689	62.3
Production costs	1,422,120	22.2	1,943,306	21.3	2,376,600	18.9	478,183	17.2	769,422	19.0
Staff costs	801,272	12.5	1,115,528	12.3	1,442,066	11.5	320,177	11.5	428,281	10.6
Warranty costs	14,699	0.2	35,411	0.4	13,513	0.1	2,382	0.1	1,339	0.0
Others ⁽¹⁾	362,816	5.7	496,656	5.4	778,180	6.2	146,207	5.3	278,171	6.8
Subtotal	6,166,902	96.4	8,733,408	95.9	12,224,298	97.4	2,715,105	97.9	3,999,902	98.7
Impairment losses and tax surcharges	228,878	3.6	372,290	4.1	320,676	2.6	58,415	2.1	52,116	1.3
Total	6,395,780	100.0	9,105,698	100.0	12,544,974	100.0	2,773,520	100.0	4,052,018	100.0

Note:

(1) Comprise cost of sales in relation to sales of recyclable offcut materials and property sales and leasing.

Raw materials were the largest component of our cost of sales, accounting for 55.8%, 56.5%, 60.7%, 63.8% and 62.3% of our cost of sales in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. Increased proportion of raw material costs against our cost of sales was driven by a shift towards higher-layer-count and more complex PCB products, which require the use of high-performance and more advanced materials. The increase in our cost of sales during the Track Record Period was primarily attributable to increases in cost of raw materials, production costs and staff costs in the same periods, which were in line with our sales growth and business expansion.

FINANCIAL INFORMATION

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales. Our gross profit margin represents our gross profit divided by our revenue, expressed as a percentage. During the Track Record Period, our gross profit margin exhibited a stable upward trend, primarily driven by the continuous evolution of our product mix toward high-performance, high-reliability and higher-layer-count PCBs in response to increasingly advanced requirements in application sectors, particularly in high-speed network switches and routers and AI servers and HPC.

Gross Profit and Gross Profit Margin by Application of PCB

The following table sets forth a breakdown of our gross profit by application of PCB, in absolute amounts and gross profit margin, 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										
<i>Data Communications</i>	2,011,162	34.3	3,871,181	38.4	5,815,650	39.7	1,134,517	36.3	2,015,602	39.6
<i>Smart Vehicles</i>	553,514	25.6	588,922	24.5	695,285	22.8	145,710	22.2	143,817	19.6
<i>Industrial control and others</i>	203,112	37.4	142,132	42.1	186,255	42.1	33,344	33.0	41,525	41.9
Subtotal	2,767,788	32.3	4,602,235	35.8	6,697,190	36.9	1,313,571	33.8	2,200,945	37.2
Others	3,619	1.0	5,898	1.2	23,733	3.0	8,951	5.8	13,309	4.6
Subtotal	2,771,407	31.0	4,608,133	34.5	6,720,923	35.5	1,322,522	32.8	2,214,254	35.6
Impairment losses and tax surcharges	(228,878)		(372,290)		(320,676)		(58,415)		(52,116)	
Total	2,542,529	28.4	4,235,843	31.7	6,400,247	33.8	1,264,107	31.3	2,162,138	34.8

Comparison between the three months ended March 31, 2026 and the three months ended March 31, 2025.

Our gross profit increased by 71.0% from RMB1,264.1 million in the three months ended March 31, 2025 to RMB2,162.1 million in the three months ended March 31, 2026, and our gross profit margin increased from 31.3% to 34.8% in the same periods, primarily due to an increase in the gross profit from sales of PCBs for data communications.

Gross profit margin from sales of PCBs for data communications increased from 36.3% to 39.6% in the same periods, primarily due to a higher sales proportion from advanced PCBs, in particular PCBs used in high-speed network switches and routers, which generally carry higher gross profit margins and which have entered into large-scale mass production during the period.

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Gross profit margin from sales of PCBs for smart vehicles decreased from 22.2% to 19.6% in the same periods, primarily due to (i) increased pricing pressure amid intensified market competition with the sector attracting a growing number of industry entrants seeking higher-growth opportunities, and (ii) increased cost of materials, in particular copper-related materials such as CCL and copper foil, due to market price fluctuations.

Gross profit margin from sales of PCBs for industrial control and others increased from 33.0% to 41.9% in the same periods, primarily due to varying customer demand patterns, characterized by small batch sizes and a wide variety of product types, leading to fluctuation in gross profit margin.

Comparison between 2025 and 2024.

Our gross profit increased by 51.1% from RMB4,235.8 million in 2024 to RMB6,400.2 million in 2025, and our gross profit margin increased from 31.7% to 33.8% in the same periods, primarily due to an increase in the gross profit from sales of PCBs for data communications.

Gross profit margin from sales of PCBs for data communications increased from 38.4% to 39.7% in the same periods, primarily due to (i) a shift in product mix in line with customers’ demands towards high-performance and high-reliability PCBs which generally feature higher gross profit margins due to higher degree of technical know-how and manufacturing complexity, such as PCBs for high-speed network switches and routers; and (ii) our enhanced technology and production capabilities in the data communications sector.

Gross profit margin from sales of PCBs for smart vehicles decreased from 24.5% to 22.8% in the same periods, primarily due to (i) increased pricing pressure amid intensified market competition in the sector, and (ii) increased cost of materials, in particular copper-related materials such as CCL and copper foil, due to market price fluctuations.

Gross profit margin from sales of PCBs for industrial control and others remained stable at 42.1% in the same periods.

Comparison between 2024 and 2023

Our gross profit increased by 66.6% from RMB2,542.5 million in 2023 to RMB4,235.8 million in 2024, and our gross profit margin increased from 28.4% to 31.7% in the same periods, primarily due to an increase in the gross profit from sales of PCBs as applied in the data communications sector, which typically involved high-layer-count, high-performance and high-reliability PCBs.

Gross profit margin from sales of PCBs for data communications increased from 34.3% to 38.4% in the same periods, primarily due to a higher proportion of sales from more advanced PCBs, which typically carry relatively higher profit margin.

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Gross profit margin from sales of PCBs for smart vehicles decreased from 25.6% to 24.5% in the same periods, primarily due to increased pricing pressure amid intensified market competition in the sector.

Gross profit margin from sales of PCBs for industrial control and others sector increased from 37.4% to 42.1% in the same periods. Our gross profit margin in this sector is affected by the varying customer demand patterns, where orders are generally characterized by small batch sizes and a wide variety of product types, leading to fluctuation in gross profit margin.

Selling and Marketing Expenses

Our selling and marketing expenses include (i) sales commissions relating to our sales agents for their services, (ii) staff costs, (iii) share-based payments, and (iv) others, including testing fees, product liability insurance expenses and travel expenses. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our selling and marketing expenses accounted for 3.0%, 2.7%, 2.8%, 2.8% and 2.7% of our total revenue, respectively. The following table sets forth a breakdown of our selling and marketing expenses, in absolute terms and as percentages of our total selling and marketing expenses, 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 commission . . .	214,075	80.8	288,242	78.8	412,096	77.6	88,277	77.7	131,856	80.0
Staff costs	27,294	10.3	39,774	10.9	50,653	9.5	11,064	9.7	16,504	10.0
Share-based payments .	2,828	1.1	7,838	2.1	26,062	4.9	6,515	5.7	6,515	4.0
Others ⁽¹⁾	20,727	7.8	29,873	8.2	42,215	8.0	7,782	6.9	9,894	6.0
Total	264,924	100.0	365,727	100.0	531,026	100.0	113,638	100.0	164,769	100.0

Note:

(1) Primarily include labor services fees, business development fees.

Our selling and marketing expenses increased by 38.0% from RMB264.9 million in 2023 to RMB365.7 million in 2024 and further by 45.2% to RMB531.0 million in 2025, and increased by 45.0% from RMB113.6 million for the three months ended March 31, 2025 to RMB164.8 million for the three months ended March 31, 2026, primarily attributable to (i) an increase in sales commission relating to our overseas sales agents, as a result of increased overseas sales of PCB products from RMB7,217.5 million in 2023 to RMB11,104.1 million in 2024 and further to RMB15,542.9 million in 2025, and from RMB3,330.5 million in the three months ended March 31, 2025 to RMB5,243.3 million in the three months ended March 31, 2026; during the Track Record Period, sales commission relating to sales agents was incurred to facilitate the local sales and customer communication; please see “Business — Sales and Marketing — Our Sales Model — Sales Agents”; (ii) increased staff cost, primarily due to the growth in the number of our sales and marketing personnel in line with our business expansion; and (iii) an increase in share-based payments due to the 2024 Share Option Incentive Plan.

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General and Administrative Expenses

Our general and administrative expenses include (i) staff costs, (ii) depreciation and amortization, (iii) labor services fees, (iv) share-based payments, (v) travel expenses, (vi) property-related expenses, including repair and maintenance expenses, landscaping and cleaning expenses, and property insurance expenses, (vii) [REDACTED], and (viii) others. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our general and administrative expenses accounted for 2.2%, 2.4%, 2.3%, 2.1% and 2.0% of our total revenue, respectively. The following table sets forth a breakdown of our general and administrative expenses, in absolute terms and as percentages of our total general and administrative expenses, 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	%
Staff costs	123,862	62.9	199,684	61.5	239,594	56.0	50,477	59.0	74,934	59.4
Depreciation and amortization	18,629	9.5	21,867	6.7	24,755	5.8	6,380	7.5	6,391	5.1
Labor services fees	10,461	5.3	16,807	5.2	14,094	3.3	2,040	2.4	5,771	4.6
Share-based payments	5,124	2.6	11,873	3.7	38,830	9.1	9,870	11.5	9,740	7.7
Travel expenses	5,636	2.9	9,112	2.8	17,208	4.0	3,062	3.6	7,234	5.7
Property-related expenses ⁽¹⁾	9,538	4.8	14,935	4.6	21,150	4.9	4,648	5.4	7,447	5.9
[REDACTED]	–	–	–	–	[REDACTED]	[REDACTED]	–	–	[REDACTED]	[REDACTED]
Others ⁽²⁾	23,715	12.0	50,514	15.5	69,936	16.4	9,059	10.6	14,294	11.4
Total	196,965	100.0	324,792	100.0	427,841	100.0	85,536	100.0	126,119	100.0

Notes:

- (1) Comprise repair and maintenance expenses, cleaning expenses and property insurance expenses.
- (2) Comprise office expenses, employee dormitory and cafeteria related expense, production safety expense, utilities expense, business development expenses, tax expenses, miscellaneous purchases, audit and review fees, bank service expenses and testing expenses.

Our general and administrative expenses increased by 47.4% from RMB85.5 million for the three months ended March 31, 2025 to RMB126.1 million for the three months ended March 31, 2026, primarily attributable to increased staff costs due to growth in the number of our administrative personnel and increased employee remuneration in line with our business expansion. Our general and administrative expenses increased by 31.7% from RMB324.8 million in 2024 to RMB427.8 million in 2025, primarily attributable to (i) an increase in staff costs as a result of (a) growth in the number of our administrative personnel in line with our revenue growth and (b) increased cross-border staffing to support Thai production base operation; and (ii) increase in share-based payments due to the 2024 Share Option Incentive Plan. Our general and administrative expenses increased by 64.9% from RMB197.0 million in 2023 to RMB324.8 million in 2024, which was primarily attributable to increased staff costs as a result of growth in the number of our administrative personnel in line with our revenue growth.

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Research and Development Expenses

Our research and development expenses include (i) testing fees, (ii) staff costs, (iii) depreciation and amortization, (iv) share-based payments, and (v) others. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our research and development expenses accounted for 6.0%, 5.9%, 6.0%, 5.3% and 6.7% of our total revenue, respectively. The following table sets forth a breakdown of our research and development expenses, in absolute terms and as percentages 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)			
Testing fees	246,251	45.7	384,020	48.6	571,797	50.1	86,764	40.8	233,567	56.0
Staff costs	238,847	44.3	336,118	42.6	437,535	38.3	95,336	44.8	146,040	35.0
Depreciation and amortization	25,844	4.8	25,819	3.3	40,400	3.5	7,318	3.4	12,900	3.1
Share-based payments	7,279	1.4	18,129	2.3	60,724	5.3	15,269	7.2	15,199	3.6
Others ⁽¹⁾	20,716	3.8	25,498	3.2	30,490	2.8	8,087	3.8	9,319	2.3
Total	538,937	100.0	789,584	100.0	1,140,946	100.0	212,774	100.0	417,025	100.0

Note:

- (1) Primarily include miscellaneous purchases, maintenance expenses, labor service fees, travel expenses, utilities expenses, intellectual property expenses, insurance expenses, and office expenses.

Our research and development expenses increased by 46.5% from RMB538.9 million in 2023 to RMB789.6 million in 2024, and increased by 44.5% from RMB789.6 million in 2024 to RMB1,140.9 million in 2025, and further increased by 96.0% from RMB212.8 million for the three months ended March 31, 2025 to RMB417.0 million for the three months ended March 31, 2026. The increase in our R&D expenses during the Track Record Period was in line with our revenue growth and primarily attributable to increases in testing fees and staff costs driven by higher-grade materials for upgraded products and our expanded investment in R&D. The increase from 2023 to 2024 was primarily driven by expanded R&D projects in process and technology development, such as reliability research for high-speed HDI PCBs used in AI servers, R&D in 112 Gbps-based technologies and 51.2T switch, and R&D in millimeter-wave radar products in the smart vehicles sector. The increase from 2024 to 2025 was primarily driven by data communications R&D ramp-up, such as development for 1.6T network switch technologies, domestic computing platform PCB development, and higher build-up layer HDI PCB development. The increase from the three months ended March 31, 2025 to the same period in 2026 was primarily driven by new R&D projects, including product development for 1.6T network switch platforms and product and key technology development for 224Gbps AI server. See “Business — Research and Development — Key R&D Areas and Projects.”

FINANCIAL INFORMATION

Impairment Losses on Financial Assets, Net

Our net reversal of/(provision for) impairment losses on financial assets represents expected credit losses on our financial assets, primarily including trade receivables. We recorded net impairment losses on financial assets of RMB16.6 million, RMB43.5 million and RMB4.1 million in 2024, 2025 and the three months ended March 31, 2025, respectively. We recorded net reversal of impairment losses on financial assets of RMB11.7 million and RMB2.4 million in 2023 and the three months ended March 31, 2026, respectively. Net impairment losses of financial assets or the reversal thereof during the Track Record Period were in line with our approach to measure expected credit losses (“ECL”), which uses a lifetime expected loss allowance for all trade and note receivables and trade and note receivables at FVOCI. We recorded net reversal of impairment losses in 2023 while we recorded net impairment losses on financial assets in 2024, and our net impairment loss on financial assets further increased from 2024 to 2025, primarily due to the increased credit exposure following intensified market competition in the smart vehicles sector. The change from net impairment losses on financial assets in the three months ended March 31, 2025 as compared to net reversal of impairment losses on financial assets in the three months ended March 31, 2026 was primarily due to changes in the composition of trade receivables towards customers with lower ECL rates in the same period in 2026.

Other Income

Our other income includes (i) interest income on term deposits with initial terms over three months, (ii) government grants, (iii) dividend income and (iv) others. The following table sets forth a breakdown of our other income, in absolute terms and as percentages of our total other income, 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)	
Interest income on term deposits with initial terms over three months	121,634	61.0	144,577	66.0	136,593	59.3	35,430	68.5	28,005	47.0		
Government grants ⁽¹⁾	75,435	37.8	69,985	31.9	85,014	36.9	14,587	28.2	30,192	50.7		
Dividend income	2,263	1.1	3,535	1.6	4,466	1.9	–	–	–	–		
Others	189	0.1	994	0.5	4,105	1.9	1,742	3.3	1,342	2.3		
Total	199,521	100.0	219,091	100.0	230,178	100.0	51,759	100.0	59,539	100.0		

Note:

- (1) During the Track Record Period, we received government grants from various PRC governmental authorities, the majority of which were asset-related, non-recurring and one-off in nature, and were not related to the acquisition or construction of long-term assets. The government grants we received were mainly intended to support technological innovation. The typical eligibility criteria and conditions attached to these grants included, among others, (i) maintaining substantive business operations within the relevant jurisdiction, (ii) conducting qualifying research and development or industrialization activities, (iii) meeting specified application, reporting or filing requirements, and (iv) using the grant proceeds for designated purposes consistent with the policy objectives of the granting authorities. We have fulfilled material conditions attached to the government grants received during the Track Record Period.

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Our other income increased by 15.0% from RM51.8 million in the three months ended March 31, 2025 to RMB59.5 million in the three months ended March 31, 2026, primarily due to increased government grants received in the three months ended March 31, 2026 in relation to VAT tax super deduction and incentives for trade promotion. Our other income increased by 5.1% from RMB219.1 million in 2024 to RMB230.2 million in 2025, primarily due to increased government grants received in 2025 in relation to support and incentives for technological innovation. Our other income increased by 9.8% from RMB199.5 million in 2023 to RMB219.1 million in 2024, primarily due to an increase in interest income on term deposits with initial terms over three months in relation to our newly subscribed term deposits.

Other Gains/(Losses), Net

The following table sets forth a breakdown of our net other gains/(losses), in absolute amounts, 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)	
Net gains/(losses) on financial instruments	(1,962)	(8,270)	12,887	9	–
Net (losses)/gains on disposal of property, plant and equipment	(17,367)	(9,529)	(23,938)	(482)	423
Net foreign exchange gains/(losses)	21,870	123,531	(31,901)	5,752	(147,147)
Gain from sale of subsidiary	–	–	–	–	47,301
Gain from bargain purchase	4,720	–	–	–	–
Others	(2,935)	(4,587)	(6,597)	(321)	571
Total	<u>4,326</u>	<u>101,145</u>	<u>(49,549)</u>	<u>4,958</u>	<u>(98,852)</u>

The fluctuations of our net other gains/(losses) during the Track Record Period was in line with changes in net foreign exchange gains or losses as a result of exchange rate fluctuations. We recorded net other gains in 2024 while we recorded net other losses in 2025, primarily due to (i) net foreign exchange losses recognized in 2025 due to exchange losses arising from the depreciation of the USD on our USD denominated assets, and (ii) increased losses on disposal of property, plant and equipment related to disposal of fixed assets from our production expansion and technological innovation projects. We recorded net other gains in the three months ended March 31, 2025 while we recorded net other losses in the three months ended March 31, 2026, primarily due to net foreign exchange losses of RMB147.1 million recognized in the three months ended March 31, 2026 as compared to net foreign exchange gains in the same period in 2025, driven by exchange losses on our USD-denominated assets resulting from the depreciation of USD against RMB in the same periods.

FINANCIAL INFORMATION

Finance Income

Our finance income represents interest income from cash and cash equivalents, including bank balances and term deposits with initial terms within three months. We recorded finance income of RMB51.0 million, RMB62.3 million, RMB64.2 million, RMB18.0 million and RMB8.6 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. The changes in our finance income during the Track Record Period were attributable to changes in our bank deposits and interest rate fluctuations.

Finance Costs

Our finance costs comprise (i) interest expenses on bank borrowings, (ii) interest expenses on lease liabilities and (iii) net foreign exchange losses on borrowings. We recorded finance costs of RMB125.2 million, RMB146.8 million, RMB93.2 million, RMB26.9 million and RMB29.1 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. The fluctuation in our finance costs during the Track Record Period was primarily attributable to (i) changes in interest expenses on bank borrowings, as a result of changes in borrowings levels and prevailing interest rates and (ii) changes in net foreign exchange losses on borrowings as a result of changes in the amount of bank borrowings denominated in foreign currency and foreign exchange rates.

Share of Profit/(Loss) of Associates, Net

Our net share of profit/(loss) of associates comprises our share of profit or loss generated from our associated companies. The following table sets forth a breakdown of our net share of profit/(loss) of associates, in absolute terms and as percentages of our total net share of profit/(loss) of associates, 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>									
Jiangsu Schweizer	(10,699)	(47.9)	-	-	-	-	-	-	-	-
Schweizer	<u>33,036</u>	<u>147.9</u>	<u>(25,108)</u>	<u>100.0</u>	<u>(10,345)</u>	<u>100.0</u>	<u>(3,903)</u>	<u>100.0</u>	<u>(3,510)</u>	<u>100.0</u>
Total.	<u>22,337</u>	<u>100.0</u>	<u>(25,108)</u>	<u>100.0</u>	<u>(10,345)</u>	<u>100.0</u>	<u>(3,903)</u>	<u>100.0</u>	<u>(3,510)</u>	<u>100.0</u>

We recorded net share of loss of associates of RMB25.1 million, RMB10.3 million, RMB3.9 million and RMB3.5 million in 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. We recorded net share of profit of associates of RMB22.3 million in 2023. The fluctuations of our net share of profit/(loss) of associates were resulted from the profits and/or losses from the associates. We did not recognize net share of profit/(loss) of associates from Jiangsu Schweizer since May 2023, because Jiangsu Schweizer ceased to be one of our associates and became consolidated to our financial statement following the acquisition in 2023. Our net share of loss of associates decreased from 2024 to 2025, due to decreased losses from Schweizer in 2025. Our net share of loss of associates remained relatively stable at RMB3.9 million and RMB3.5 million in the three months ended March 31, 2025 and 2026.

FINANCIAL INFORMATION

Income Tax Expenses

Our income tax expense represents income tax payable by us at the applicable tax rates in accordance with the relevant laws and regulations in each tax jurisdiction in which we operate or are domiciled. See Note 11 to the Accountant’s Report in Appendix I to this document. The following table sets forth a breakdown of our income tax expenses, in absolute terms and as percentages of our total income tax expenses, 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)									
Current income tax on profits for the year/period	195,385	90.5	446,716	116.5	666,505	115.0	146,840	111.3	228,554	150.4
Deferred income tax	20,433	9.5	(63,271)	(16.5)	(86,991)	(15.0)	(14,910)	(11.3)	(76,616)	(50.4)
Total	215,818	100.0	383,445	100.0	579,514	100.0	131,930	100.0	151,938	100.0

We recorded income tax expenses of RMB215.8 million, RMB383.4 million, RMB579.5 million, RMB131.9 million and RMB151.9 million in 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, respectively. Our effective tax rate remained relatively stable at 12.7%, 13.0%, 13.2% in 2023, 2024 and 2025, while our effective tax rate decreased from 14.8% in the three months ended March 31, 2025 to 10.9% in the same period in 2026, primarily due to an increase in non-taxable income and an increase in deferred tax assets recognized on intra-group unrealized profits in the three months ended March 31, 2026 in China. As of the Latest Practicable Date, we had fulfilled all our tax obligations and did not have any unresolved tax disputes.

Profit for the Year/Period

As a result of the foregoing, our profit for the year increased by 72.3% from RMB1,489.5 million in 2023 to RMB2,566.3 million in 2024, and by 48.8% to RMB3,818.7 million in 2025. Our profit for the period increased by 63.4% from RMB760.0 million in the three months ended March 31, 2025 to RMB1,241.4 million in the three months ended March 31, 2026.

LIQUIDITY AND CAPITAL RESOURCES

Overview

We have historically funded our cash requirements mainly from cash generated from our operating activities and financing activities. After the [REDACTED], we intend to finance our future capital requirements through cash generated from our business operations, the net [REDACTED] from the [REDACTED], and other future equity or debt financings. We currently do not anticipate any material changes to the availability of financing to fund our

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operations in the near future. We had cash and cash equivalents of RMB2,097.9 million, RMB1,542.7 million, RMB2,579.1 million and RMB4,391.6 million as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively.

Working Capital Sufficiency

Taking into account the net [REDACTED] from the [REDACTED], cash and cash equivalents, cash flows from operating activities, and bank facilities available to us, our Directors are of the view that we have sufficient working capital to meet present needs and for the next twelve months from the date of this document. Our Directors confirm that we had no material defaults on trade and non-trade payables and borrowings, nor did we breach any covenants during the Track Record Period and up to the date of this document.

Cash Flows Analysis

The following table sets forth selected cash flow statements 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>	
Net cash generated from operating activities	2,220,455	2,277,622	3,735,057	1,402,378	499,234
Net cash used in investing activities	(1,847,125)	(2,987,307)	(2,518,224)	(530,895)	(640,812)
Net cash generated from/(used in) financing activities	428,348	71,357	(209,741)	799,126	1,990,688
Net increase/(decrease) in cash and cash equivalents	801,678	(638,328)	1,007,092	1,670,609	1,849,110
Cash and cash equivalents at the beginning of the year/period	1,292,451	2,097,883	1,542,699	1,542,699	2,579,103
Exchange gains on cash and cash equivalents	3,754	83,144	29,312	19,543	(36,575)
Cash and cash equivalents at the end of the year/period	2,097,883	1,542,699	2,579,103	3,232,851	4,391,638

Net Cash Generated from Operating Activities

In the three months ended March 31, 2026, we had net cash generated from operating activities of RMB499.2 million, primarily attributable to our profit before income tax of RMB1,393.4 million, adjusted by (i) non-cash and non-operating items including (a) depreciation of property, plant and equipment, (b) share-based payment and (c) share of profit/(loss) of subsidiaries, net, and (ii) changes in working capital, primarily relating to (a) trade and note receivables, other receivables and prepayments, (b) trade and other payables, and (c) inventories.

In 2025, we had net cash generated from operating activities of RMB3,735.1 million, primarily attributable to our profit before income tax of RMB4,398.2 million, adjusted by (i) non-cash and non-operating items including (a) depreciation of property, plant and equipment,

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(b) share-based payment and (c) provisions for impairment of inventories, and (ii) changes in working capital, primarily relating to (a) trade and other payables, (b) inventories and (c) trade and note receivables, other receivables and prepayments.

In 2024, we had net cash generated from operating activities of RMB2,277.6 million, primarily attributable to our profit before income tax of RMB2,949.8 million, adjusted by (i) non-cash and non-operating items including (a) depreciation of property, plant and equipment and (b) provisions for impairment of inventories, and (ii) changes in working capital, primarily relating to (a) trade and note receivables, other receivables and prepayments, (b) trade and other payables and (c) inventories.

In 2023, we had net cash generated from operating activities of RMB2,220.5 million, primarily attributable to our profit before income tax of RMB1,705.3 million, adjusted by (i) non-cash and non-operating items including (a) depreciation of property, plant and equipment and (b) provisions for impairment of inventories, and (ii) changes in working capital, primarily relating to (a) trade and other payables and (b) trade and note receivables, other receivables and prepayments.

Net Cash Used in Investing Activities

In the three months ended March 31, 2026, we had net cash used in investing activities of RMB640.8 million, primarily consisting of payments for purchase of property, plant and equipment, intangible assets and other non-current assets, partially offset by proceeds from maturity of term deposit. In 2025, we had net cash used in investing activities of RMB2,518.2 million, primarily consisting of (i) payments for purchase of property, plant and equipment, intangible assets and other non-current assets and (ii) payments for term deposits. In 2024, we had net cash used in investing activities of RMB2,987.3 million, primarily consisting of (i) payments for purchase of property, plant and equipment, intangible assets and other non-current assets and (ii) payments for term deposits. In 2023, we had net cash used in investing activities of RMB1,847.1 million, primarily consisting of (i) investments for term deposit, (ii) payments for purchase of property, plant and equipment, intangible assets and other non-current assets.

Net Cash (Used in)/Generated from Financing Activities

In the three months ended March 31, 2026, we had net cash generated from financing activities of RMB1,990.7 million, which primarily consisted of proceeds from bank borrowings. In 2025, we had net cash used in financing activities of RMB209.7 million, which primarily consisted of (i) dividends paid and (ii) transaction with NCI. In 2024, we had net cash generated from financing activities of RMB71.4 million, which primarily consisted of (i) proceeds from bank borrowings, (ii) proceeds from shares issued for option exercise, partially offset by (i) repayments of bank borrowings and (ii) dividends paid. In 2023, we had net cash generated from financing activities of RMB428.3 million, which primarily consisted of (i) proceeds from bank borrowings and (ii) proceeds from shares issued for option exercise, as partially offset by (i) repayments of bank borrowings and (ii) dividends paid.

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SELECTED BALANCE SHEET ITEMS

Current Assets/Liabilities

The following table sets out our current assets and liabilities as of the dates indicated.

	As of December 31,			As of March 31,	As of April 30,
	2023	2024	2025	2026	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
					(Unaudited)
Current Assets					
Inventories	1,548,394	2,274,285	4,091,725	4,913,409	5,036,210
Completed properties held for sale	148,063	108,937	102,004	–	–
Properties under development	52,766	52,881	52,211	–	–
Note receivables measured at fair value					
through other comprehensive income .	1,084	73,448	58,147	75,141	43,412
Trade and note receivables	2,693,385	4,043,713	5,507,227	6,476,447	6,981,901
Prepayments, other receivables and other					
assets	112,105	660,805	749,421	715,126	494,560
Other financial assets at fair value					
through profit and loss – current	50,230	–	–	–	–
Restricted cash	4	4	4	3	3
Term bank deposit with initial terms over					
three months	1,136,953	920,899	2,835,332	2,190,559	2,776,011
Cash and cash equivalents	2,097,883	1,542,699	2,579,103	4,391,638	4,377,495
Total current assets	7,840,867	9,677,671	15,975,174	18,762,323	19,709,592
Current liabilities					
Borrowings – current	1,758,758	2,316,576	2,662,542	3,710,362	3,982,000
Trade and other payables	3,175,065	5,132,724	7,767,291	8,551,498	8,585,440
Contract liabilities	22,642	28,881	65,820	81,956	94,213
Income tax payable	66,220	98,396	220,865	287,007	96,190
Lease liabilities – current	88	–	7,552	7,596	7,611
Total current liabilities	5,022,773	7,576,577	10,724,070	12,638,419	12,765,454
Net current assets	2,818,094	2,101,094	5,251,104	6,123,904	6,944,138

Comparison between March 31, 2026 and April 30, 2026. Our net current assets increased from RMB6,123.9 million as of March 31, 2026 to RMB6,944.1 million as of April 30, 2026, primarily due to (i) an increase in current term bank deposit with initial terms over three months of RMB585.5 million, (ii) an increase in trade and note receivables of RMB505.5 million, partially offset by an increase in current borrowings of RMB271.6 million.

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Comparison between December 31, 2025 and March 31, 2026. Our net current assets increased from RMB5,251.1 million as of December 31, 2025 to RMB6,123.9 million as of March 31, 2026, primarily due to (i) an increase in cash and cash equivalents of RMB1,812.5 million, (ii) an increase in trade and note receivables of RMB969.2 million, and (iii) an increase in inventories of RMB821.7 million, partially offset by an increase in current borrowings of RMB1,047.8 million.

Comparison between December 31, 2024 and December 31, 2025. Our net current assets increased from RMB2,101.1 million as of December 31, 2024 to RMB5,251.1 million as of December 31, 2025, primarily due to (i) an increase in current term bank deposit with initial terms over three months of RMB1,914.4 million and (ii) an increase in inventories of RMB1,817.4 million, (iii) an increase in trade and note receivables of RMB1,463.5 million, as partially offset by an increase in trade and other payables of RMB2,634.6 million.

Comparison between December 31, 2023 and December 31, 2024. Our net current assets decreased from RMB2,818.1 million as of December 31, 2023 to RMB2,101.1 million as of December 31, 2024, primarily due to (i) an increase in trade and other payables of RMB1,957.7 million and (ii) an increase in current borrowings of RMB557.8 million, as partially offset by an increase in trade and note receivables of RMB1,350.3 million.

Inventories

Our inventories consist of (i) raw materials, (ii) work-in-progress and (iii) finished goods. The following table sets forth our inventories as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Raw materials	152,475	269,260	494,533	710,328
Work-in-progress	472,166	836,236	1,586,552	1,676,483
Finished goods	1,008,546	1,291,797	2,210,819	2,739,154
Less: provision for impairment of inventories	(84,793)	(123,008)	(200,179)	(212,556)
Total	<u>1,548,394</u>	<u>2,274,285</u>	<u>4,091,725</u>	<u>4,913,409</u>

Our inventories increased from December 31, 2023 to December 31, 2024 and to December 31, 2025 and further to March 31, 2026, primarily due to increases in finished goods, work-in-progress and raw materials, in line with our business expansion. We believe that by maintaining optimal inventory levels, we can meet our customer demand without compromising our liquidity. To this end, we have put in place policies and procedures. For details, see “Business — Our Supply Chain — Raw Materials.”

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Set forth below is an aging analysis of our inventories as of the dates indicated:

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within one year	1,545,210	2,272,889	4,089,151	4,909,856
– Within six months	1,469,153	2,222,306	3,993,162	4,822,506
– Six months to one year	76,057	50,583	95,989	87,350
One to two years	3,184	1,396	2,574	3,553
Total	1,548,394	2,274,285	4,091,725	4,913,409

The following table sets forth our inventory turnover days for the periods indicated.

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
Inventory turnover days ⁽¹⁾	87	76	91	100

Note:

- (1) Inventory turnover days are calculated based on the average of opening and closing balances of inventories of the relevant period, divided by cost of sales for the same period and multiplied by 360 days for 2023, 2024 and 2025 and by 90 days for the three months ended March 31, 2026.

Our inventory turnover days decreased from 2023 to 2024, primarily due to the faster inventory turnover driven by continuous improvement in operating efficiency, sales growth and our business expansion in line with increased market demand. Our inventory turnover days increased from 2024 to 2025 and further to the three months ended March 31, 2026, primarily due to (i) increased work-in-progress as a result of product mix shift towards higher-layer PCBs, (ii) increased finished goods and raw materials as we stockpile to meet higher customer demand amidst tighter raw material supply chains.

As of April 30, 2026, RMB1,771.1 million, or 34.6%, of our inventories as of March 31, 2026, had been subsequently utilized. As of December 31, 2023, 2024, 2025 and March 31, 2026, we conducted a comprehensive evaluation of inventories, tested the net realizable value and made a provision of RMB84.8 million, RMB123.0 million, RMB200.2 million, and RMB212.6 million for the decline in value of inventories based on the lower of the cost of inventories and the net realizable value. Considering that (i) based on such evaluation, and in accordance with our accounting policies, we have made sufficient provisions for inventories, (iii) a substantial part of the remaining inventories had already been allocated to our ongoing projects, there is no recoverability or obsolescence issue that would materially impact our financial position.

Completed Properties Held for Sale and Properties under Development

Our completed properties held for sale and properties under development are both related to our property sales and leasing business. In March 2026, we disposed of our property sales and leasing business. For further details, see “Business — Properties — Property Valuation.”

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Completed Properties Held for Sale

The following table sets forth the breakdown of our completed properties held for sale as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Completed properties held for sale	174,922	169,063	158,565	—
Less: write-down	(26,859)	(60,126)	(56,561)	—
Total	148,063	108,937	102,004	—

Our completed properties held for sale decreased by 26.4% from RMB148.1 million as of December 31, 2023 to RMB108.9 million as of December 31, 2024, and decreased by 6.4% to RMB102.0 million as of December 31, 2025, mainly due to sales of the completed properties during the periods. It further decreased from RMB102.0 million as of December 31, 2025 to nil as of March 31, 2026 due to the disposal of property sale and leasing business.

Properties under Development

Our properties under development consists of construction costs and land use rights. The following table sets forth the breakdown of our properties under development as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Construction costs	16,422	16,537	15,867	—
Land use rights	36,344	36,344	36,344	—
Total	52,766	52,881	52,211	—

Our properties under development remained relatively stable at RMB52.8 million, RMB52.9 million, RMB52.2 million as of December 31, 2023, 2024, and 2025. Our properties under development decreased to nil as of March 31, 2026, primarily due to the disposal of our property sales and leasing business.

Note Receivables Measured at Fair Value through Other Comprehensive Income

Our note receivables at FVOCI were mainly accounts receivable and bank acceptance notes transferred, discounted and endorsed for the purpose of daily treasury management and were qualified for derecognition. As of December 31, 2023, 2024, 2025 and March 31, 2026, our note receivables measured at fair value through other comprehensive income amounted to RMB1.1 million, RMB73.4 million, RMB58.1 million and RMB75.1 million. The fluctuations during the Track Record Period were in line with our cash management practices, primarily reflecting the timing and volume of note endorsements, discounting and settlements conducted in the ordinary course of business to optimize working capital and liquidity.

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Trade and Note Receivables

As of December 31, 2023, 2024, 2025 and March 31, 2026, our trade and note receivables amounted to RMB2,693.4 million, RMB4,043.7 million, RMB5,507.2 million and RMB6,476.4 million, respectively. The increase in our trade and note receivables during the Track Record Period was in line with our sales growth and business expansion. The following table sets forth the breakdown of the trade and note receivables as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables	2,717,747	4,092,600	5,599,268	6,566,125
Note receivables	6,252	300	66	—
Less: allowance for credit losses	(30,614)	(49,187)	(92,107)	(89,678)
Total	2,693,385	4,043,713	5,507,227	6,476,447

The following table sets forth the aging analysis of the trade receivables based on the invoices as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Not overdue	2,605,727	4,015,350	5,506,805	6,493,712
Past due by 1-90 days	94,191	71,346	87,427	69,979
Past due by 91-180 days	9,143	4,150	4,369	1,261
Over 180 days past due	8,686	1,754	667	1,173
Total	2,717,747	4,092,600	5,599,268	6,566,125

The following table sets forth our trade receivables turnover days during the periods indicated.

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
Trade receivables turnover days ⁽¹⁾ . . .	99	91	91	87

Note:

- (1) Trade receivables turnover days are calculated based on the average of opening and closing balance of trade receivables less allowance for credit losses for the relevant period, divided by revenue for the same period and multiplied by 360 days for 2023, 2024 and 2025 and by 90 days for the three months ended March 31, 2026.

Our trade receivables turnover days remained relatively stable from 2023 to 2025. Our trade receivables turnover days decreased from 2025 to the three months ended March 31, 2026, primarily because our revenue grew at a faster rate than our trade receivables balance during the period. During the Track Record Period, we did not experience significant losses associated with our trade receivables, and the fluctuation in our trade receivables did not have any material adverse impact on our liquidity or cash flows.

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As of April 30, 2026, RMB2,068.7 million, or 31.5%, of our trade receivables as of March 31, 2026, had been settled. Our management team makes periodic assessments as well as individual assessments on the recoverability based on historical settlement records, past experience, as well as forward-looking information. As of December 31, 2023, 2024, 2025 and March 31, 2026, we recognized provisions for impairment of trade receivables of RMB30.6 million, RMB49.2 million, RMB92.1 million and RMB89.7 million, respectively. The provisions recognized during the Track Record Period reflect our assessment of expected credit losses on outstanding receivables at each balance sheet date. We consider that the provisions made are sufficient and that no material recoverability risk remains unaddressed as of each respective balance sheet date.

Prepayments, Other Receivables and Other Assets

The following table sets forth the current portion of our prepayments, other receivables and other assets as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments and other assets				
Prepayments to suppliers	3,114	6,661	44,425	26,446
Prepaid expenses	13,252	34,460	69,063	63,249
Deductible value-added tax input	72,465	168,912	164,330	246,260
Prepayment for [REDACTED]	—	—	—	[REDACTED]
Prepayments for purchase of property, plant and equipment	99,998	442,685	1,179,023	1,455,998
	188,829	652,718	1,456,841	1,808,872
Less: non-current portion	(99,998)	(442,685)	(1,179,023)	(1,455,998)
	<u>88,831</u>	<u>210,033</u>	<u>277,818</u>	<u>352,874</u>
Other receivables				
Receivables of tax refund	151	34,404	39,868	50,708
Reverse repurchase agreement and interest ⁽¹⁾	1,003	391,134	406,307	257,736
Deposit for Guarantees	8,579	14,074	15,358	44,543
Advance to Employees	4,588	5,525	4,604	2,874
Others	8,953	5,635	5,466	6,391
	<u>23,274</u>	<u>450,772</u>	<u>471,603</u>	<u>362,252</u>
Prepayments, other receivables and other assets	<u>112,105</u>	<u>660,805</u>	<u>749,421</u>	<u>715,126</u>

Note:

- (1) Reverse purchase arrangements represent bond-pledged reverse repurchase transactions conducted through securities exchanges, under which we provide funds and receive bonds as collateral, with a fixed right to receive the repurchase amount and yield at maturity. Each reverse purchase arrangement is executed through

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standardized electronic trading systems of the securities companies, and no separate written agreement is entered into for each transaction. The parties to each reverse purchase arrangement comprise our Group as the purchaser, the securities company as intermediary, and the matched transaction counterparty. The principal amount, applicable yield and repurchase price of each reverse purchase arrangement are fixed and electronically confirmed at the time of execution.

The current portion of our prepayments, other receivables and other assets increased from RMB112.1 million as of December 31, 2023 to RMB660.8 million as of December 31, 2024, primarily due to an increase in reverse repurchase agreement and interest. The current portion of our prepayments, other receivables and other assets increased by 13.4% to RMB749.4 million as of December 31, 2025, primarily due to higher prepayments to suppliers and prepaid expenses driven by increased procurement for our business expansion. The current portion of our prepayments, other receivables and other assets decreased by 4.6% to RMB715.1 million as of March 31, 2026, primarily due to the decrease in reverse repurchase agreement and interest. The fluctuation of reverse repurchase agreement and interest during the Track Record Period was due to our subscription and redemption activities in line with capital management practices. We enter into reverse purchase arrangements as part of our capital management policy to utilize surplus cash at a fixed yield while retaining liquidity.

As of April 30, 2026, RMB746.4 million, or 34.4% of our prepayments, other receivables and other assets as of March 31, 2026 was subsequently settled.

Other Financial Assets at Fair Value through Profit and Loss (“FVPL”)

Our current portion of other financial assets at fair value through profit and loss included structured deposits. Our non-current portion of other financial assets at fair value through profit or loss includes unlisted equity securities. As of December 31, 2023, 2024, 2025 and March 31, 2026, our other financial assets at fair value through profit or loss amounted to RMB118.0 million, RMB69.9 million, RMB85.0 million and RMB85.0 million, respectively. The decrease in our other financial assets at FVPL from December 31, 2023 to December 31, 2024, were primarily due to redemption of structured deposits in the same periods while the increase from December 31, 2024 to December 31, 2025 were primarily due to increase in the fair value of the equity securities as a result of their market price increase. Our other financial assets at FVTPL remained stable at RMB85.0 million as of December 31, 2025 and March 31, 2026.

We have adopted internal investment policies and guidelines to manage risks associated with our investments in structured deposits and equity securities, and our investment strategy aims to enhance returns on surplus funds while maintaining prudent risk limits and preserving liquidity for our operating needs. In line with this strategy, we purchase structured deposits from reputable commercial banks, conduct treasury repurchase transactions in government bonds through securities accounts, subscribe for yield certificates issued by qualified securities firms, and make equity securities investments on a selective basis, and we evaluate each proposed investment case-by-case with reference to, among other things, our liquidity position, the product or instrument features including tenor, underlying reference, return and downside terms, the issuer or counterparty’s credit profile, prevailing market conditions and our overall

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risk exposure. We implement internal controls over such investments through segregation of duties, defined approval thresholds and ongoing monitoring. Our finance department identifies and preliminarily assesses investment opportunities and prepares an analysis covering key terms, risks, expected returns and liquidity impact, and we maintain internal records for execution, settlement and post-investment tracking. We monitor investment positions and risk exposure on an ongoing basis and report material movements and performance to management at regular intervals, and we review compliance with our internal limits and procedures.

Our Board oversees our investment activities and risk management approach, and we submit structured deposits and equity securities investments for review in accordance with our internal approval matrix. Where an investment exceeds our prescribed thresholds or involves heightened risk considerations, we require prior approval from the Board before we proceed. After the [REDACTED], we plan to continue to make structured deposits purchases and equity securities investments where we consider such investments to be in the interest of our Group and after completing the relevant internal evaluation and approval procedures, and we will ensure that any such transactions comply with all applicable laws and regulations, including the relevant requirements under Chapter 14 of the Listing Rules. See Note 28 to the Accountant’s Report in Appendix I to this document for more details of our financial assets at fair value through profit or loss.

Term Deposits with Initial Terms over Three Months

As of December 31, 2023, 2024, 2025 and March 31, 2026, our current portion of term deposit with initial terms over three months amounted to RMB1,137.0 million, RMB920.9 million, RMB2,835.3 million and RMB2,190.6 million, respectively. Our non-current portion of term deposit with initial terms over three months was RMB3,015.9 million, RMB3,904.6 million, RMB1,578.2 million and RMB1,587.7 million, as of December 31, 2023, 2024, 2025 and March 31, 2026, respectively.

Cash and Cash Equivalents

As of December 31, 2023, 2024, 2025 and March 31, 2026, our cash and cash equivalents amounted to RMB2,097.9 million, RMB1,542.7 million, RMB2,579.1 million and RMB4,391.6 million, respectively. The following table sets forth the breakdown of cash and cash equivalents as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB’000	RMB’000	RMB’000	RMB’000
Cash and cash equivalents				
– Cash on hand	81	40	39	39
– Cash in banks	2,070,510	1,538,148	2,577,299	4,390,035

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	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Others	27,292	4,511	1,765	1,564
Total	2,097,883	1,542,699	2,579,103	4,391,638

The fluctuations of our cash and cash equivalents during the Track Record Period were in line with our own working capital management decisions.

Trade and Other Payables

As of December 31, 2023, 2024, 2025 and March 31, 2026, our trade and other payables amounted to RMB3,175.1 million, RMB5,132.7 million, RMB7,767.3 million and RMB8,551.5 million, respectively. The following table sets forth a breakdown of our trade and other payables as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payable	1,840,263	2,516,963	4,156,406	4,802,265
Notes payable	374,070	619,517	934,129	956,138
Payables for purchases of property, plant and equipment	307,824	971,304	1,363,484	1,367,450
Salaries, wages and benefits payable	296,544	477,140	530,246	527,653
Sale commissions	101,546	129,066	175,620	205,497
Deposits	55,305	99,726	154,906	197,223
Accrued expenses	151,385	261,867	371,870	390,083
Other taxes payable	26,049	38,061	53,291	48,274
Others ⁽¹⁾	22,079	19,080	27,339	56,915
Total	3,175,065	5,132,724	7,767,291	8,551,498

Note:

(1) Comprise service fee payables in relation to consulting and other professional services.

The increases in our trade and other payables during the Track Record Period was in line with our production expansion, sales growth and business expansion in the same periods. The aging of our trade payables as of December 31, 2023, 2024, 2025 and March 31, 2026 are all within one year. The following table sets forth our trade payables turnover days for the periods indicated.

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
Trade payables turnover days ⁽¹⁾	85	86	96	99

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Note:

- (1) Trade payables turnover days are calculated based on the average of opening and closing balance of trade payables for the relevant period, divided by cost of sales for the same period and multiplied by 360 days for 2023, 2024 and 2025 and by 90 days for the three months ended March 31, 2026.

Our trade payables turnover days remained relatively stable in 2023 and 2024. Our trade payables turnover days increased from 2024 to 2025, and further to the three months ended March 31, 2026, primarily due to the larger increase in trade payables than that of cost of sales in the same period, in line with increased raw material procurement and our business expansion.

As of April 30, 2026, RMB2,492.4 million, or 51.9%, of our trade payables as of March 31, 2026, had been subsequently settled.

Contract Liabilities

Our contract liabilities mainly arise from the advance payments made by our customers in relation to our sales of recyclable offcut materials. As of December 31, 2023, 2024, 2025 and March 31, 2026, our contract liabilities amounted to RMB22.6 million, RMB28.9 million, RMB65.8 million and RMB82.0 million, respectively. The increase during the Track Record Period was in line with sales growth of recyclable offcut materials.

Income Tax Payable

As of December 31, 2023, 2024, 2025 and March 31, 2026, our income tax payable amounted to RMB66.2 million, RMB98.4 million, RMB220.9 million and RMB287.0 million, respectively. Our income tax payable increased by 48.6% from RMB66.2 million as of December 31, 2023 to RMB98.4 million as of December 31, 2024, and by 124.5% to RMB220.9 million as of December 31, 2025, and further by 29.9% to RMB287.0 million as of March 31, 2026, as a result of increased income tax expense in line with the growth in our profit before tax in the same periods.

Non-current Assets and Liabilities

The following table sets out our non-current assets and liabilities as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current Assets				
Property, plant and equipment	4,365,903	6,190,642	8,280,844	9,030,831
Right-of-use assets	156,912	152,135	167,896	178,048
Investment properties	22,940	13,093	15,830	–
Intangible assets	115,272	107,903	129,825	127,087
Deferred tax assets	90,094	166,363	322,056	421,137

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	As of December 31,			As of
	2023	2024	2025	March 31,
	RMB'000	RMB'000	RMB'000	2026
Prepayments and other receivables and other assets – non-current	99,998	442,685	1,179,023	1,455,998
Other financial assets at fair value through other comprehensive income	210,874	430,320	486,772	1,037,895
Other financial assets at fair value through profit or loss – non-current	67,744	69,912	85,015	85,015
Investment in associates	48,929	24,657	33,590	34,034
Term bank deposit with initial terms over three months	3,015,948	3,904,554	1,578,249	1,587,651
Total non-current assets	8,194,614	11,502,264	12,279,100	13,957,696
Non-current liabilities				
Borrowings – non-current	846,493	1,309,936	1,885,661	2,625,692
Lease liabilities – non-current	–	–	11,837	9,950
Deferred incomes	302,737	314,446	417,148	417,041
Deferred tax liabilities	26,254	77,550	87,471	224,937
Total non-current liabilities	1,175,484	1,701,932	2,402,117	3,277,620

Property, Plant and Equipment

As of December 31, 2023, 2024, 2025 and March 31, 2026, our property, plant and equipment amounted to RMB4,365.9 million, RMB6,190.6 million, RMB8,280.8 million and RMB9,030.8 million, respectively. The following table sets forth our buildings, plant and equipment as of the dates indicated.

	As of December 31,			As of
	2023	2024	2025	March 31,
	RMB'000	RMB'000	RMB'000	2026
Buildings	1,150,030	1,396,498	1,499,465	1,544,952
Machineries	2,433,640	2,527,472	3,916,447	4,578,963
Overseas land	102,826	105,404	110,312	104,462
Vehicles	2,269	3,655	7,959	7,761
Office equipment	103,560	105,194	282,467	302,092
Construction in progress	569,963	2,048,442	2,459,951	2,489,941
Others	3,615	3,977	4,243	2,660
Total	4,365,903	6,190,642	8,280,844	9,030,831

The increases in the carrying amount of our property, plant and equipment during the Track Record Period were primarily in line with our production expansion plans in the same periods.

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Right-of-use Assets

The following table sets forth our right-of-use assets as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Land use rights	156,830	152,135	148,538	160,609
Lease of vehicles	82	—	—	—
Lease of buildings	—	—	19,358	17,439
Total	156,912	152,135	167,896	178,048

Our right-of-use assets remained relatively stable at RMB156.9 million and RMB152.1 million as of December 31, 2023 and 2024. Our right-of-use assets increased from RMB152.1 million as of December 31, 2024 to RMB167.9 million as of December 31, 2025, primarily due to newly leased buildings in 2025. Our right-of-use assets increased from RMB167.9 million as of December 31, 2025 to RMB178.0 million as of March 31, 2026, primarily due to increased land use rights.

Intangible Assets

The following table sets forth our intangible assets as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Software	15,145	16,078	32,279	31,898
Patents	100,127	91,825	97,546	95,189
Total	115,272	107,903	129,825	127,087

Our intangible assets decreased by 6.4% from RMB115.3 million as of December 31, 2023 to RMB107.9 million as of December 31, 2024, primarily attributable to a decrease in patents of RMB8.3 million as a result of amortization. Our intangible assets increased by 20.3% from RMB107.9 million as of December 31, 2024 to RMB129.8 million as of December 31, 2025, primarily due to (i) an increase in softwares in relation to purchases of server-supporting software as well as software used in research and development and production processes, and (ii) newly purchased patents. Our intangible assets remained relatively stable at RMB129.8 million as of December 31, 2025 and RMB127.1 million as of March 31, 2026.

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Other Non-Current Financial Assets at Fair Value through Other Comprehensive Income (“FVOCI”)

Our other non-current financial assets at fair value through other comprehensive income primarily consist of equity investments and unlisted equity investments. The following table sets forth our other financial assets at fair value through other comprehensive income as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Equity investments	197,997	418,753	470,412	1,021,694
Unlisted equity investments	12,877	11,567	16,360	16,201
Total	210,874	430,320	486,772	1,037,895

The fluctuations of our other financial assets at FVOCI during the Track Record Period were mainly due to changes in the fair value of listed equity investments, which were in line with changes in their market prices.

Deferred Incomes

Our deferred incomes consist of government grants that we received in support of our business operations and capital expenditures. As of December 31, 2023, 2024, 2025 and March 31, 2026, our deferred incomes amounted to RMB302.7 million, RMB314.4 million, RMB417.1 million and RMB417.0 million, respectively. The fluctuations of our deferred incomes during the Track Record Period were in line with changes in the government grants we received for subsidizing purchases of property, plant and equipment and the amortization thereof recognized in profit or loss. The government grants were recognized in profit or loss on a straightline basis over the useful lives of the related property, plant and equipment.

INDEBTEDNESS

The table below sets out the details of our indebtedness as of the dates indicated.

	As of December 31,			As of March 31,	As of April 30,
	2023	2024	2025	2026	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
					(Unaudited)
Current					
Borrowings	1,758,758	2,316,576	2,662,542	3,710,362	3,982,000
Lease liabilities	88	–	7,552	7,596	7,611
Non-current					
Borrowings	846,493	1,309,936	1,885,661	2,625,692	3,326,341
Lease liabilities	–	–	11,837	9,950	9,318
Total	2,605,339	3,626,512	4,567,592	6,353,600	7,325,270

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Borrowings

As of December 31, 2023, 2024, 2025, March 31, 2026 and April 30, 2026, our borrowings, including current and non-current portion, amounted to RMB2,605.3 million, RMB3,626.5 million, RMB4,548.2 million, RMB6,336.1 million and RMB7,308.3 million, respectively, mainly representing bank borrowings in accordance with the our funding needs and in support of our business expansion. During the Track Record Period, our borrowings were denominated in USD, EUR and RMB with annual interest rates ranging from 1.15% to 6.02% for short-term borrowings, and 1.50% to 5.70% for long-term borrowings. As of April 30, 2026, our unutilized banking facilities amounted to RMB15,328.9 million. Our Directors confirm that there was no default in payments of our liabilities, and/or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

Lease Liabilities

As of December 31, 2023, 2024, 2025, March 31, 2026 and April 30, 2026, our lease liabilities, including current and non-current portion, amounted to RMB0.1 million, nil, RMB19.4 million, RMB17.5 million and RMB16.9 million, respectively, mainly representing lease liabilities under leases for right-of-use assets.

No Other Outstanding Indebtedness

Except as disclosed above, as of April 30, 2026, being the latest practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or other material contingent liabilities. After due and careful consideration, our Directors confirm that, up to the Latest Practicable Date, there has been no material change in our indebtedness since April 30, 2026.

CONTINGENT LIABILITIES OR GUARANTEES

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, we did not have any material contingent liabilities that would have a material impact on our financial position or results of operations.

CAPITAL EXPENDITURE

Our capital expenditures consisted of payments for purchase of property, plant and equipment, intangible assets and other non-current assets. In 2023, 2024, 2025 and the three months ended March 31, 2025 and 2026, our capital expenditure amounted to RMB810.5 million, RMB2,147.8 million, RMB3,198.5 million, RMB658.1 million and RMB1,467.2 million, respectively. We funded our capital expenditure requirements during the Track Record Period mainly from cash flow generated from operating activities and debt financing. We expect to continue to incur capital expenditure in the near future, primarily to support the growth of our business. We expect to fund these capital expenditures with a combination of

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cash flow generated from operating activities, debt financing and net [REDACTED] from the [REDACTED]. See “Business — Our Strategies” and “Future Plans and Use of [REDACTED] — Use of [REDACTED]” for further details about our planned capital expenditure. We may adjust our capital expenditures for any given period according to our development plans or in light of market conditions and other factors we believe to be appropriate.

CAPITAL COMMITMENTS

As of December 31, 2023, 2024, 2025 and March 31, 2026, our capital commitments amounted to RMB910.4 million, RMB1,473.4 million, RMB4,511.5 million and RMB5,102.0 million, respectively, primarily in connection with capital expenditure contracted for but not yet provided for acquisition of property, plant and equipment.

KEY FINANCIAL RATIOS

The following table sets out our key financial ratios for the periods indicated.

	As of/For the year ended December 31,			As of/For the three months ended March 31,
	2023	2024	2025	2026
Gross profit margin (%) ⁽¹⁾	28.4	31.7	33.8	34.8
Net profit margin (%) ⁽²⁾	16.9	19.4	20.2	20.0
Return on equity (%) ⁽³⁾	16.8	23.9	28.4	31.1 ⁽⁴⁾
Current ratio ⁽⁵⁾	1.6	1.3	1.5	1.5
Liability to asset ratio (%) ⁽⁶⁾ . .	38.7	43.8	46.5	48.6
Gearing ratio (%) ⁽⁷⁾	26.5	30.5	30.2	37.8

Notes:

- (1) Our gross profit represents our revenue less our cost of sales, which includes impairment losses and tax surcharges. Gross profit margin equals gross profit divided by revenue and multiplied by 100%. See “— Results of Operations — Gross Profit and Gross Profit Margin.”
- (2) Net profit margin equals profit attributable to owners of the company for the year/period divided by revenue and multiplied by 100%.
- (3) Return on equity equals profits attributable to owners of the company for the year/period divided by average balance of equity attributable to owners of the company at the beginning and the end of that year/period and multiplied by 100%.
- (4) Annualized by dividing profit attributable to owners of the company for the three months ended March 31, 2026 by 90 and multiplied by 360, then divided by average equity attributable to owners of the company at the beginning and the end of this period and multiplied by 100%.
- (5) Current ratio equals current assets divided by current liabilities.
- (6) Liability to asset ratio equals total liabilities divided by total assets.
- (7) Gearing ratio was calculated as interest-bearing indebtedness (including interest-bearing bank borrowings and lease liabilities) divided by total equity and multiplied by 100%.

Our net profit margin improved steadily from 16.9% in 2023 to 19.4% in 2024 and further to 20.2% in 2025, reflecting a continued shift in product mix towards higher value-added PCBs and operating leverage from revenue growth. For the three months ended March 31, 2026, net profit margin remained broadly stable at 20.0%. Our return on equity increased from 16.8% in

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2023 to 23.9% in 2024, further to 28.4% in 2025 and further to 31.1% for the three months ended March 31, 2026, as our strong profit growth outpaced our equity base expansion. Our current ratio remained broadly stable between 1.3 and 1.6 throughout the Track Record Period. The decrease to 1.3 as of December 31, 2024 was the continued increases in raw material procurement and construction payables driven by business expansion, which recovered to 1.5 by December 31, 2025 and remained at 1.5 as of March 31, 2026. Our liability to asset ratio increased from 38.7% in 2023 to 46.5% in 2025, and gearing ratio increased from 26.5% in 2023 to 30.2% in 2025, both reflecting increased interest-bearing borrowings extended to support capacity expansion. As of March 31, 2026, both ratios increased further to 48.6% and 37.8% respectively, primarily driven by an increase in total interest-bearing indebtedness from RMB4,567.6 million as of December 31, 2025 to RMB6,353.6 million as of March 31, 2026 to support increased capital expenditure.

OFF-BALANCE SHEET ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet arrangements. We also have not entered into any financial guarantees or other commitments to guarantee the payment obligations of third parties. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners’ equity. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or that engages in leasing, hedging or research and development services with us.

MATERIAL RELATED PARTY TRANSACTIONS

Related party transactions are set out in Note 38 to the Accountant’s Report included in Appendix I, Our Directors confirm that these transactions were conducted in the ordinary and usual course of business and on an arm’s length basis, and they did not distort our results of operations or make our historical results not reflective of our future performance.

FINANCIAL RISKS DISCLOSURE

Our activities expose us to financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk, and liquidity risk. Our risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance. See Note 3.1 to the Accountant’s Report in Appendix I to this document for details of our financial risk management.

DIVIDENDS

In 2023, 2024, 2025 and the three months ended March 31, 2026, we declared dividends of RMB285.8 million, RMB956.8 million, RMB961.7 million and nil, respectively. We do not have predetermined dividend payout ratio. According to our Articles of Association, we are

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required to pay cumulative cash dividends of the most recent three fiscal years that account for not less than 30% of our average annual distributable profits for those three fiscal years which are available for distribution, in principle calculated in accordance with PRC GAAP, provided that the sustainable operation and long term development of the Company will not be impacted and there is no plan for significant capital expenditure.

DISTRIBUTABLE RESERVES

As of March 31, 2026, our consolidated retained earnings amounted to RMB11,787.2 million, which is available for distribution to our Shareholders.

[REDACTED]

Our [REDACTED] mainly include (i) [REDACTED] expenses, such as [REDACTED] fees and [REDACTED], and (ii) [REDACTED] expenses, comprising professional fees paid to our legal advisors and Reporting Accountant for their services rendered in relation to the [REDACTED] and the [REDACTED], and other fees and expenses. The estimated total [REDACTED] (based on the mid-point of the [REDACTED] and assuming that the [REDACTED] is not exercised) for the [REDACTED] are approximately HK\$[REDACTED], accounting for of [REDACTED]% of our gross [REDACTED]. An estimated amount of HK\$[REDACTED] for our [REDACTED], accounting for approximately [REDACTED]% of our gross [REDACTED], was or is expected to be expensed through the statement of comprehensive income and the remaining amount of HK\$[REDACTED] is expected to be recognized as a deduction from equity upon the [REDACTED]. We did not recognize [REDACTED] in 2023 and 2024. We recognized [REDACTED] of RMB[REDACTED] and RMB[REDACTED] in our consolidated financial statements in 2025 and the three months ended March 31, 2026.

UNAUDITED [REDACTED] ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See “Appendix II — Unaudited [REDACTED] Financial Information” to this document.

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the date of this document there has been no material adverse change in our financial condition, trading position or prospects since March 31, 2026, being the date of our latest financial statements, and there has been no event since March 31, 2026 which would materially affect the information shown in the Accountant’s Report set out in Appendix I to this document.

DISCLOSURE REQUIRED UNDER LISTING RULES

Except as otherwise disclosed in this document, our Directors confirm that, as of the Latest Practicable Date, they were not aware of any circumstances which would give rise to a disclosure requirement under Rule 13.13 to Rule 13.19 of the Listing Rules.

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

OVERVIEW

As of the Latest Practicable Date, our Company was held as to (i) 19.32% by Biggering Holdings, and (ii) 1.03% by Happy Union, which were ultimately controlled by the Wu Family (comprising Ms. CHEN May Fong, Mr. WU Chuan Pin, Mr. WU Chuanlin, Ms. WU Chiao-shan, Ms. DENG Wenlan, Ms. CHU Yu-chieh, and Mr. HU Shao-tang), representing a total of 20.35% of the voting power at general meetings of our Company. Biggering Holdings was directly held as to 100% by the Wu Family. Happy Union was directly held as to 75.82% by Mr. WU Chuan Pin and 24.18% by Ms. Mok Yuet Ngor, Candy, an Independent Third Party. Mr. WU Li-Gann, Ms. CHEN May Fong, Mr. WU Chuan Pin, Mr. WU Chuanlin and Ms. WU Chiao-shan formed an oral acting-in-concert arrangement from the date of incorporation of our Company, and Ms. DENG Wenlan, Ms. CHU Yu-chieh and Mr. HU Shao-tang subsequently became parties to such acting-in-concert arrangement by virtue of their marital relationships with the members of the Wu Family. Such acting-in-concert arrangement shall remain in effect unless and until all members of the Wu Family agree to terminate it, subject to compliance with applicable laws and regulations. Pursuant to such arrangement, all members of the Wu Family have agreed to jointly exercise the voting rights and other shareholders’ rights attached to the Shares in our Company held through Biggering Holdings and Happy Union. There is no casting vote mechanism under such arrangement. The acting-in-concert arrangement arose from the close familial relationships among members of the Wu Family and their joint shareholding interests in our Company. Biggering Holdings and Happy Union are both primarily engaged in investment holding. For details, see “History and Corporate Structure — Corporate Structure” in this document.

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued pursuant to our 2024 Share Option Incentive Plan), the Wu Family, through Biggering Holdings and Happy Union, will be entitled to exercise a total of [REDACTED]% of the voting power at general meetings of our Company. Upon [REDACTED], the Wu Family, Biggering Holdings and Happy Union will together constitute our Single Largest Group of Shareholders.

INTEREST IN COMPETING BUSINESS

Apart from the interests in the Company, our Single Largest Group of Shareholders, individually or collectively, control and invest in companies which principally engage in (i) investment business, (ii) property development and management, and (iii) other businesses, such as sales of packaging materials, corporate consulting, agriculture and trading. The principal businesses of such investments are separate and clearly delineated from the principal businesses of our Group.

Each member of our Single Largest Group of Shareholders confirms that he/she/it had no interest in any business apart from the business of our Group which competes or is likely to compete, either directly or indirectly, with the business of our Group.

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

NON-COMPETITION UNDERTAKINGS

Each member of the Wu Family (comprising Ms. CHEN May Fong, Mr. WU Chuan Pin, Mr. WU Chuanlin, Ms. WU Chiao-shan, Ms. DENG Wenlan, Ms. CHU Yu-chieh, and Mr. HU Shao-tang) and Biggering Holdings has provided non-competition undertakings in favor of our Company dated March 10, 2009, pursuant to which they have undertaken that, among others:

- (i) none of the companies or other organizations controlled by them engage in products or businesses that are the same as or similar to the principal products or businesses currently operated by our Company;
- (ii) the companies or other organizations controlled by them shall not, whether within or outside of China, invest in, acquire, or merge with any company or other economic organization whose principal business is the same as or similar to that of our Company;
- (iii) if our Company engages in new business areas in the future, the companies or other organizations controlled by them shall not, whether within or outside of China, engage, either through shareholding control or through minority shareholding with substantive control, in business activities that are the same as or similar to our Company’s new business areas, including investing in, acquiring, or merging with companies or other economic organizations whose principal business is the same as or similar to that of our Company; and
- (iv) the members of the Wu Family undertake not to seek any improper benefits by virtue of their position as the actual controllers of our Company.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independently of our Single Largest Group of Shareholders and their respective close associates upon [REDACTED].

Management Independence

Our Board comprises eleven Directors, including five executive Directors, two non-executive Directors and four independent non-executive Directors. Our management and operational decisions are made collectively by our Board and senior management, most of whom have served our Group for a significant period and have substantial and extensive relevant industry experience and expertise as set out in “Directors and Senior Management”. Each of Ms. CHEN May Fong and Mr. WU Chuan Pin is a director of Biggering Holdings. Mr. WU Chuan Pin is a director of Happy Union. Biggering Holdings and Happy Union are both investment holding vehicles and their directors are primarily responsible for overseeing the management of their investments in our Company. Save for Ms. CHEN May Fong and Mr. WU Chuan Pin, none of our Directors or members of the senior management holds any directorship or executive position in our Single Largest Group of Shareholders or their close associates.

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Directors consider that our Board and senior management will function independently of our Single Largest Group of Shareholders for the following reasons:

- (i) each Director is aware of his or her fiduciary duties as a Director which require, among other things, that such Director acts for the best interests of our Company and our Shareholders as a whole and does not allow any conflict between his or her duties as a Director and his or her personal interests;
- (ii) our Company has established internal control mechanisms to identify connected transactions to ensure that our Shareholders or Directors with conflicting interests in a proposed transaction will abstain from voting on the relevant resolutions pursuant to the relevant requirements under our Articles of Association and/or the Listing Rules;
- (iii) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Company and our Directors or their respective close associates, the interested Director(s) is required to declare the nature of such interest before voting at the relevant Board meetings of our Company in respect of such transactions;
- (iv) all of the remaining Directors are independent from our Single Largest Group of Shareholders, and decisions of the Board require the approval of a majority vote from the Board; and
- (v) we have appointed four independent non-executive Directors, comprising more than one third of the total members of our Board, who have sufficient knowledge, experience and competence to ensure that the decisions of our Board are made after due consideration of independent and impartial opinions and in the best interests of our Company and our Shareholders as a whole.

Based on the above, our Directors are of the view that our Board and senior management as a whole are capable to perform their roles in our Company independently and manage our business independently of our Single Largest Group of Shareholders and their respective close associates after [REDACTED].

Operational Independence

We are not operationally dependent on our Single Largest Group of Shareholders. We have established our own organizational structure, with each department assigned to specific areas of responsibilities which have been in operation and are expected to continue to operate independently of our Single Largest Group of Shareholders and their respective close associates. We have independent access to suppliers and customers. We are also in possession of relevant assets, licenses, trademarks and other intellectual property and research and development facilities necessary to carry on and operate our business, and we have sufficient operational capacity in terms of capital and employees to operate independently.

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

We have entered into certain transactions with our Single Largest Group of Shareholders, which are set out in the section headed “Connected Transactions” in this document and Note 38 to the Accountant’s Report set out in Appendix I to this document. Such transactions were conducted in the ordinary and usual course of business and on normal commercial terms. The transaction amounts involved were not, and are not expected to be, material to our Group or significant to our principal business operations. In addition, our Group is able to obtain similar products and services from Independent Third Parties on comparable commercial terms. Accordingly, our Directors believe that such transactions do not indicate any undue reliance by our Company on the Single Largest Group of Shareholders and are beneficial to our Company and our Shareholders as a whole.

Based on the above, our Directors are satisfied that we will be able to operate independently of our Single Largest Group of Shareholders and their respective close associates after [REDACTED].

Financial Independence

We have the ability to operate independently of our Single Largest Group of Shareholders and their respective close associates from a financial perspective. We have an independent financial system and make financial decisions according to our own business needs. We have our independent financial department with a team of independent financial staff responsible for discharging the treasury function, and an audit committee to oversee our accounting and financial reporting processes. We make tax registration and pay tax independently with our own funds. As such, our financial functions, such as cash and accounting management, invoices and bills, operate independently of our Single Largest Group of Shareholders and their respective close associates.

We do not rely on our Single Largest Group of Shareholders or their close associates to provide financial assistance to our Group. We have independent access to third party financing and our Directors believe that, if necessary, we are capable of obtaining financing from external sources without reliance on our Single Largest Group of Shareholders or their respective close associates. As of the Latest Practicable Date, none of our Single Largest Group of Shareholders or their respective close associates had provided any loans, borrowings or guarantees to our Group.

Based on the above, our Directors are satisfied that we will be able to maintain financial independence from our Single Largest Group of Shareholders and their respective close associates after [REDACTED].

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

CORPORATE GOVERNANCE MEASURES

In order to further safeguard the interests of our Shareholders, we will adopt the following corporate governance measures to manage any potential conflicts of interest with our Single Largest Group of Shareholders and their respective close associates:

- (i) As part of our preparation for the [REDACTED], we have amended our Articles of Association to comply with the Listing Rules which will become effective upon [REDACTED]. In particular, our Articles of Association provides that, unless otherwise provided, a Director shall abstain from voting on any resolution approving any contract, transaction or arrangement in which such Director or any of his/her close associates has a material interest, nor shall such Director be counted in the quorum present at the Board meeting;
- (ii) a Director with material interests shall make full disclosure in respect of matters that conflict or potentially conflict with our interest and absent himself/herself from the Board meetings on matters in which such Director or any of his/her close associates have a material interest;
- (iii) Our Company has established internal control mechanisms to identify connected transactions. Upon [REDACTED], if our Company enters into connected transactions with our Single Largest Group of Shareholders or any of their associates, our Company will comply with the applicable requirements under the Listing Rules;
- (iv) We are committed that our Board shall include a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors). We have appointed four independent non-executive Directors, and we believe our independent non-executive Directors possess sufficient experiences and are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment and will be able to provide an impartial, external opinion to protect the interests of our Shareholders as a whole. For details of our independent non-executive Directors, see “Directors and Senior Management — Directors — Independent Non-Executive Directors” in this document; and
- (v) We have appointed Somerley Capital Limited as our compliance advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to directors’ duties and corporate governance.

CONNECTED TRANSACTIONS

Upon the [REDACTED], certain transactions between us and our connected persons will constitute continuing connected transactions under Chapter 14A of the Listing Rules.

CONNECTED PERSONS

We have entered into certain transactions in the ordinary and normal course of business with the following connected persons, which will constitute continuing connected transactions upon the [REDACTED]:

Name	Connected Relationship
Ms. CHEN May Fong and her associates	Ms. CHEN May Fong is a member of the Wu Family and a substantial shareholder of the Company. Therefore, Ms. CHEN May Fong and her associates are connected persons of the Company under Rule 14A.07 of the Listing Rules.
WUS TW and its associates	WUS TW is a substantial shareholder of the Company. Therefore, WUS TW and its associates are connected persons of the Company under Rule 14A.07 of the Listing Rules.

SUMMARY OF THE CONTINUING CONNECTED TRANSACTIONS

No.	Nature of Transactions	Connected Party	Listing Rules	Waiver Sought
Fully-Exempt Continuing Connected Transactions				
1. . .	Comprehensive Lease Agreement I	Ms. CHEN May Fong and her associates	14A.76(1)	N/A
2. . .	Comprehensive Lease Agreement II	WUS TW and its associates	14A.76(1)	N/A
3. . .	Comprehensive Supply Framework Agreement	WUS TW and its associates	14A.76(1)	N/A
Partially-Exempt Continuing Connected Transactions				
4. . .	Comprehensive Procurement Framework Agreement	WUS TW and its associates	14A.76(2) 14A.105	Announcement

CONNECTED TRANSACTIONS

Fully-Exempt Continuing Connected Transactions

1. *Comprehensive Lease Agreement I*

The Company, for itself and on behalf of its subsidiaries, has entered into a comprehensive lease agreement with Ms. CHEN May Fong on [●] (the “Comprehensive Lease Agreement I”), pursuant to which the Group agreed to lease certain properties in the PRC to Ms. CHEN May Fong and her associates and Ms. CHEN May Fong and her associates agreed to lease certain properties in the PRC to the Group.

The salient terms of the Comprehensive Lease Agreement I are summarized as below:

Number of properties:	No more than 140 residential and/or commercial properties and no more than 50 parking lots
Use of properties:	Offices, parking facilities, stores and dormitories
Rent:	Total annual rent of no more than RMB5,500,000
Term of the agreement: . . .	Initial terms from [●] to December 31, 2028

As all of the applicable percentage ratios calculated for the purpose of Chapter 14A of the Listing Rules in respect of the aforementioned transactions, which are conducted on normal commercial terms, will be less than 0.1% on an annual basis, it will fall within the de minimis threshold under Rule 14A.76(1) of the Listing Rules and will be exempt from the reporting, annual review, announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

2. *Comprehensive Lease Agreement II*

The Company, for itself and on behalf of its subsidiaries, has entered into a comprehensive lease agreement with WUS TW on [●] (the “Comprehensive Lease Agreement II”), pursuant to which the Group agreed to lease certain properties in the PRC to WUS TW and its associates and WUS TW and its associates agreed to lease certain properties in the PRC to the Group.

The salient terms of the Comprehensive Lease Agreement II are summarized as below:

Number of properties:	No more than five properties
Use of properties:	Dormitories and factories
Rent:	Total annual rent of no more than RMB14,000,000
Term of the agreement: . . .	Initial terms from [●] to December 31, 2028

As all of the applicable percentage ratios calculated for the purpose of Chapter 14A of the Listing Rules in respect of the aforementioned transactions, which is conducted on normal commercial terms, will be less than 0.1% on an annual basis, it will fall within the de minimis threshold under Rule 14A.76(1) of the Listing Rules and will be exempt from the reporting, annual review, announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

CONNECTED TRANSACTIONS

3. *Comprehensive Supply Framework Agreement*

The Company, for itself and on behalf of its subsidiaries, has entered into a framework agreement with WUS TW on [●] (the “Comprehensive Supply Framework Agreement”), pursuant to which the Group agreed to supply PCBs used for automotives and labor services to WUS TW and its associates (the “Products and Services to WUS TW”) as they may require from time to time.

The initial term of the Comprehensive Supply Framework Agreement commenced on [●] and will end on December 31, 2028 (both days inclusive), subject to renewal upon the mutual consent of both parties and compliance with the requirements of the Listing Rules and applicable laws and regulations.

Reasons for the transaction

WUS TW’s customers have diverse procurement needs, and some may, from time to time, require PCBs with specifications that WUS TW does not offer or that are in short supply. Therefore, WUS TW may, from time to time, procure PCBs from the Group to fulfil its customers’ requirements. Separately, certain associates of WUS TW are EMS providers that need to source PCBs as part of their operations. Given the Group’s well-established reputation in the PCB industry, certain of their customers specifically designate the Group’s PCBs for use in their assembly operations, and accordingly they procure the Group’s PCBs to fulfil their customers’ requirements. The supply of the Products and Services to WUS TW could help increase the sales scale and revenue of the Group. The Directors believe that maintaining a stable business relationship with WUS TW will facilitate the Group’s business growth.

Consideration and pricing policies

The amount to be charged by the Group for the supply of the Products and Services to WUS TW pursuant to the Comprehensive Supply Framework Agreement shall be determined by commercial negotiation between the parties according to the principles of fairness and reasonableness. In determining the prices, the parties will consider, among others: (i) the prices for products and services of similar nature, type, and quality offered to at least two Independent Third Party customers at the relevant time; (ii) underlying cost structures (including raw materials, processing, testing, logistics, and applicable labor costs); (iii) expected transaction volume, order frequency, delivery schedule, and payment terms; and (iv) any applicable taxes, regulatory requirements, and compliance standards.

Upon receipt of procurement requests and proposed prices from WUS TW based on their budget and procurement needs, the Group’s sales department shall conduct price comparisons and evaluations by reference to the prices offered to Independent Third Party customers for products and services of a similar nature, as well as the relevant transaction terms and prevailing market conditions. Before entering into any transaction with WUS TW, the Group’s sales department must first confirm that the prices offered by WUS TW are no less favourable than the terms offered by Independent Third Party customers, and that the relevant transaction

CONNECTED TRANSACTIONS

terms are fair and reasonable and in the best interests of the Company and its shareholders as a whole. Upon determining the relevant sale prices, the Group’s sales department shall submit the pricing together with the pricing basis and supporting documents for internal approval. The Group’s finance department shall be responsible for reviewing whether the pricing terms comply with the pricing policies established by the Group and monitoring whether the transaction amounts remain within the annual caps. The Group’s sales department and finance department shall also maintain records of quotations, contractual documents, and approval records, and shall conduct periodic reviews of the implementation of the relevant transactions to ensure ongoing compliance with the established pricing policies.

Historical amounts

For the years ended December 31, 2023, 2024, and 2025 and the three months ended March 31, 2026, the historical transaction amounts of the Group with respect to the supply of the Products and Services to WUS TW were approximately RMB13.5 million, RMB10.3 million, RMB16.7 million and RMB3.5 million, respectively. The decrease from the year ended December 31, 2023 to the year ended December 31, 2024 was primarily due to lower procurement demands from WUS TW.

Annual caps

The following table sets forth the proposed annual caps for the transaction amounts to be charged by the Group from WUS TW and its associates under the Comprehensive Supply Framework Agreement:

	For the years ending December 31,		
	2026	2027	2028
	(RMB in million)		
Total amount to be charged by the Group from WUS TW and its associates	9.5	10.8	12.1

The proposed annual caps are determined based on:

- (i) the historical amounts of the transactions between the Group and WUS TW and its associates during the Track Record Period in respect of the supply of the Products and Services to WUS TW, which are generally at the same level with the proposed annual caps, with fluctuations primarily attributable to changes in the customer order demands and procurement arrangements of WUS TW;
- (ii) the existing contract value and the projected level of supply of the Products and Services to WUS TW to meet its needs of future business development;

CONNECTED TRANSACTIONS

- (iii) the expectation that WUS TW and its associates will continue to procure from our Group certain products and services, and that such demand is expected to moderately increase based on the customer order demands over the next three years; and
- (iv) the anticipated fluctuations in market prices of the relevant products and services, as well as the expected changes in raw material costs and labour costs, and their impact on product selling prices.

Listing Rules implications

As all of the applicable percentage ratios calculated for the purpose of Chapter 14A of the Listing Rules in respect of the aforementioned transactions, which are conducted on normal commercial terms, will be less than 0.1% on an annual basis, it will fall within the de minimis threshold under Rule 14A.76(1) of the Listing Rules and will be exempt from the reporting, annual review, announcement and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Partially-Exempt Continuing Connected Transactions

4. Comprehensive Procurement Framework Agreement

The Company, for itself and on behalf of its subsidiaries, has entered into a framework agreement with WUS TW on [●] (the “Comprehensive Procurement Framework Agreement”), pursuant to which the Group agreed to procure PCBs used for base stations, graphic cards and servers, labor and other services (including but not limited to third-party laboratory validation services for PCB materials) from WUS TW and its associates (the “Products and Services from WUS TW”) as the Group may require from time to time.

The initial term of the Comprehensive Procurement Framework Agreement commenced on [●] and will end on December 31, 2028 (both days inclusive), subject to renewal upon the mutual consent of both parties and compliance with the requirements of the Listing Rules and applicable laws and regulations.

Reasons for the transaction

Our customers have diverse procurement needs, and some may, from time to time, require PCBs with specifications that the Group does not offer or that are in short supply. To maintain customer relationship, where WUS TW can offer the relevant PCBs, the Group may source the relevant PCBs from WUS TW to fulfill such customer needs. WUS TW possesses the required experience and market reputation in the PCB industry, and has served as a reliable supplier to the Group throughout the Track Record Period. In addition, WUS TW is familiar with the Group’s business needs, quality standards and operational requirements in respect of the Products and Services from WUS TW.

CONNECTED TRANSACTIONS

The Group procures third-party laboratory validation services for PCB materials through WUS TW primarily because the Group is required to provide UL material certification in the ordinary course of its business operations. As the UL Asia-Pacific laboratory and WUS TW are both located in Taiwan, procuring such validation services through WUS TW enables the Group to improve turnaround time and enhance the efficiency of the certification process. Considering WUS TW’s industry experience, its geographical proximity and our good coordination with WUS TW, the Directors believe that it will facilitate the Group’s business operations to procure the Products and Services from WUS TW.

Consideration and pricing policies

The amount to be paid by the Group for the procurement of the Products and Services from WUS TW pursuant to the Comprehensive Procurement Framework Agreement shall be determined by commercial negotiation between the parties according to the principles of fairness and reasonableness. In determining the prices, the parties will consider, among others: (i) the prices for products and services of similar nature, type, quality, and efficiency offered by at least two Independent Third Party suppliers at the relevant time; (ii) underlying cost structures (including raw materials, processing, testing, logistics, and applicable labor costs); (iii) expected transaction volume, order frequency, delivery schedule, and payment terms; and (iv) any applicable taxes, regulatory requirements, and compliance standards.

The procurement needs shall be initiated by the business divisions of the Group based on operational requirements, and the Group’s procurement department shall be responsible for conducting price enquiries, price comparisons, and terms evaluation with both WUS TW and Independent Third Party suppliers. Before entering into any transaction with WUS TW, the Group’s procurement department must first confirm that the prices offered by WUS TW are no less favourable than the terms offered by Independent Third Party suppliers, and that the relevant transaction terms are fair and reasonable and in the best interests of the Company and its Shareholders as a whole. Upon determining the relevant procurement prices, the Group’s procurement department shall submit the pricing together with price comparison records and supporting documents for internal approval. The Group’s finance department shall monitor whether the transaction amounts remain within the annual caps. The Group’s procurement department and the Group’s finance department also maintain records of price enquiries, quotations, contractual documents, and approval records, and conduct periodic reviews of the implementation of the relevant transactions to ensure ongoing compliance with the established pricing policies.

Historical amounts

For the years ended December 31, 2023, 2024, and 2025 and the three months ended March 31, 2026, the historical transaction amounts of the Group with respect to the procurement of the Products and Services from WUS TW were approximately RMB26.5 million, RMB34.7 million, RMB57.6 million and RMB21.5 million, respectively. The increase from the year ended December 31, 2023 to the year ended December 31, 2025 was primarily due to the increased demand from end customers, which in turn drove up our procurement demand for such Products and Services from WUS TW.

CONNECTED TRANSACTIONS

Annual caps

The following table sets forth the proposed annual caps for the transaction amounts to be paid by the Group to WUS TW and its associates under the Comprehensive Procurement Framework Agreement:

	For the years ending December 31,		
	2026	2027	2028
	(RMB in million)		
Total amount to be paid by the Group to WUS TW and its associates	71.1	73.6	79.3

The proposed annual caps are determined based on:

- (i) the historical amounts of the transactions between the Group and WUS TW and its associates during the Track Record Period in respect of the procurement of the Products and Services from WUS TW, which have demonstrated an upward trend during the Track Record Period, primarily attributable to the increased customer demand for the relevant products;
- (ii) the existing contract value and the projected level of procurement of the Products and Services from WUS TW to meet the Group’s needs of business growth and expansion, and increased customer orders in the next three years; and
- (iii) the Group’s expectation that it will continue to procure the Products and Services from WUS TW, and that such procurement needs are expected to increase in line with the Group’s business development and growing customer demand; and
- (iv) the anticipated fluctuations in market prices of the relevant products and services, as well as the expected increase in raw material costs and labour costs, and their impact on overall procurement costs.

Listing Rules implications

As the highest applicable percentage ratio of the transactions under the Comprehensive Procurement Framework Agreement for each of the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules is higher than 0.1% but below 5%, such transactions will, upon the [REDACTED], constitute continuing connected transactions of the Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules but exempt from the independent Shareholders’ approval requirements under Rule 14A.36 of the Listing Rules.

CONNECTED TRANSACTIONS

MEASURES TO SAFEGUARD THE INTERESTS OF THE SHAREHOLDERS

The Group adopts the following internal control measures to ensure that the connected transactions will be carried out in accordance with the terms of the relevant agreements, including the pricing policies, and in compliance with all the applicable requirements under the Listing Rules:

- (i) we have adopted and implemented a management system on connected transactions. Under such system, the Audit Committee under the Board is responsible for the annual review on compliance with relevant laws, regulations, the Company’s policies and the Listing Rules in respect of the continuing connected transactions, in particular, the fairness of the pricing policies and annual caps under each transaction. In addition, the Audit Committee under the Board, the Board and various internal departments of the Company are jointly responsible for evaluating the terms under framework agreements for the continuing connected transactions;
- (ii) the Audit Committee under the Board, the Board and various internal departments of the Company also regularly monitor the fulfillment status and the transaction updates under the framework agreements. In addition, the management of the Company also regularly reviews the pricing policies of the framework agreements;
- (iii) the independent non-executive Directors will conduct annual review of the continuing connected transactions conducted by the Group and provide annual confirmation in accordance with Rule 14A.55 of the Listing Rules;
- (iv) the auditors will conduct annual review of the continuing connected transactions conducted by the Group and provide annual confirmation in accordance with Rule 14A.56 of the Listing Rules; and
- (v) when considering the prices paid by us to the connected persons, the Company will continue to regularly research in prevailing market conditions and practices and make reference to the pricing and terms between the Company and Independent Third Parties for similar transactions, to ensure that the pricing and terms offered by the connected persons, either from bidding procedures or mutual commercial negotiations (as the case may be), are fair, reasonable and are no less favorable than those offered to Independent Third Parties.

WAIVER

In respect of the transactions as contemplated under the Comprehensive Procurement Framework Agreement as described above, we have applied for, and the Stock Exchange [has granted] us, a waiver from strict compliance with the announcement requirements under the Listing Rules pursuant to Rule 14A.105 of the Listing Rules.

CONNECTED TRANSACTIONS

Apart from the requirements for which a waiver [has been] granted, our Directors confirm that the Company will comply with the applicable requirements under Chapter 14A of the Listing Rules after [REDACTED], and will immediately inform the Stock Exchange if any of the proposed annual caps set out above are exceeded, or when there is a material change in the terms of transactions.

CONFIRMATION FROM THE DIRECTORS

The Directors (including the independent non-executive Directors) are of the view that (i) the continuing connected transactions as set out above have been entered into in the ordinary and usual course of business of the Group and on normal commercial terms, and are fair and reasonable and in the interests of the Company and Shareholders as a whole; (ii) the proposed annual caps for those transactions are fair and reasonable and in the interests of the Company and Shareholders as a whole.

CONFIRMATION FROM THE JOINT SPONSORS

The Joint Sponsors have (i) reviewed the relevant documents and information provided by the Company in relation to the above continuing connected transactions; (ii) obtained necessary representations and confirmations from the Company and the Directors, and (iii) made reasonable enquiries in relation to the above partially-exempt continuing connected transactions. Based on the above, the Joint Sponsors are of the view that the above partially-exempt continuing connected transactions of the Group, have been entered into in the ordinary and usual course of the business on normal commercial terms or better and are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and that the proposed annual caps in respect of such partially-exempt continuing connected transactions are fair and reasonable and in the interests of the Company and Shareholders as a whole.

SHARE CAPITAL

IMMEDIATELY BEFORE THE [REDACTED]

As of the Latest Practicable Date, the issued share capital of our Company consisted of 1,924,363,537 A Shares with a nominal value of RMB1.00 each, all of which are listed on the Shenzhen Stock Exchange.

UPON COMPLETION OF THE [REDACTED]

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]), the issued share capital of our Company will be as follows:

	<u>Number of Shares</u>	<u>Approximate shareholding of total issued share capital</u>
A Shares in issue	1,924,363,537	[REDACTED]%
H Shares to be [REDACTED] pursuant to the [REDACTED]	<u>[REDACTED]</u>	<u>[REDACTED]%</u>
Total	<u><u>[REDACTED]</u></u>	<u><u>100.00%</u></u>

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is exercised in full and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]), the issued share capital of our Company will be as follows:

	<u>Number of Shares</u>	<u>Approximate shareholding of total issued share capital</u>
A Shares in issue	1,924,363,537	[REDACTED]%
H Shares to be [REDACTED] pursuant to the [REDACTED]	<u>[REDACTED]</u>	<u>[REDACTED]%</u>
Total	<u><u>[REDACTED]</u></u>	<u><u>100.00%</u></u>

OUR SHARES

Upon the completion of the [REDACTED], our Shares will consist of A Shares and H Shares. The A Shares and H Shares are all ordinary Shares in the share capital of our Company. Apart from certain qualified domestic institutional investors in the Chinese Mainland, the qualified investors in the Chinese Mainland under the Shenzhen-Hong Kong Stock Connect (if our H Shares are eligible securities for that purpose) and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws or upon approvals of any competent authorities, H Shares generally cannot be [REDACTED] for by or [REDACTED] between legal or natural persons in the Chinese Mainland.

SHARE CAPITAL

Shenzhen-Hong Kong Stock Connect has established a stock connect mechanism between the Chinese Mainland and Hong Kong. Our A Shares can be subscribed for and traded by investors in the Chinese Mainland, qualified foreign institutional investors or qualified foreign strategic investors and must be traded in Renminbi. As our A Shares are eligible securities under the Northbound Trading Link, they can also be subscribed for and traded by Hong Kong and other overseas investors pursuant to the rules and limits of Shenzhen-Hong Kong Stock Connect. Our H Shares can be [REDACTED] for or [REDACTED] by Hong Kong and other overseas investors and qualified domestic institutional investors. If our H Shares are eligible securities under the Southbound Trading Link, they can also be [REDACTED] for and [REDACTED] by investors in the Chinese Mainland in accordance with the rules and limits of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

Our A Shares and our H Shares are generally neither interchangeable nor fungible, and the market prices of our A Shares and our H Shares may be different after the [REDACTED]. The Guidelines on Application for “Full Circulation” of Domestic Unlisted Shares of H-share Companies (《H股公司境内未上市股份申请“全流通”业务指引》) announced by the CSRC are not applicable to companies dual listed in the PRC and on the Stock Exchange. As of the Latest Practicable Date, there were no relevant rules or guidelines from the CSRC providing that A Shareholders may convert A Shares held by them into H Shares for listing and trading on the Stock Exchange.

RANKING

Our A Shares and our H Shares are regarded as one class of Shares under our Articles of Association and shall rank *pari passu* with each other in all other respects and, in particular, will rank equally for dividends or distributions declared, paid or made after the date of this document. All dividends in respect of our H Shares are to be paid by us in Hong Kong dollars whereas all dividends in respect of our A Shares are to be paid by us in Renminbi. In addition to cash, dividends could also be distributed in the form of Shares. Holders of our H Shares will receive share dividends in the form of H Shares, and holders of our A Shares will receive share dividends in the form of A Shares.

APPROVAL FROM A SHAREHOLDERS REGARDING THE [REDACTED]

We have obtained our A Shareholders’ approval to [REDACTED] H Shares and seek the [REDACTED] of H Shares on the Stock Exchange at the general meeting of our Company held on November 17, 2025. Such approval is subject to the following conditions:

- (i) **Size of the [REDACTED].** The proposed number of H Shares to be [REDACTED] shall not exceed 15% of the total issued share capital enlarged by the H Shares to be issued pursuant to the [REDACTED] (before the exercise of the [REDACTED]). The number of H Shares to be issued pursuant to the exercise of the [REDACTED] shall not exceed 15% of the total number of H Shares to be offered initially under the [REDACTED].

SHARE CAPITAL

- (ii) **Method of [REDACTED].** The method of [REDACTED] shall be by way of an [REDACTED] to institutional investors and a [REDACTED] for [REDACTED] in Hong Kong.
- (iii) **Target investors.** The H Shares shall be [REDACTED] to public investors in Hong Kong under the [REDACTED] and international investors, qualified domestic institutional investors in the Chinese Mainland and other investors who are approved by regulatory bodies in the Chinese Mainland to invest abroad in [REDACTED].
- (iv) **[REDACTED] basis.** The [REDACTED] price of the H Shares will be determined, among others, after due consideration of the interests of existing shareholders of our Company, acceptance of investors and the risks related to the [REDACTED], according to international practice, through the demands for orders and book building process, subject to the domestic and overseas capital market conditions and by reference to the valuation level of comparable companies in domestic and overseas markets.
- (v) **Validity period.** The [REDACTED] of H Shares and [REDACTED] of H Shares on the Stock Exchange shall be completed within 24 months from the date when the shareholders’ meeting was held on November 17, 2025. If the Company has obtained approval or filing from relevant regulatory bodies for the [REDACTED] and [REDACTED] of the H Shares within such validity period, the validity period of the resolution will automatically be extended to the later of the [REDACTED] and the completion date of the exercise of the [REDACTED] (if any).

There is no other approved [REDACTED] plan for the Shares except the [REDACTED].

GENERAL MEETINGS

For details of circumstance under which our Shareholders’ general meetings are required, see “Summary of Articles of Association — Shareholders and Shareholders’ Meetings” in Appendix III to this document.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes to our issued and outstanding shares between the Latest Practicable Date and the [REDACTED]), the following persons will have an interest and/or short position in Shares and/or underlying Shares of our Company which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, interested in 10% or more of the issued voting Shares of our Company.

Name of Shareholder	Nature of interest	Number of Shares interested in under the SFO	Description of Shares	Approximate shareholding as of the Latest Practicable Date in total issued share capital of our Company	Approximate shareholding upon completion of the [REDACTED]	
					in A Shares	in total issued share capital of our Company
The Wu Family ⁽¹⁾	Interest in controlled corporation	391,611,200 (L)	A Shares	20.35%	[20.35]%	[REDACTED]%
Biggering Holdings ⁽¹⁾	Beneficial owner	371,799,937 (L)	A Shares	19.32%	[19.32]%	[REDACTED]%
WUS Holdings ⁽²⁾	Beneficial owner	216,711,023 (L)	A Shares	11.26%	[11.26]%	[REDACTED]%
WUS TW ⁽²⁾	Interest in controlled corporation	216,711,023 (L)	A Shares	11.26%	[11.26]%	[REDACTED]%

Notes:

- (1) The Wu Family comprises of (i) Ms. CHEN May Fong, (ii) Mr. WU Chuan Pin, (iii) Mr. WU Chuanlin, (iv) Ms. WU Chiao-shan (吳曉杉), (v) Ms. DENG Wenlan (鄧文瀾), (vi) Ms. CHU Yu-chieh (朱雨潔), and (vii) Mr. HU Shao-tang (胡詔棠).

As of the Latest Practicable Date, (i) Biggering Holdings directly held 371,799,937 A Shares and was collectively wholly owned by the Wu Family; and (ii) Happy Union directly held 19,811,263 A Shares and was owned as to 75.82% by the Wu Family and 24.18% by Ms. Mok Yuet Ngor, Candy, an Independent Third Party. Therefore, by virtue of SFO, the Wu Family is deemed to be interested in the Shares held by both Biggering Holdings and Happy Union, which is 391,611,200 A Shares in total.

- (2) As of the Latest Practicable Date, WUS Holdings directly held 216,711,023 A Shares and was wholly owned by WUS TW. Therefore, by virtue of SFO, WUS TW is deemed to be interested in the Shares held by WUS Holdings.

For details of shareholders who will be, directly or indirectly, interested in 10% or more of the issued voting shares of other members of our Group, see “Statutory and General Information — C. Further Information About Our Directors and Substantial Shareholders — 1. Disclosure of Interests” in Appendix IV to this document.

DIRECTORS AND SENIOR MANAGEMENT

OVERVIEW

Our Board comprises eleven Directors, including five executive Directors, two non-executive Directors and four independent non-executive Directors, namely:

Name	Age	Position	Date of joining our Group	Date of appointment as Director	Roles and responsibilities	Relationship with other Directors and members of senior management
Ms. CHEN May Fong (陳梅芳)	80	Non-executive Director, chairman of the Board	April 14, 1992	April 1, 1995	Overseeing corporate governance, financial reporting, internal controls system and Board affairs, and providing strategic direction and guidance to the management of our Group	Mother of Mr. WU Chuan Pin and Mr. WU Chuanlin
Mr. WU Chuan Pin (吳傳彬)	54	Executive Director, general manager	July 1, 1995	November 17, 2025	Overall management, strategic planning and decision-making for key business and operational matters of our Group, and overseeing the performance and operations of major subsidiaries	Son of Ms. CHEN May Fong and brother of Mr. WU Chuanlin
Mr. WU Chuanlin (吳傳林)	53	Executive Director, deputy chairman of the Board and procurement director	June 1, 2007	August 31, 2015	Overseeing business and daily operations, and procurement and supplier management of our Group	Son of Ms. CHEN May Fong and brother of Mr. WU Chuanlin
Mr. KAO Wen-hsien (高文賢)	60	Executive Director, head of business unit	April 1, 1996	September 18, 2018	Responsible for the business planning and development, product development, production planning, manufacturing and quality control, and operational management of the data communications business unit of our Group, and overseeing the performance and operations of relevant subsidiaries engaged in the data communications business	N/A

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Position	Date of joining our Group	Date of appointment as Director	Roles and responsibilities	Relationship with other Directors and members of senior management
Mr. SHYR Jyh-jong (石智中)	63	Executive Director, head of business unit	December 14, 2009	December 28, 2021	Responsible for the business planning and development, product development, production planning, manufacturing and quality control, and operational management of the automotive business unit of our Group, and overseeing the performance and operations of relevant subsidiaries engaged in the automotive business	N/A
Mr. ZHANG Jin (張進)	53	Executive Director, deputy head of business department	September 4, 1995	April 29, 2024	Responsible for sales management, marketing, client engagement and maintenance of our Group	N/A
Mr. LIN Ming-yen (林明彥)	72	Non-executive Director	August 31, 2015	August 31, 2015	Overseeing Board affairs, reviewing the Group’s financial reporting and internal controls systems, and providing strategic advice and guidance on the business operations of our Group	N/A
Mr. KAU Chei-chan (高啟全)	72	Independent non-executive Director	May 27, 2021	May 27, 2021	Providing independent advice on the operations and management of our Group	N/A
Mr. LU Zongyuan (陸宗元)	68	Independent non-executive Director	April 27, 2023	April 27, 2023	Providing independent advice on the operations and management of our Group	N/A
Ms. WANG Yongcui (王永翠)	48	Independent non-executive Director	December 12, 2023	December 12, 2023	Providing independent advice on the operations and management of our Group	N/A
Mr. CHAN Chi Hung (陳志雄)	66	Independent non-executive Director	February 12, 2026	February 12, 2026	Providing independent advice on the operations and management of our Group	N/A

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Executive Directors

Mr. WU Chuan Pin (吳傳彬), aged 54, has been our Director since November 2025 and general manager of our Company since January 2000. Since July 1995, Mr. Wu joined our Company and successively served as the production control and management information systems manager, business manager, manufacturing manager, operation vice president and the assistant manager of facilities and manufacturing.

Mr. Wu has served as the chairman of WUS KEPZ since December 2014. He served as the chairman of Jiangsu Schweizer from February 2023 to November 2025 and has served as the executive director of Jiangsu Schweizer since November 2025. Mr. Wu has served as a director since February 2012 and the general manager since October 2018 at WUS Huangshi. Mr. Wu has served as a signing director at WUS Thailand since October 2022. Mr. Wu has served as a director at WUS International since August 2006. Mr. Wu has served as a supervisory board director of Schweizer (Stock Code: SCE.FRA/STU) since July 2017.

Mr. Wu obtained his bachelor’s degree of science from the University of California, Berkeley in the U.S. in August 1994 and his EMBA degree from Shanghai Jiao Tong University (上海交通大學) in the PRC in December 2006.

Mr. WU Chuanlin (吳傳林), aged 53, has been our Director since August 2015, deputy chairman since April 2024 and procurement director since June 2007.

Mr. Wu has served in our Group since 2007. He has been the chairman at WUS Huangshi since April 2017, a director at WUS Thailand since October 2022, a director at Jiangsu Schweizer from February 2023 to November 2025, and a director at WUS International since April 2025.

Mr. Wu graduated from FUHWA Senior High School (高雄市私立復華高級中學) in Taiwan with a high school diploma in July 1992.

Mr. KAO Wen-hsien (高文賢), aged 60, has been our Director since September 2018 and head of business unit since December 2021.

Mr. Kao has over 30 years of experience in the PCB industry. From April 1991 to March 1996, Mr. Kao served as organizational efficiency manager at WUS TW. Mr. Kao has served in our Group since April 1996, and successively served as the head of organizational efficiency, procurement, material control and production departments of the Company.

Mr. Kao obtained his bachelor’s degree of engineering from National Tsing Hua University (國立清華大學) in Taiwan in June 1990.

DIRECTORS AND SENIOR MANAGEMENT

Mr. SHYR Jyh-jong (石智中), aged 63, has been our Director since December 2021 and head of the business unit since December 2021. He has been the general manager at WUS KEPZ since December 2014 and the general manager at Jiangsu Schweizer since May 2023.

Mr. Shyr has over 30 years of experience in the PCB industry. From January 1989 to October 1999, Mr. Shyr served as manager at Compeq Manufacturing Co., Ltd. (華通電腦公司). Mr. Shyr successively served as section chief, associate and factory manager at Suzhou GOLD Circuit Co., Ltd. (蘇州金像電子有限公司) from January 2001 to June 2008. From August 2008 to October 2009, he served as deputy general manager at Hunan Quanchuang Electronics Co., Ltd. (湖南全創電子有限公司). He has served in our Group since December 2009 and successively served as the special assistant to the general manager of the Company from November 2009 to August 2011, and assistant manager and deputy general manager at WUS KEPZ from August 2011 to November 2014.

Mr. Shyr obtained his bachelor’s degree of engineering from Chinese Culture University (中國文化大學) in Taiwan in June 1984.

Mr. ZHANG Jin (張進), aged 53, has been our Director since April 2024 and deputy head of business department since December 2017. He joined in our Company in September 1995 and has successively served as the head of quality assurance, business and production departments.

Mr. Zhang graduated from China Textile University (中國紡織大學, currently known as Donghua University (東華大學)) in the PRC in July 1995, majoring in industrial electrical automation.

Non-executive Directors

Ms. CHEN May Fong (陳梅芳), aged 80, has been our Director since April 1995. Ms. Chen served as the deputy chairman of the Board since January 2003 and the chairman of the Board since April 2024. Since April 2024, Ms. Chen has been a director at WUS International.

Ms. Chen obtained her bachelor’s degree of science from National Taiwan University (國立台灣大學) in Taiwan in June 1968.

Mr. LIN Ming-yen (林明彥), aged 72, has been our non-executive Director since August 2015.

From March 1999 to January 2008, Mr. Lin served as the general manager at WUS TW, where he also served as the general manager from June 2006 to January 2008 and has served as a director since June 2006. Mr. Lin has served as the chairman since January 2008 and general manager since June 2009 at Centron Electronics (Kunshan) Co., Ltd. (昆山先創電子有限公司). Since May 2013, Mr. Lin has served as an executive director and the general manager at Huzhao Energy (Kunshan) Technology Co., Ltd. (滬照能源(昆山)科技有限公司).

Mr. Lin obtained his bachelor’s degree of commerce from National Chung Hsing University (國立中興大學) in Taiwan in June 1978.

DIRECTORS AND SENIOR MANAGEMENT

Independent non-executive Directors

Mr. KAU Chei-chan (高啟全), aged 72, has been our independent non-executive Director since May 2021. He has served as the chairman at Xtek Semiconductor (Huangshi) Co., Ltd. (晶芯半導體(黃石)有限公司) since November 2020 and at ION Electronic Materials Co., Ltd. (兆捷科技國際股份有限公司) (Stock Code: 6959.TW) since June 2021. Mr. Kau has served as an independent non-executive director at Rockchip Electronics Co., Ltd. (瑞芯微電子股份有限公司) (Stock Code: 603893.SH) since August 2021, at Hauman Technologies Corp. (豪勉科技股份有限公司) (Stock Code: 6218.TW) since June 2020, at Wiwynn Corp. (緯穎科技服務股份有限公司) (Stock Code: 6669.TW) since June 2020 and at AsWater Advanced Envirotech Ltd. (合水先進環境技術股份有限公司) (Stock Code: 7857.TW) since February 2026. Mr. Kau has also been serving as the vice chairman of Shandong Qifu New Materials Co., Ltd. (山東齊氟新材料有限公司) since August 2024.

From 1995 to October 2015, Mr. Kau served in the Formosa Plastics Group, where he held various senior management positions in several DRAM memory chip subsidiaries under the group, including the executive vice president of global business, executive vice president of operations and general manager at Nanya Technology Corp. (南亞科技股份有限公司) (Stock Code: 2408.TW), as well as the general manager and chairman at Inotera Memories, Inc. (華亞科技股份有限公司). From October 2015 to September 2020, Mr. Kau served in Tsinghua Unigroup Co., Ltd. (紫光集團有限公司), where he served as a director at Unigroup Guoxin Microelectronics Co., Ltd. (紫光國芯微電子股份有限公司) (Stock Code: 002049.SZ). From December 2016 to September 2020, Mr. Kau served as a director and the acting chairman of Yangtze Memory Technologies Co., Ltd. (長江存儲科技有限責任公司).

Mr. Kau obtained his bachelor's degree in chemistry from National Taiwan University (國立台灣大學) in Taiwan in June 1976 and his master's degree in chemical engineering from North Carolina State University in the U.S. in December 1980.

Mr. LU Zongyuan (陸宗元), aged 68, has been our independent non-executive Director since April 2023. He has served as the president of the Kunshan Development Zone Research Association (昆山開發區研究會) since March 2021.

From March 1993 to January 1996 and from January 2000 to February 2015, Mr. Lu served as the deputy director of the Administrative Committee of Kunshan Economic and Technological Development Zone (昆山經濟技術開發區管委會). From January 1996 to January 2000, Mr. Lu served as the secretary of the Party Committee of Huaqiao Town, Kunshan (昆山市花橋鎮黨委). Mr. Lu served as the director of the Administration Office of Kunshan Export Processing Zone (昆山出口加工區管理處) since April 2000. From October 2008 to October 2012, Mr. Lu served as the deputy secretary of Party Working Committee (黨工委) and the secretary of Disciplinary Inspection Working Committee (紀工委) at Kunshan Economic and Technological Development Zone (昆山經濟技術開發區).

DIRECTORS AND SENIOR MANAGEMENT

Mr. Lu obtained his college diploma in economics and management from Party School of the Central Committee of CPC (中共中央黨校) in the PRC in June 1990 and his master’s degree in business management from Nanjing University (南京大學) in the PRC in June 2001.

Ms. WANG Yongcui (王永翠), aged 48, has been our independent non-executive Director since December 2023.

From September 2000 to August 2002, she worked at Zhangquan Hardware Products (Kunshan) Co., Ltd. (璋全五金製品(昆山)有限公司) (previously known as Wanyi Hardware Products (Kunshan) Co., Ltd. (萬益五金製品(昆山)有限公司)). She then joined Zhiwei Electronics (Kunshan) Co., Ltd. (智威電子(昆山)有限公司) and worked from December 2002 to June 2004. From July 2004 to September 2007, she worked at Kunshan Zhanfeng Precision Mould Co., Ltd. (昆山展鋒精密模具有限公司). She subsequently worked at Kunshan Shengfeng Electronics Technology Co., Ltd. (昆山聖豐電子科技有限公司) from October 2007 to February 2010.

From January 2011 to November 2014, Ms. Wang served as the audit project manager at Shanghai Zhiqun Certified Public Accountants (General Partnership) (上海致群會計師事務所 (普通合夥)). Since November 2014, Ms. Wang has served as the audit project manager at Shanghai Dingye Certified Public Accountants (General Partnership) (上海鼎業會計師事務所 (普通合夥)).

Ms. Wang obtained her bachelor’s degree in accounting from Nanjing University of Finance and Economics (南京財經大學) in the PRC in November 2021. Ms. Wang is a Certified Tax Agent qualified by Jiangsu Certified Tax Agents Association (江蘇省註冊稅務師協會) in February 2012, a Senior Accountant qualified by Shanghai Municipal Human Resources and Social Security Bureau (上海市人力資源和社會保障局) in November 2022, and a Certified Public Accountant (practicing member) qualified by the Chinese Institute of Certified Public Accountants (中國註冊會計師協會) in July 2014.

Mr. CHAN Chi Hung (陳志雄), aged 66, was appointed as our independent non-executive Director on February 12, 2026.

Mr. Chan served as an assistant manager of research and development at National Electronics (Consolidated) Limited (樂聲電子(集團)有限公司) (Stock Code: 0213. HK) from August 1991 to February 1997. From February 1997 to February 2022, Mr. Chan served at Celestica Hong Kong Limited for various positions including senior director of global commodity management, research and development project management and supplier management. From October 2022 to February 2026, Mr. Chan served as a financial planning consultant at Manulife (International) Limited.

Mr. Chan obtained his higher certificate in 3D design in November 1987 and his bachelor’s degree in industrial design in November 1991 from Hong Kong Polytechnic (香港理工學院). In March 1990, Mr. Chan was awarded the Sir Edward Youde Memorial Fund Award by the Sir Edward Youde Memorial Fund. He received a Lead Auditor ISO 9000 certificate from the British Standards Institution in March 2003. Mr. Chan received a Certificate of Appreciation from City University of Hong Kong (香港城市大學) from faculty of science and engineering in 2007.

DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

Our senior management team is responsible for the day-to-day management and operations of our business. The following table provides information about members of the senior management of our Company:

Name	Age	Position	Date of joining our Group	Roles and responsibilities	Relationship with other Directors and members of senior management
Mr. WU Chuan Pin (吳傳彬)	54	Executive Director, general manager	July 1, 1995	Overall management, strategic planning and decision-making for key business and operational matters of our Group, and overseeing the performance and operations of major subsidiaries	Son of Ms. CHEN May Fong and brother of Mr. WU Chuanlin
Mr. KAO Wen-hsien (高文賢)	60	Executive Director, head of business unit	April 1, 1996	Responsible for the business planning and development, product development, production planning, manufacturing and quality control, and operational management of the data communications business unit of our Group, and overseeing the performance and operations of relevant subsidiaries engaged in the data communications business	N/A
Mr. SHYR Jyh-jong (石智中)	63	Executive Director, head of business unit	December 14, 2009	Responsible for the business planning and development, product development, production planning, manufacturing and quality control, and operational management of the automotive business unit of our Group, and overseeing the performance and operations of relevant subsidiaries engaged in the automotive business	N/A

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Position	Date of joining our Group	Roles and responsibilities	Relationship with other Directors and members of senior management
Mr. LEE Ming-kuei (李明貴)	68	Deputy general manager of our Company and secretary of our Board	September 1, 1993	Responsible for the Company’s Board related matters, capital markets, and corporate governance of our Group	N/A
Ms. CHU Pi-hsia (朱碧霞)	55	Chief financial officer	August 13, 2007	Responsible for financial operations and capital management of our Group	N/A

For the biographies of Mr. WU Chuan Pin, Mr. Kao Wen-hsien, and Mr. Shyr Jyh-jong, see “— Directors — Executive Directors” in this section.

Mr. LEE Ming-kuei (李明貴), aged 68, has been our deputy general manager and secretary of our Board since January 2003. He joined our Company in September 1993 and successively served as our finance manager and finance director.

From September 2020 to May 2025, Mr. Lee served as an independent director at Ye Chiu Metal Recycling (China) Co., Ltd. (怡球金屬資源再生(中國)股份有限公司) (Stock Code: 601388.SH). Mr. Lee has been the executive vice president of the All-China Association of Taiwan Compatriots Investment Enterprises (全國台灣同胞投資企業聯誼會) since May 2017. Mr. Lee has also been the executive vice president of the Kunshan Association of Taiwan Compatriots Investment Enterprises (昆山市台灣同胞投資企業協會) since December 2024. Since July 2025, Mr. Lee has been the convener of the Mainland Affairs Committee of the 12th Taiwan Printed Circuit Association.

Mr. Lee obtained his bachelor’s degree in accounting from National Chengchi University (國立政治大學) in Taiwan in June 1980.

Ms. CHU Pi-hsia (朱碧霞), aged 55, has been our chief financial officer since September 2014. From June 1997 to March 2002, Ms. Chu served at Huapu Aircraft Engine Technology Co., Ltd. (華普飛機引擎科技股份有限公司). She then served at Watsons PARKnSHOP Co., Ltd. (屈臣氏百佳股份有限公司) from March 2002 to March 2003. From April 2003 to July 2007, she served at China Motor Corporation (中華汽車股份有限公司). Since August 2007, she joined our Company and successively served as director of the president’s office, head of internal audit and director of materials department.

Ms. Chu obtained her bachelor’s degree in international trade from Soochow University (東吳大學) in Taiwan in June 1993 and her master’s degree in business management from National Central University (國立中央大學) in Taiwan in April 2003. She is a Senior

DIRECTORS AND SENIOR MANAGEMENT

International Financial Management Professional qualified by the International Financial Management Association in November 2015, as well as an associate member of the Association of International Accountants since March 2016.

JOINT COMPANY SECRETARIES

Mr. LEE Ming-kuei (李明貴), aged 68, was appointed as one of our joint company secretaries on October 30, 2025. For the biography of Mr. Lee, see “— Senior Management” in this section.

Mr. CHOW Tsz Ho (周梓浩), aged 29, was appointed as one of our joint company secretaries on October 30, 2025.

Mr. Chow is an assistant manager of the listing services department at TMF Hong Kong Limited, a company providing corporate accounting and corporate secretarial services in Hong Kong. He has over seven years of experience in company secretarial profession.

Mr. Chow is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Mr. Chow received a bachelor’s degree in business administration from Shue Yan University in Hong Kong in July 2018.

OTHER INFORMATION

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on November 17, 2025, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Each of the independent non-executive Directors confirms (i) his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) that he or she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of our Company, and (iii) that there are no other factors that may affect his or her independence at the time of his or her appointments.

Each of our Directors confirms that he or she does not have any interest in a business apart from the business of our Group which competes or is likely to compete, whether directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules. For details, see “Relationship with Our Single Largest Group of Shareholders”.

Except as disclosed above, none of our Directors or members of senior management held any other directorships in public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years immediately preceding the Latest Practicable Date. Except as disclosed above, none of our Directors or members of senior management is related to other Directors or members of senior management.

DIRECTORS AND SENIOR MANAGEMENT

Except as disclosed above, to the best knowledge, information and belief of the Directors having made all reasonable inquiries, there was no information relating to our Directors that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, and there were no other matters with respect to the appointment of the Directors that need to be brought to the attention of the Shareholders.

MANAGEMENT AND CORPORATE GOVERNANCE

Board Committees

Audit Committee

Our Board has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules (the “**Corporate Governance Code**”). The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system of our Group, review and approve connected transactions and provide advice and comments to the Board. The Audit Committee comprises Ms. Wang Yongcui, Ms. CHEN May Fong and Mr. Kau Chei-chan, with Ms. Wang Yongcui (being our independent non-executive Director with appropriate professional qualifications) as the chairperson.

Remuneration and Appraisal Committee

Our Board has established the Remuneration and Appraisal Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code. The primary duties of the Remuneration and Appraisal Committee are to review and make recommendations to the Board on the terms of remuneration packages, bonuses and other compensation payable to our Directors and senior management. The Remuneration and Appraisal Committee comprises Mr. Lu Zongyuan, Mr. WU Chuanlin and Ms. Wang Yongcui, with Mr. Lu Zongyuan as the chairperson.

Nomination Committee

Our Board has established the Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and the Corporate Governance Code. The primary duties of the Nomination Committee are to make recommendations to our Board on the appointment of Directors and management of Board succession. The Nomination Committee comprises Mr. Kau Chei-chan, Ms. CHEN May Fong and Mr. Lu Zongyuan, with Mr. Kau Chei-chan as the chairperson.

Strategy and ESG Committee

Our Board has established the Strategy and ESG Committee with written terms of reference. The primary duties of the Strategy and ESG Committee are to conduct research and provide recommendations on the company’s long-term development strategy, major investment decisions and ESG-related matters. The Strategy and ESG Committee comprises Ms. CHEN May Fong, Mr. WU Chuan Pin, Mr. Kao Wen-hsien and Mr. Shyr Jyh-jong, with Ms. CHEN May Fong as the chairperson.

DIRECTORS AND SENIOR MANAGEMENT

Corporate Governance

We aim to achieve high standards of corporate governance which are crucial to our development and safeguard the interests of our Shareholders. In order to accomplish this, we expect to comply with all applicable code provisions of the Corporate Governance Code upon [REDACTED].

Board Diversity

Our Company has adopted a board diversity policy which sets out the approach to achieve diversity of the Board. We recognize and embrace the benefits of having a diverse Board and see increasing diversity at the Board level, including gender diversity, as an essential element in maintaining our competitive advantage and enhancing our ability to attract, retain and motivate employees from the widest possible pool of available talent. In reviewing and assessing suitable candidates to serve as a Director, the Nomination Committee will consider a number of aspects, including, but not limited to, gender, age, cultural and educational background, professional qualifications, skills, knowledge, and industry and regional experience.

Our Board consists of two female and nine male Directors ranging from 48 to 80 years old with a balanced mix of knowledge and skills, including, but not limited to, overall management and strategic development, accounting and corporate governance. They obtained degrees in various majors including science, industrial management, engineering, industrial electrical automation, chemistry and accounting. Taking into account our existing business model and specific needs, as well as the diverse background of our Directors, the composition of our Board satisfies the board diversity policy.

Our Nomination Committee will discuss periodically and when necessary, agree on the measurable objectives for achieving diversity, including gender diversity, on the Board and recommend them to the Board for adoption.

REMUNERATION OF OUR DIRECTORS AND SENIOR MANAGEMENT

Our Company provides remuneration to our Directors and senior management in the form of salaries, allowances and benefits in kind, as well as performance bonuses and contributions to pension schemes. Our independent non-executive Directors receive remuneration based on their respective positions and responsibilities.

For the years ended December 31, 2023, 2024, and 2025 and the three months ended March 31, 2026, the total remuneration paid to Directors amounted to RMB4.5 million, RMB8.9 million, RMB16.6 million and RMB3.4 million, respectively.

For the years ended December 31, 2023, 2024, and 2025 and the three months ended March 31, 2026, the total remuneration paid to the five highest-paid individuals (excluding Directors) amounted to RMB11.7 million, RMB13.4 million, RMB33.1 million and RMB7.7 million, respectively.

DIRECTORS AND SENIOR MANAGEMENT

The remuneration of our Directors and senior management is determined with reference to industry salary levels, the responsibilities and performance of their respective roles, as well as the annual operating results of our Company. Under the arrangements currently in effect, our Company estimates that the total pre-tax remuneration payable to our Directors (including share-based remuneration) for the year ending December 31, 2026 will be approximately RMB16.4 million.

During the Track Record Period, no remuneration was paid to any Director or any of the five highest-paid individuals as an inducement to join, or upon joining, our Group. During the Track Record Period, no compensation was paid to, or receivable by, any Director, former Director or any of the five highest-paid individuals for the loss of office as a director of any member of our Group or for the loss of any other office in connection with the management of the affairs of any member of our Group. During the Track Record Period, no Director waived any remuneration. Save as disclosed above, during the Track Record Period, no other amounts were paid or payable by our Group to any Director or any of the five highest-paid individuals.

COMPLIANCE ADVISOR

Our Company has appointed Somerley Capital Limited as its Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. The Compliance Advisor will provide guidance and advice to our Company on compliance with the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will provide advice to our Company in the following circumstances (among others):

- (a) prior to the publication of any regulated announcement, circular or financial report;
- (b) where a transaction (which may be a notifiable transaction or a connected transaction) is contemplated, including the issuance of shares, the sale or transfer of treasury shares, and the repurchase of shares;
- (c) where our Company proposes to use the [REDACTED] from the [REDACTED] in a manner different from that detailed in this document, or where the business activities, developments or performance of our Group differ from any forecast, estimate or other information contained in this document;
- (d) when the Stock Exchange makes an enquiry pursuant to Rule 13.10 of the Listing Rules regarding unusual movements in the price or [REDACTED] volume of our [REDACTED] securities or any other matters.

The term of appointment of the Compliance Advisor shall commence on the [REDACTED] and is expected to end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year commencing after the [REDACTED]. Such appointment may be extended by mutual agreement.

FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

Please see “Business — Our Strategies” for a detailed description of our future plans.

USE OF [REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the [REDACTED] and estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED], after deducting [REDACTED] fees, [REDACTED] and other estimated expenses payable by us in connection with the [REDACTED]. We intend to use the net [REDACTED] from the [REDACTED] for the following purposes:

Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used to support the capacity expansion of our production bases in Kunshan, Huangshi and Jintan. We plan to progressively increase our production capacity, focusing on production capacity for high-end PCBs for future applications. We intend to enhance sustainable production system by upgrading technologies for energy conservation, emission reduction and resource recycling. Specifically:

- o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be allocated for production capacity construction related to data communications sector, to capture the growth opportunities from demand growth from application scenarios such as data centers.

We plan to expand production capacity in response to downstream demand changes and evolving product requirements within the PCB industry. The market size of global PCB industry projected to reach US\$123.3 billion by 2030, representing a CAGR of 7.7% from 2025 to 2030. Growth is particularly driven by application sectors with higher technical requirements. Upon completion, we expect effective production capacity for PCBs in data communications sector to increase by approximately 0.9 million m² annually. Our planned capacity expansion is designed to support (i) the production of high-layer-count multilayer PCBs above 18 layers, high-performance and high-frequency PCBs, (ii) process and technique upgrades to improve yield, consistency and automation levels, and (iii) enhanced production efficiency through optimized layout and configuration. These objectives cannot be fully achieved through incremental utilization of existing facilities. In particular, the planned capacity expansion will support (i) improved equipment precision and inspection capability, with upgraded back-drilling equipment and testing equipment achieving stub length control accuracy of 0-4mil; (ii) production line configuration supporting higher aspect ratio requirements up to 30-35:1, and (iii) thick-board compatibility, accommodating next-generation board thickness specifications of 8-10mm. In addition, our existing production lines operate at near full utilization, with utilization rates reaching 99.1% in the three months ended March 31, 2026, leaving limited headroom for volume expansion. As advised by our PRC Legal Advisor, capacity expansion projects are subject to regulatory approvals and filings under PRC laws and regulations, including but not limited to project filings with the local bureau of the NDRC, construction project planning permits, construction permits, environmental impact assessments, fire safety approvals and acceptance inspections upon completion. Our PRC Legal Advisor is of the view that there are no legal impediments under current PRC laws that would prevent us from obtaining the necessary approvals or licenses, provided that all applicable requirements are duly complied with and there are no significant changes in current policies, regulations, local government supervision, and law enforcement requirements.

FUTURE PLANS AND USE OF [REDACTED]

Accordingly, the production capacity expansion is necessary to align manufacturing capabilities with market demand, enhance ability to meet customer specifications for technical requirements, and support market penetration while improving capacity utilization.

- i. approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is planned for the procurement and upgrade of related equipment. The following table sets forth the details of production equipment that we plan to procure or upgrade:

Relevant Production Process	Estimated Number of Equipment Procured	Estimated Unit Price Range
		<i>RMB'000</i>
Drilling	1,000-1,200	~400-4,750
Lamination	200-350	~60-77,800
Plating	50-150	~850-34,580
Inner Layer Imaging & Etching	150-200	~750-8,500
Electrical Test	100-150	~300-15,900
Others ⁽¹⁾	150-200	~350-7,350

Note:

- (1) Others include equipment for production processes such as profiling & routing, via filling, inner layer AOI and outer layer dry film.

- ii. approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is allocated for (a) land and factory building and (b) supporting facilities.

We plan to enhance collaboration with key equipment suppliers to optimize production equipment performance, increase investment in digital management systems and AI technologies to optimize production efficiency and enhance pollution prevention and resource recycling capabilities.

- o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, will be allocated for production capacity construction related to the smart vehicles sector, to meet the growing demand under vehicle electrification, intelligence and connectivity trends. Upon completion, we expect effective production capacity for PCBs in smart vehicles sectors to increase by approximately 0.2 million m² annually. Specifically:

- i. approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is planned for the procurement and upgrade of related equipment. The following table sets forth the details of production equipment that we plan to procure or upgrade:

Relevant Production Process	Estimated Number of Equipment Procured	Estimated Unit Price Range
		<i>RMB'000</i>
Lamination	1-10	~850-76,000
Drilling	60-100	~329-6,000
Plating	1-30	~700-10,000
Electrical Test	1-20	~300-6,000
Profiling & Routing	10-30	~800-5,270
Others ⁽¹⁾	1-10	~200-2,800

Note:

- (1) Others include equipment for production processes such as ENIG/Gold Plating, text/character printing, and inner layer imaging & etching.

FUTURE PLANS AND USE OF [REDACTED]

- ii. approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is allocated for (a) land and factory building and (b) supporting facilities.

We plan to increase production capacity for high-end automotive-grade PCBs, such as those for ADAS, smart cockpits, power semiconductor embedded PCBs and battery, motor and electronic control systems. We plan to upgrade production equipment to enhance precision, consistency and reliability and to, improve production efficiency and yield. We will strengthen environmental protection measures and enhance green manufacturing capabilities.

Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used for high-performance PCBs R&D and technological innovation in data communications and smart vehicles sectors. Specifically:

- o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to strengthen R&D on high-performance PCBs for the data communications sector covering R&D personnel expenses, material and testing costs. We focus on technology research such as CoWoP (chip-on-wafer-on-PCB) and the advanced process innovation like mSAP (modified semi-additive process), while carrying out next-generation technology like co-packaged optics, to enhance signal transmission, power delivery and functional integration. We aim to invest in technology for high-end PCB products used in next-generation AI servers and 3.2T high-speed network switches, and continue the R&D of technologies related to high-speed signal transmission at rates of 448Gbps and above. We aim to improve products' performance on high density, high frequency/speed and high current capacity. The R&D personnel expenses cover ongoing staff costs and salary increments of our existing data communications R&D team, as well as the recruitment of approximately 400 to 500 new R&D hires across 2026 and 2027, comprising five to 10 product development managers, 30 to 45 signal integrity and materials engineers, 120 to 140 engineering design engineers, 150 to 180 process and technology engineers, 55 to 75 testing engineers and 40 to 50 assistant engineers. These new hires are expected to have experience and qualifications in PCB engineering, electronic engineering or related disciplines, with mid- to senior-level hires expected to have a minimum of eight years of industry experience. The expected average annual salary for new hires in the data communications R&D team is within the range of RMB200,000 to RMB300,000.
- o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to strengthen R&D in high-performance PCBs for smart vehicles and foundational R&D fields, covering related R&D personnel expenses and R&D activity expenses.

For smart vehicles, we focus on trends of vehicle electrification, intelligence and connectivity, the improvement of high voltage, electrical performance, material stability and thermal management properties of automotive-grade PCB products. We promote power semiconductor embedded PCB technology application in automotive components such as main inverters, optimize high-voltage platform technology, validating alternative materials and enhance silver sintering sampling capabilities. For foundational R&D fields, we concentrate on technologies including high-layer-count PCB stack-up architectures, selection and characteristic optimization of high-frequency/high-speed

FUTURE PLANS AND USE OF [REDACTED]

materials, HDI technology reliability and high-current power carrying capacity. The R&D personnel expenses cover staff costs and salary increments of existing R&D team, as well as the recruitment of approximately 60 to 90 new R&D hires across 2026 and 2027, comprising approximately one to five R&D managers, 10 to 15 R&D engineers, 10 to 15 design engineers and 15 to 25 process engineers, six to 10 testing engineers and 18 to 20 assistant engineerings. New hires are expected to have experience and qualifications in automotive PCB engineering, electrical engineering or related disciplines, with mid- to senior-level hires expected to have a minimum of eight years of industry experience. The expected average annual salary for new hires in the smart vehicles R&D team is within RMB200,000 to RMB300,000. See “— Use of [REDACTED] — Use of [REDACTED] Timeframe.” We plan to fund shortfall in expenditure to the extent not covered by the allocated net [REDACTED] from our internal cash resources and operating cash flows.

Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used for strategic investments and acquisitions.

We will focus on investing in and/or acquiring target companies within the PCB industry value chain, primarily including (i) PCB manufacturers with complementary advanced production technologies, (ii) PCB manufacturers with complementary sales networks and geographic coverage and (iii) other companies beneficial to our technology development and business operations, including but not limited to companies with access to proprietary manufacturing processes or materials technology not currently available within our Group; and companies with channels or customer relationships that expand our addressable markets. We will explore overseas enterprises with technological advantages, particularly those with business divestiture opportunities. We will leverage our industry experience to identify targets globally. When assessing potential investment or acquisition targets, we will consider, among others, the following criteria of the target companies: (i) the principal business and its strategic and operational synergy with our operations, particularly enhancement of our focus on higher value-added PCB products; (ii) the scale of operations: (a) for investment targets which typically involves pre-commercialized entities, with focus primarily on technology and synergy potential without a minimum revenue threshold, and (b) for acquisition targets, with preferences for companies with annual revenue of no less than US\$100 million; (iii) the financial condition, including profitability and financial stability; (iv) the track record of the management team in the PCB industry or related sectors; (v) the internal controls, risk management framework and compliance record. As of the Latest Practicable Date, we had not identified any specific investment or acquisition targets.

Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used for working capital and general corporate purposes.

To the extent that our net [REDACTED] from the [REDACTED] are more or less than expected (including as a result of (i) the [REDACTED] being set at a price higher or lower than the mid-point of the [REDACTED]; or (ii) additional net [REDACTED] from the exercise of the [REDACTED]), we will adjust our allocation of the net [REDACTED] for the above purposes on a pro rata basis. If any part of our development plan does not proceed as planned (for reasons such as changes in government policies that would render the development of any of our projects not viable or the occurrence of force majeure events), we will carefully evaluate the situation and may reallocate the net [REDACTED] from the [REDACTED].

FUTURE PLANS AND USE OF [REDACTED]

Use of [REDACTED] Timeframe

We intend to use the net [REDACTED] from the [REDACTED] according to the timeframe as set out below, which is subject to changes based on our actual needs and market conditions at the relevant time.

	Percentage of total net [REDACTED] (%)	Net [REDACTED] to be used in					Total
		2026	2027	2028	2029	2030	
		<i>(HK\$ in millions)</i>					
Support the capacity expansion of our production base	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Production capacity construction related to the data communications sector	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Procurement and upgrade of related equipment	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Land and factory building and supporting facilities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Production capacity construction related to the smart vehicles sector	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Procurement and upgrade of related equipment	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Land and factory building and supporting facilities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
R&D of high-performance PCBs and technological innovation in the data communications and smart vehicles sectors	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
R&D on high-performance PCBs for the data communications sector	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
R&D in high-performance PCBs for smart vehicles and foundational R&D fields	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Strategic investments and acquisitions ⁽¹⁾	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Working capital and general corporate purpose	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Note:

(1) The allocation of funds for strategic investments and acquisitions will be determined in accordance with our specific investment and acquisition plans.

To the extent that the net [REDACTED] of the [REDACTED] are not immediately used for the above purposes or if we are unable to put into effect any part of our plan as intended, and to the extent permitted by the relevant laws and regulations, we will only deposit such net [REDACTED] into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

[REDACTED]

[REDACTED]

[REDACTED]

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HOW TO APPLY FOR [REDACTED]

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APPENDIX I

ACCOUNTANT’S REPORT

The following is the text of a report set out on pages I-1 to I-3, received from the Company’s reporting accountant, [PricewaterhouseCoopers], Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document. It is prepared and addressed to the directors of the Company and to the Joint Sponsors pursuant to the requirements of HKSIR 200 Accountants’ Reports on Historical Financial Information in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants.

[DRAFT]

[To insert the firm’s letterhead]

ACCOUNTANT’S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF WUS PRINTED CIRCUIT (KUNSHAN) CO., LTD. AND CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED AND HSBC CORPORATE FINANCE (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Wus Printed Circuit (Kunshan) Co., Ltd. (the “Company”) and its subsidiaries (together, the “Group”) set out on pages I-4 to I-93, which comprises the consolidated and the company statements of financial position as at 31 December 2023, 2024 and 2025 and 31 March 2026, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2026 (the “Track Record Period”) and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information set out on pages I-4 to I-93 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [●] (the “Document”) in connection with the [REDACTED] of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountant’s responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200, Accountants’ Reports on Historical Financial Information in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

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ACCOUNTANT’S REPORT

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountant’s judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountant considers internal control relevant to the entity’s preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountant’s report, a true and fair view of the financial position of the Company and the consolidated financial position of the Group as at 31 December 2023, 2024 and 2025 and 31 March 2026 and of its consolidated financial performance and its consolidated cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Review of stub period financial information

We have reviewed the stub period financial information of the Group which comprises the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the three months ended 31 March 2025 and other explanatory information (the “Stub Period Financial Information”). The directors of the Company are responsible for the preparation of the Stub Period Financial Information in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Financial Information based on our review. We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the International Auditing and Assurance Standards Board (“IAASB”). A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our

APPENDIX I**ACCOUNTANT’S REPORT**

attention that causes us to believe that the Stub Period Financial Information, for the purposes of the accountant’s report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 12 to the Historical Financial Information which contains information about the dividends paid by Wus Printed Circuit (Kunshan) Co., Ltd. in respect of the Track Record Period.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong

[Date]

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ACCOUNTANT’S REPORT

I HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information and the Stub Period Financial Information which forms an integral part of this accountant’s report.

The financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by PricewaterhouseCoopers in accordance with International Standards on Auditing issued by the IAASB (“Underlying Financial Statements”).

The Historical Financial Information and the Stub Period Financial Information are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

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ACCOUNTANT’S REPORT

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	Year ended 31 December			Three months ended 31 March	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
					(Unaudited)	
Revenue	5	8,938,309	13,341,541	18,945,221	4,037,627	6,214,156
Cost of sales	8	(6,395,780)	(9,105,698)	(12,544,974)	(2,773,520)	(4,052,018)
Gross profit		2,542,529	4,235,843	6,400,247	1,264,107	2,162,138
Selling and marketing expenses	8	(264,924)	(365,727)	(531,026)	(113,638)	(164,769)
General and administrative expenses	8	(196,965)	(324,792)	(427,841)	(85,536)	(126,119)
Research and development expenses	8	(538,937)	(789,584)	(1,140,946)	(212,774)	(417,025)
Net impairment losses on						
financial assets	3.1(b)	11,670	(16,590)	(43,486)	(4,131)	2,428
Other income	6	199,521	219,091	230,178	51,759	59,539
Other gains/(losses) – net	7	4,326	101,145	(49,549)	4,958	(98,852)
Operating profit		1,757,220	3,059,386	4,437,577	904,745	1,417,340
Finance income	10	51,004	62,284	64,154	17,995	8,633
Finance costs	10	(125,225)	(146,802)	(93,199)	(26,930)	(29,086)
Finance costs – net		(74,221)	(84,518)	(29,045)	(8,935)	(20,453)
Share of profit/(loss) of						
associates – net	29	22,337	(25,108)	(10,345)	(3,903)	(3,510)
Profit before income tax		1,705,336	2,949,760	4,398,187	891,907	1,393,377
Income tax expense	11	(215,818)	(383,445)	(579,514)	(131,930)	(151,938)
Profit for the year/period		1,489,518	2,566,315	3,818,673	759,977	1,241,439
Profit for the year/period attributable to:						
Owners of the Company		1,512,538	2,587,237	3,822,306	762,466	1,242,081
Non-controlling interests		(23,020)	(20,922)	(3,633)	(2,489)	(642)
		<u>1,489,518</u>	<u>2,566,315</u>	<u>3,818,673</u>	<u>759,977</u>	<u>1,241,439</u>
Earnings per share attributable to the owners of the Company (in RMB)						
– Basic (RMB per share)	13	0.79	1.35	1.99	0.40	0.65
– Diluted (RMB per share)	13	0.79	1.35	1.97	0.39	0.64
Profit for the year/period		1,489,518	2,566,315	3,818,673	759,977	1,241,439
Profit for the year/period attributable to:						
Owners of the Company		1,512,538	2,587,237	3,822,306	762,466	1,242,081
Non-controlling interests		(23,020)	(20,922)	(3,633)	(2,489)	(642)
		<u>1,489,518</u>	<u>2,566,315</u>	<u>3,818,673</u>	<u>759,977</u>	<u>1,241,439</u>

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ACCOUNTANT’S REPORT

Note	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Other comprehensive income:					
<i>Items that will not be reclassified to profit or loss, net of tax</i>					
– Changes in fair value of investments in other equity instruments, net of tax	59,955	157,155	41,169	(70,569)	413,462
– Other comprehensive income that will not be transferred to profit or loss under the equity method, net of tax . .	2,873	(802)	746	–	–
<i>Items that may be reclassified to profit or loss, net of tax</i>					
– Other comprehensive income that will be transferred subsequently to profit or loss under the equity method, net of tax	(838)	1,050	(212)	–	–
– Currency translation differences of foreign operations, net of tax	16,382	52,719	57,044	307	(64,248)
Other comprehensive income for the year/period, net of tax	<u>78,372</u>	<u>210,122</u>	<u>98,747</u>	<u>(70,262)</u>	<u>349,214</u>
Attributable to:					
Owners of the Company	78,372	209,594	98,173	(70,264)	349,849
Non-controlling interests	<u>–</u>	<u>528</u>	<u>574</u>	<u>2</u>	<u>(635)</u>
Total comprehensive income for the year/period	<u>1,567,890</u>	<u>2,776,437</u>	<u>3,917,420</u>	<u>689,715</u>	<u>1,590,653</u>
Attributable to:					
Owners of the Company	1,590,910	2,796,831	3,920,479	692,202	1,591,930
Non-controlling interests	<u>(23,020)</u>	<u>(20,394)</u>	<u>(3,059)</u>	<u>(2,487)</u>	<u>(1,277)</u>
Total comprehensive income for the year/period	<u>1,567,890</u>	<u>2,776,437</u>	<u>3,917,420</u>	<u>689,715</u>	<u>1,590,653</u>

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ACCOUNTANT’S REPORT

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December			As at 31 March
	Note	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Non-current assets					
Property, plant and equipment	14(a)	4,365,903	6,190,642	8,280,844	9,030,831
Right-of-use assets	15	156,912	152,135	167,896	178,048
Investment properties	14(b)	22,940	13,093	15,830	–
Intangible assets	16	115,272	107,903	129,825	127,087
Deferred tax assets	33	90,094	166,363	322,056	421,137
Prepayments, other receivables and other assets	17	99,998	442,685	1,179,023	1,455,998
Other financial assets at fair value through profit or loss-non-current . . .	28(a)	67,744	69,912	85,015	85,015
Other financial assets at fair value through other comprehensive income .	28(b)	210,874	430,320	486,772	1,037,895
Investments in associates	29	48,929	24,657	33,590	34,034
Term bank deposit with initial terms over three months	20(b)	3,015,948	3,904,554	1,578,249	1,587,651
		8,194,614	11,502,264	12,279,100	13,957,696
Current assets					
Inventories	21	1,548,394	2,274,285	4,091,725	4,913,409
Properties under development	22(a)	52,766	52,881	52,211	–
Completed properties held for sale	22(b)	148,063	108,937	102,004	–
Note receivables measured at fair value through other comprehensive income .	18	1,084	73,448	58,147	75,141
Trade and note receivables	19	2,693,385	4,043,713	5,507,227	6,476,447
Prepayments, other receivables and other assets	17	112,105	660,805	749,421	715,126
Other financial assets at fair value through profit and loss-current	28(a)	50,230	–	–	–
Restricted cash	20(a)	4	4	4	3
Term bank deposit with initial terms over three months	20(b)	1,136,953	920,899	2,835,332	2,190,559
Cash and cash equivalents	20(a)	2,097,883	1,542,699	2,579,103	4,391,638
		7,840,867	9,677,671	15,975,174	18,762,323
Total assets		16,035,481	21,179,935	28,254,274	32,720,019

APPENDIX I

ACCOUNTANT’S REPORT

		As at 31 December			As at 31 March
	Note	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
EQUITY					
Share capital	23(a)	1,908,578	1,918,599	1,924,364	1,924,364
Share premium	23(a)	416,220	629,511	752,564	752,564
Other reserves	24	1,149,812	1,608,162	1,890,659	2,325,742
Retained earnings	25	6,310,098	7,684,506	10,545,118	11,787,199
Equity attributable to owners of the Company					
		9,784,708	11,840,778	15,112,705	16,789,869
Non-controlling interests		52,516	60,648	15,382	14,111
Total equity		9,837,224	11,901,426	15,128,087	16,803,980
LIABILITIES					
Non-current liabilities					
Borrowings-non-current	31	846,493	1,309,936	1,885,661	2,625,692
Lease liabilities-non-current		—	—	11,837	9,950
Deferred income	32	302,737	314,446	417,148	417,041
Deferred tax liabilities	33	26,254	77,550	87,471	224,937
		1,175,484	1,701,932	2,402,117	3,277,620
Current liabilities					
Borrowings-current	31	1,758,758	2,316,576	2,662,542	3,710,362
Trade and other payables	34	3,175,065	5,132,724	7,767,291	8,551,498
Contract liabilities	5(c)	22,642	28,881	65,820	81,956
Income tax payable		66,220	98,396	220,865	287,007
Lease liabilities-current		88	—	7,552	7,596
		5,022,773	7,576,577	10,724,070	12,638,419
Total liabilities		6,198,257	9,278,509	13,126,187	15,916,039
Total equity and liabilities		16,035,481	21,179,935	28,254,274	32,720,019
Net current assets		2,818,094	2,101,094	5,251,104	6,123,904

APPENDIX I

ACCOUNTANT’S REPORT

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December			As at 31 March
	Note	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Non-current assets					
Property, plant and equipment	14(a)	1,398,640	1,770,000	2,493,209	2,918,868
Right-of-use assets		35,958	39,039	56,168	53,899
Investment properties		–	1,925	–	–
Intangible assets		4,147	4,337	15,073	14,902
Deferred tax assets	33	46,433	93,407	197,060	244,490
Prepayments, other receivables and other assets	17	55,118	206,664	927,227	1,106,829
Amounts due from subsidiaries-non- current	30	504,697	520,138	236,681	241,042
Other financial assets at fair value through profit or loss	28(a)	67,744	69,912	85,015	85,015
Investments in subsidiaries	30	3,034,262	4,190,801	4,460,892	4,478,216
Term bank deposit with initial terms over three months	20(b)	2,931,137	3,514,290	1,371,989	1,380,134
		8,078,136	10,410,513	9,843,314	10,523,395
Current assets					
Inventories	21	968,382	1,369,870	2,316,094	2,880,945
Note receivables measured at fair value through other comprehensive income .	18	1,084	73,448	58,147	75,141
Trade and note receivables	19	2,286,924	3,713,250	4,334,281	5,276,611
Prepayments, other receivables and other assets	17	51,227	145,887	181,151	209,833
Amounts due from subsidiaries-current .	30	405,594	624,081	1,067,088	821,184
Term bank deposit with initial terms over three months	20(b)	1,136,953	833,241	2,642,161	1,996,462
Cash and cash equivalents	20(a)	498,379	568,194	1,361,871	2,926,692
		5,348,543	7,327,971	11,960,793	14,186,868
Total assets		13,426,679	17,738,484	21,804,107	24,710,263

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ACCOUNTANT’S REPORT

		As at 31 December			As at 31 March
	Note	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
EQUITY					
Equity attributable to owners of the Company					
Share capital	23(a)	1,908,578	1,918,599	1,924,364	1,924,364
Share premium	23(a)	416,220	629,511	752,564	752,564
Other reserves	24	1,040,269	1,307,837	1,565,955	1,645,047
Retained earnings	25	5,413,862	6,755,851	8,937,033	9,912,830
Total equity		8,778,929	10,611,798	13,179,916	14,234,805
LIABILITIES					
Non-current liabilities					
Borrowings-non-current	31	846,493	1,309,936	1,055,231	1,144,975
Lease liabilities-non-current		–	–	11,838	9,950
Deferred income	32	244,644	224,341	216,096	211,675
		1,091,137	1,534,277	1,283,165	1,366,600
Current liabilities					
Borrowings-current	31	1,060,636	1,968,478	2,023,766	2,879,831
Trade and other payables	34	2,437,831	3,556,525	5,161,203	5,967,147
Contract liabilities		12,172	10,791	22,025	46,495
Income tax payable		45,917	56,615	126,480	207,789
Lease liabilities-current		57	–	7,552	7,596
		3,556,613	5,592,409	7,341,026	9,108,858
Total liabilities		4,647,750	7,126,686	8,624,191	10,475,458
Total equity and liabilities		13,426,679	17,738,484	21,804,107	24,710,263
Net current assets		1,791,930	1,735,562	4,619,767	5,078,010

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ACCOUNTANT’S REPORT

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Note	Share capital	Share premium	Other Reserves	Retained earnings	Total	Non- controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023		1,896,659	184,090	985,460	5,200,690	8,266,899	–	8,266,899
Comprehensive income								
Profit for the year		–	–	–	1,512,538	1,512,538	(23,020)	1,489,518
Currency translation differences		–	–	16,382	–	16,382	–	16,382
Share of other comprehensive income of associates	29	–	–	2,035	–	2,035	–	2,035
Net gains from changes in fair value of financial assets at fair value through other comprehensive income		–	–	59,955	–	59,955	–	59,955
Total comprehensive income		–	–	78,372	1,512,538	1,590,910	(23,020)	1,567,890
Transactions with owners								
Capital injection from non- controlling interests (NCI)		–	–	–	–	–	2,649	2,649
New shares issued for options exercised	23	11,919	232,130	(65,905)	–	178,144	–	178,144
Share-based payments	26	–	–	34,514	–	34,514	–	34,514
Non-controlling interests arising from acquisition of a subsidiary		–	–	–	–	–	69,582	69,582
Appropriation of statutory reserve		–	–	120,714	(120,714)	–	–	–
Dividends	12	–	–	–	(285,759)	(285,759)	–	(285,759)
Transaction with NCI		–	–	–	–	–	3,305	3,305
Transfer of share of other comprehensive income to retained earnings upon disposal equity investment		–	–	(3,343)	3,343	–	–	–
Total transactions with owners		11,919	232,130	85,980	(403,130)	(73,101)	75,536	2,435
At 31 December 2023		1,908,578	416,220	1,149,812	6,310,098	9,784,708	52,516	9,837,224

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ACCOUNTANT’S REPORT

	Note	Share capital	Share premium	Other Reserves	Retained earnings	Total	Non- controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024		1,908,578	416,220	1,149,812	6,310,098	9,784,708	52,516	9,837,224
Comprehensive income:								
Profit for the year		–	–	–	2,587,237	2,587,237	(20,922)	2,566,315
Currency translation differences		–	–	52,191	–	52,191	528	52,719
Share of other comprehensive income of associates	29	–	–	248	–	248	–	248
Net gains from changes in fair value of financial assets at fair value through other comprehensive income		–	–	157,155	–	157,155	–	157,155
Total comprehensive income		–	–	209,594	2,587,237	2,796,831	(20,394)	2,776,437
Transactions with owners								
Capital injection from NCI		–	–	–	–	–	7,071	7,071
New shares issued for options exercised	23	10,021	213,291	(77,142)	–	146,170	–	146,170
Share-based payments	26	–	–	77,004	–	77,004	120	77,124
Appropriation of statutory reserve		–	–	256,071	(256,071)	–	–	–
Dividends	12	–	–	–	(956,758)	(956,758)	–	(956,758)
Transaction with NCI		–	–	(21,335)	–	(21,335)	21,335	–
Tax benefit from share-based payments	33	–	–	14,158	–	14,158	–	14,158
Total transactions with owners		10,021	213,291	248,756	(1,212,829)	(740,761)	28,526	(712,235)
At 31 December 2024		1,918,599	629,511	1,608,162	7,684,506	11,840,778	60,648	11,901,426
At 1 January 2025		1,918,599	629,511	1,608,162	7,684,506	11,840,778	60,648	11,901,426
Comprehensive income:								
Profit for the year		–	–	–	3,822,306	3,822,306	(3,633)	3,818,673
Currency translation differences		–	–	56,470	–	56,470	574	57,044
Share of other comprehensive income of associates	29	–	–	534	–	534	–	534
Net gains from changes in fair value of financial assets at fair value through other comprehensive income		–	–	41,169	–	41,169	–	41,169
Total comprehensive income		–	–	98,173	3,822,306	3,920,479	(3,059)	3,917,420

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		Share capital	Share premium	Other Reserves	Retained earnings	Total	Non- controlling interests	Total equity
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Transactions with owners								
Capital injection from NCI . . .		–	–	–	–	–	242	242
New shares issued for options								
exercised	23	5,765	123,053	(46,645)	–	82,173	–	82,173
Share-based payments	26	–	–	251,725	–	251,725	352	252,077
Dividends	12	–	–	–	(961,694)	(961,694)	–	(961,694)
Transaction with NCI	30	–	–	(93,200)	–	(93,200)	(42,801)	(136,001)
Tax benefit from share-based payments	33	–	–	72,444	–	72,444	–	72,444
Total transactions with owners		<u>5,765</u>	<u>123,053</u>	<u>184,324</u>	<u>(961,694)</u>	<u>(648,552)</u>	<u>(42,207)</u>	<u>(690,759)</u>
At 31 December 2025		<u>1,924,364</u>	<u>752,564</u>	<u>1,890,659</u>	<u>10,545,118</u>	<u>15,112,705</u>	<u>15,382</u>	<u>15,128,087</u>
<i>(Unaudited)</i>								
At 1 January 2025		1,918,599	629,511	1,608,162	7,684,506	11,840,778	60,648	11,901,426
Comprehensive income:								
Profit for the period		–	–	–	762,466	762,466	(2,489)	759,977
Currency translation differences		–	–	305	–	305	2	307
Net gains from changes in fair value of financial assets at fair value through other comprehensive income . . .		–	–	(70,569)	–	(70,569)	–	(70,569)
Total comprehensive income .		<u>–</u>	<u>–</u>	<u>(70,264)</u>	<u>762,466</u>	<u>692,202</u>	<u>(2,487)</u>	<u>689,715</u>
Transactions with owners								
New shares issued for options								
exercised	23	4,002	85,755	(32,380)	–	57,377	–	57,377
Share-based payments	26	–	–	63,672	–	63,672	97	63,769
Total transactions with owners		<u>4,002</u>	<u>85,755</u>	<u>31,292</u>	<u>–</u>	<u>121,049</u>	<u>97</u>	<u>121,146</u>
At 31 March 2025		<u>1,922,601</u>	<u>715,266</u>	<u>1,569,190</u>	<u>8,446,972</u>	<u>12,654,029</u>	<u>58,258</u>	<u>12,712,287</u>

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		Share capital	Share premium	Other Reserves	Retained earnings	Total	Non- controlling interests	Total equity
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026		1,924,364	752,564	1,890,659	10,545,118	15,112,705	15,382	15,128,087
Comprehensive income:								
Profit for the period		–	–	–	1,242,081	1,242,081	(642)	1,241,439
Currency translation differences		–	–	(63,613)	–	(63,613)	(635)	(64,248)
Net gains from changes in fair value of financial assets at fair value through other comprehensive income . . .		–	–	413,462	–	413,462	–	413,462
Total comprehensive income .		–	–	349,849	1,242,081	1,591,930	(1,277)	1,590,653
Transactions with owners . .								
Share-based payments	26	–	–	62,416	–	62,416	6	62,422
Tax benefit from share-based payments	33	–	–	22,818	–	22,818	–	22,818
Total transactions with owners		–	–	85,234	–	85,234	6	85,240
At 31 March 2026		<u>1,924,364</u>	<u>752,564</u>	<u>2,325,742</u>	<u>11,787,199</u>	<u>16,789,869</u>	<u>14,111</u>	<u>16,803,980</u>

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ACCOUNTANT’S REPORT

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Note	Year ended 31 December			Three months ended 31 March	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cash flows from operating activities						
Cash generated from operations	36(a)	2,403,628	2,700,657	4,321,730	1,467,296	662,937
Income taxes paid		(183,173)	(423,035)	(586,673)	(64,918)	(163,703)
Net cash generated from operating activities		2,220,455	2,277,622	3,735,057	1,402,378	499,234
Cash flows from investing activities						
Proceeds from disposal of financial assets at fair value through other comprehensive income		5,876	–	–	–	–
Interest received on financial assets held as investments		2,462	3,465	4,351	–	–
Interest received		125,667	98,365	82,239	14,557	58,639
Proceeds from disposal of property, plant and equipment		11,730	9,459	16,253	1,815	3,255
Proceeds from disposal of right-of-use assets		69	364	–	–	–
Proceeds from disposal of intangible assets		181	282	137	–	–
Proceeds from the maturity of reverse repurchase agreement		356,372	2,997,935	11,505,815	6,216,940	1,918,637
Proceeds from disposal of financial assets at fair value through profit or loss		205,000	50,000	20,000	–	–
Proceeds from sale of subsidiary, net of cash acquired	37(a)	–	–	–	–	4,226
Proceeds from maturity of term deposit		1,180,000	1,060,000	860,000	120,000	600,000
Government subsidies received for the purchase of property, plant and equipment		22,855	47,564	136,910	18,722	11,783
Payments for purchase of property, plant and equipment, intangible assets and other non-current assets		(810,468)	(2,147,818)	(3,198,496)	(658,129)	(1,467,228)
Payments for reverse repurchase agreement		(346,372)	(3,387,975)	(11,520,949)	(6,141,800)	(1,770,124)
Payments for financial assets at fair value through profit or loss		(259,000)	(11,000)	(23,000)	(3,000)	–
Payments for financial assets at fair value through other comprehensive income		(7,136)	(9,909)	(1,484)	–	–
Payment for acquisition of subsidiary, net of cash acquired	35	(89,361)	–	–	–	–
Payments for term deposits		(2,245,000)	(1,698,039)	(400,000)	(100,000)	–
Net cash used in investing activities . .		(1,847,125)	(2,987,307)	(2,518,224)	(530,895)	(640,812)

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		Year ended 31 December			Three months ended 31 March	
	Note	2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cash flows from financing activities						
Proceeds from shares issued for option exercise		178,145	147,297	84,070	54,922	–
Proceeds from contributions by non-controlling interests		5,954	7,110	242	–	–
Proceeds from bank borrowings	36(b)	4,480,660	5,286,330	8,200,729	2,064,328	2,273,459
Repayments of bank borrowings	36(b)	(3,871,766)	(4,280,397)	(7,252,934)	(1,295,876)	(264,046)
Dividends paid	12	(285,759)	(956,758)	(961,694)	–	–
Interest paid	36(b)	(77,532)	(131,473)	(122,712)	(24,244)	(16,379)
Payments of lease liabilities		(1,354)	(100)	(2,408)	–	–
Transaction with NCI		–	–	(154,705)	–	–
Fees paid in relation to dividend distribution		–	(642)	(323)	–	–
Fees for share registration		–	(10)	(6)	(4)	–
[REDACTED] paid		–	–	–	–	[REDACTED]
Net cash generated/(used in) from financing activities		<u>428,348</u>	<u>71,357</u>	<u>(209,741)</u>	<u>799,126</u>	<u>1,990,688</u>
Net increase/(decrease) in cash and cash equivalents		<u>801,678</u>	<u>(638,328)</u>	<u>1,007,092</u>	<u>1,670,609</u>	<u>1,849,110</u>
Cash and cash equivalents at beginning of the year		1,292,451	2,097,883	1,542,699	1,542,699	2,579,103
Exchange gains/loss on cash and cash equivalents		<u>3,754</u>	<u>83,144</u>	<u>29,312</u>	<u>19,543</u>	<u>(36,575)</u>
Cash and cash equivalents at end of the year/period		<u>2,097,883</u>	<u>1,542,699</u>	<u>2,579,103</u>	<u>3,232,851</u>	<u>4,391,638</u>

APPENDIX I

ACCOUNTANT’S REPORT

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 GENERAL INFORMATION

Wus Printed Circuit (Kunshan) Co., Ltd. (hereinafter referred to as the “Company”), was set up by BIGGERING LIMITED and was registered in Kunshan, PRC on 14 April 1992, with its headquarters located in Kunshan, Jiangsu. On 23 February 2003, the Company was transformed into a limited liability company. On 18 August 2010, the Company was approved to list on Shenzhen Stock Exchange.

The Company and its subsidiaries as listed in Note 30 below (together, the “Group”) are principally engaged in the development, manufacturing and sales of various printed circuit boards in the PRC (the “Listing Business”).

2 BASIS OF PREPARATION

(i) Compliance with IFRS Accounting Standards

The Historical Financial Information of the Group has been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

(ii) Accounting policies

The accounting policies applied in the preparation of the Historical Financial Information has been consistently applied to all the years presented, unless otherwise stated.

Other than those material accounting policies information as disclosed in the notes to the relevant financial line items or transactions in this Historical Financial Information, a summary of the other accounting policies information has been set out in Note 40 to this Historical Financial information.

(iii) Historical cost convention

The Historical Financial Information has been prepared on a historical cost basis, as modified by the revaluation of certain financial assets and liabilities at fair value through profit or loss or through other comprehensive income, which are carried at fair value.

The preparation of the Historical Financial Information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 4 to this Historical Financial information.

(iv) New and amended standards and interpretations adopted by the Group

In preparation of the Historical Financial Information, all of the new standards, amendments to standards and interpretations that are effective during the Track Record Period have been adopted by the Group consistently throughout the Track Record Period.

(v) New and amended standards and interpretations adopted by the Group

The following amended standards have been issued but not yet effective for the Track Record Period and not been early adopted by the Group:

Standards and amendments		Effective for annual periods beginning on or after
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to IFRS 10 and IFRS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

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According to the assessment made by the directors of the Company, these new and amended standards are either not relevant to the Group or not significant to the financial performance and positions of the Group when they become effective, except for IFRS 18 which will mainly impact the presentation of the consolidated statements of comprehensive income.

IFRS 18 will replace IAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group’s consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

Impact on consolidated statements of comprehensive income:

Although the adoption of IFRS 18 will have no impact on the Group’s net profit, the Group expects that grouping items of income and expenses in the income statement into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:

Foreign exchange differences

Foreign exchange differences currently aggregated in the line item “other gains/(losses) — net” in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit, unless doing so would involve undue cost or effort.

Gain or loss of investments measured at fair value through profit or loss

The gain or loss of investments measured at fair value through profit or loss currently aggregated in the line item “other gains/(losses) — net” in operating profit and will be presented below operating profit.

Impact on consolidated balance sheets:

The line items presented on the primary financial statements might change as a result of the application of the concept of ‘useful structured summary’ and the enhanced principles on aggregation and disaggregation.

Impact on disclosures:

The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

- for the first annual period of application of IFRS 18, a reconciliation for each line item in the income statement between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group’s activities expose it to a variety of financial risks: market risk (including foreign exchange risk, other price risk, and cash flow and fair value interest rate risk), credit risk, and liquidity risk. The Group’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group’s financial performance.

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(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the Group entities’ functional currency. The Group primarily conducts its operations in the PRC with majority of activities settled in RMB. The Group also sells to customers in various overseas countries, and is exposed to foreign exchange risk, primarily the US dollar.

The Group manages its foreign exchange risk by closely monitoring the movement of the foreign currency rates. Cash repatriation from the PRC are subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The Group did not have other significant exposure to foreign exchange risk.

The Group’s exposure to foreign currency risk at the end of the reporting period during the Track Record Period, expressed in RMB, was as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB’000	RMB’000	RMB’000	RMB’000
Dominated in USD:				
Foreign currency financial assets:				
– Cash and cash equivalents	600,538	945,546	575,302	722,569
– Term bank deposit with initial terms over three months	–	–	456,872	476,193
– Trade and note receivables	2,192,825	3,371,855	4,651,977	5,571,449
– Other receivables	2,770	878	1,582	1,829
– Other financial assets at fair value through other comprehensive income	12,877	11,567	16,360	16,201
Foreign currency financial liabilities:				
– Borrowings-current	(1,193,364)	(1,372,208)	(1,280,190)	(2,302,497)
– Trade and other payables	(381,736)	(776,120)	(1,347,933)	(1,427,269)
– Borrowings-non-current	(226,441)	(392,352)	(340,601)	(591,109)
	<u>1,007,469</u>	<u>1,789,166</u>	<u>2,733,369</u>	<u>2,467,366</u>

The Group is primarily exposed to changes in RMB/United States dollars (“USD”) exchange rates. As at 31 December 2023, 2024 and 2025 and 31 March 2026, for the USD financial assets and USD financial liabilities, if the functional currencies appreciates or depreciates by 5% against the USD and other factors remain unchanged, the Group will increase or reduce its pre-tax profit by approximately RMB49,730,000, RMB88,880,000, RMB135,850,000 and RMB122,558,000, respectively, and increase or reduce other comprehensive income by approximately RMB644,000, RMB578,000, RMB818,000 and RMB810,000, respectively.

(ii) Other price risk

The Group is exposed to other price risk mainly arising from investments held by the Group that are classified as either fair value through profit or loss (“FVPL”) or fair value through other comprehensive income (“FVOCI”). To manage its price risk arising from the investments, the Group diversifies its investment portfolio. The investments are made either for strategic purposes, or for the purpose of achieving investment yield and balancing the Group’s liquidity level simultaneously. Each investment is managed by management on a case by case basis.

Sensitivity analysis is performed by management to assess the exposure of the Group’s financial results to equity price risk of FVPL and FVOCI at the end of each reporting period. If prices of the respective instruments held by the Group had been 5% higher/lower as at 31 December 2023, 2024 and 2025 and

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31 March 2026, with all other variable held constant, pre-tax profit would have been approximately RMB3,387,000, RMB3,496,000, RMB4,251,000 and RMB4,251,000 higher/lower as a result of gains/losses on financial instruments classified as FVPL, other comprehensive income would have been approximately RMB10,544,000, RMB21,516,000, RMB24,339,000 and RMB51,895,000, respectively, higher/lower as a result of gains/losses on financial instruments classified as FVOCI.

(iii) Cash flow and fair value interest rate risk

The Group’s income and operating cash flows are substantially independent of changes in market interest rates, as the Group has no significant interest-bearing assets except for cash and cash equivalents and term deposits measured at amortized cost.

The Group’s exposure to changes in interest rates is mainly attributable to its long-term interest-bearing borrowings from banks. Borrowings at variable rates expose the Group to cash flow interest rate risk. Whereas borrowings at fixed rates expose the Group to fair value interest rate risk. The Group determines the proportion of borrowings at variable rates and fixed rates based on the market environment. The interest rate and terms of repayments of borrowings are disclosed in Note 31.

The Group closely monitors trend of interest rate and its impact on the Group’s interest rate risk exposure. The Group currently has not used any interest rate swap arrangements.

As at 31 December 2023, 2024 and 2025 and 31 March 2025 and 2026, the Group’s long-term floating-rate borrowings totaled approximately RMB349,000,000, RMB687,000,000, RMB1,814,637,000, RMB687,000,000 and RMB2,423,129,000 respectively.

As at 31 December 2023, 2024 and 2025 and 31 March 2025 and 2026, if interest rates on borrowings at floating rates had been 50 basis points higher/lower with all other variables held constant, the pre-tax results for the years would have changed as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)				
Pre-tax results					
higher/(lower)					
– 50 basis points					
higher	(1,745)	(3,435)	(9,073)	(3,435)	(12,116)
– 50 basis points					
lower	1,745	3,435	9,073	3,435	12,116

(b) Credit risk

The Group is exposed to credit risk primarily in relation to its trade and note receivables, note receivables at FVOCI, term deposits and restricted cash, cash and cash equivalents. The carrying amounts of each class of the above financial assets represent the Group’s maximum exposure to credit risk in relation to financial assets.

(i) Risk Management

To manage this risk arising from term deposits and restricted cash, cash and cash equivalents, the Group mainly transacts with state-owned banks or other reputable listed banks with high credit rating. There has been no recent history of default in relation to those financial institutions.

For trade and note receivables, the Group assesses the credit quality of and sets credit limits on its customers by taking into account their financial position, the availability of guarantee from third parties, their credit history and other factors such as current market conditions. The credit history of the customers is regularly monitored by the Group. In respect of customers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent.

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(ii) Impairment of financial assets

The Group has five types of assets that are subject to the expected credit loss model:

- trade receivables;
- note receivables at FVOCI;
- other receivables and other assets;
- other financial assets at FVOCI (excluding equity securities); and
- cash and cash equivalents, term deposits and restricted cash.

While cash and cash equivalents, term deposits and restricted cash are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial as at 31 December 2023, 2024 and 2025 and 31 March 2026.

Trade and note receivables and note receivables at FVOCI

The Group applies the IFRS 9 simplified approach to measuring expected credit losses (“ECL”), which uses a lifetime expected loss allowance for all trade and note receivables and note receivables at FVOCI.

To measure the ECL, trade and note receivables has been grouped based on shared credit risk characteristics and aging. The Group also made individual assessment on the recoverability of its trade and note receivables for certain customer with different credit characteristic based on historical settlement record and forward-looking information.

The historical loss rates are determined by reference to the roll rate analysis of respective customers based on the payment profiles of sales over a period before the respective period ends and the corresponding historical credit losses experienced within these periods. In calculating the expected credit loss rates, the Group considers historical loss rates, and adjusts for forward-looking macroeconomic data. At the end of each reporting period, the historical served default rates are updated and changes in the forward-looking estimates are analyzed.

(1) Trade receivables

The credit period granted to the customers is typically of 30 to 180 days. Management makes periodic assessments as well as individual assessment on the recoverability based on historical settlement records, past experience, as well as forward-looking information.

Set out below is the information about credit risk exposure on the Group’s trade receivables:

	Not overdue	Past due by 1-90 days	Over 90 days past due	Total
Assessed based on grouping:				
At 31 December 2023				
Expected loss rate	0.13%	12.67%	100.00%	0.73%
Gross carrying amount (RMB’000)	2,529,935	63,161	7,687	2,600,783
Provision for impairment (RMB’000)	(3,228)	(8,003)	(7,687)	(18,918)
At 31 December 2024				
Expected loss rate	0.42%	11.55%	100.00%	0.76%
Gross carrying amount (RMB’000)	3,825,236	67,684	5,904	3,898,824
Provision for impairment (RMB’000)	(16,088)	(7,817)	(5,904)	(29,809)

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	Not overdue	Past due by 1-90 days	Over 90 days past due	Total
At 31 December 2025				
Expected loss rate	0.77%	13.50%	100.00%	1.05%
Gross carrying amount (RMB'000) .	5,148,055	75,603	5,036	5,228,694
Provision for impairment (RMB'000)	(39,804)	(10,210)	(5,036)	(55,050)
At 31 March 2026				
Expected loss rate	0.65%	12.91%	100.00%	0.83%
Gross carrying amount (RMB'000) .	6,108,844	69,067	2,434	6,180,345
Provision for impairment (RMB'000)	(39,748)	(8,918)	(2,434)	(51,100)
	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000

Assessed individually:

Expected loss rate	10.00%	10.00%	10.00%	10.00%
Gross carrying amount (RMB'000)	116,964	193,776	370,574	385,780
Provision for impairment (RMB'000)	(11,696)	(19,378)	(37,057)	(38,578)

The Group individually assessed the recoverability of the balance with certain customers as at 31 December 2023, 2024 and 2025 and 31 March 2026 given different credit characteristics.

The movements of provision for impairment for trade receivables during the years ended 31 December 2023, 2024 and 2025 and 31 March 2026 were as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	42,284	30,614	49,187	92,107
(Decrease)/increase in provision for impairment recognized in consolidated income statements	(11,670)	16,590	43,486	(2,428)
Receivables written off during the year as uncollectible . .	—	(1,245)	(566)	—
Exchange adjustment	—	3,228	—	(1)
At the end of the year/period .	<u>30,614</u>	<u>49,187</u>	<u>92,107</u>	<u>89,678</u>

(2) Note receivables at amortized cost and note receivables at FVOCI

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the Group measured provision for impairment based on the lifetime ECL and expected that there was no significant credit risk associated with its bank acceptance notes and did not expect that there would be any significant losses from non-performance by these banks.

(3) Other financial assets at amortized cost

As at 31 December 2023, 2024 and 2025 and 31 March 2026, Other financial assets at amortized cost are other receivables which mainly include deposits, and advances provided to employees. The Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward looking macroeconomic data.

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As at 31 December 2023, 2024 and 2025 and 31 March 2026, ECL of other financial assets at amortized cost was assessed on the grouping basis, which were all at stage 1 with insignificant credit risk.

(c) Liquidity risk

The Group aims to maintain sufficient cash and cash equivalents or have available funding through an adequate amount of available financing to meet its daily operations.

The table below analyses the Group’s financial liabilities by relevant maturity grouping at each balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months from the balance sheet date equal to their carrying amounts in the consolidated balance sheets, as the impact of discounting is not significant.

	Within 1 year	1 and 2 years	2 and 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2023				
Borrowings (including interests) . . .	1,812,286	647,447	220,239	2,679,972
Trade and other payables (Note) . . .	2,852,472	–	–	2,852,472
Lease liabilities	88	–	–	88
	<u>4,664,846</u>	<u>647,447</u>	<u>220,239</u>	<u>5,532,532</u>
	Within 1 year	1 and 2 years	2 and 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2024				
Borrowings (including interests) . . .	2,392,697	1,166,670	170,556	3,729,923
Trade and other payables (Note) . . .	4,617,523	–	–	4,617,523
	<u>7,010,220</u>	<u>1,166,670</u>	<u>170,556</u>	<u>8,347,446</u>
	Within 1 year	1 and 2 years	2 and 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2025				
Borrowings (including interests) . . .	2,747,390	572,856	1,386,405	4,706,651
Trade and other payables (Note) . . .	7,183,754	–	–	7,183,754
Lease liabilities	8,635	8,635	4,514	21,784
	<u>9,939,779</u>	<u>581,491</u>	<u>1,390,919</u>	<u>11,912,189</u>
	Within 1 year	1 and 2 years	2 and 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 March 2026				
Borrowings (including interests) . . .	3,835,871	637,748	2,093,056	6,566,675
Trade and other payables (Note) . . .	7,975,571	–	–	7,975,571
Lease liabilities	8,635	8,659	2,361	19,655
	<u>11,820,077</u>	<u>646,407</u>	<u>2,095,417</u>	<u>14,561,901</u>

Note: Trade and other payables exclude accrued payroll and other taxes payable.

3.2 Capital management

The primary objectives of the Group’s capital management are to safeguard the Group’s ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders’ value.

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The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2023, 2024 and 2025 and 31 March 2026.

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Total assets	16,035,481	21,179,935	28,254,274	32,720,019
Total liabilities	6,198,257	9,278,509	13,126,187	15,916,039
Asset-liability ratio	39%	44%	46%	49%

3.3 Fair value estimation

The table below analyses the Group’s financial instruments carried at fair value as at 31 December 2023, 2024 and 2025 and 31 March 2026 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorized into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

(a) Fair value hierarchy

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the financial assets measured at fair value on a recurring basis by the above three levels were analyzed below:

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2023				
Financial assets:				
Note receivables at FVOCI				
(Note 18)	–	–	1,084	1,084
Other financial assets at FVPL				
(Note 28(a))	–	50,230	67,744	117,974
Other financial assets at FVOCI				
(Note 28(b))	197,997	–	12,877	210,874
	<u>197,997</u>	<u>50,230</u>	<u>81,705</u>	<u>329,932</u>
	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000

As at 31 December 2024

Financial assets:

Note receivables at FVOCI

(Note 18) – – 73,448 73,448

Other financial assets at FVPL

(Note 28(a)) – – 69,912 69,912

Other financial assets at FVOCI

(Note 28(b)) 418,753 – 11,567 430,320

418,753 – 154,927 573,680

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	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 December 2025				
Financial assets:				
Note receivables at FVOCI				
(Note 18)	–	–	58,147	58,147
Other financial assets at FVPL				
(Note 28(a))	–	–	85,015	85,015
Other financial assets at FVOCI				
(Note 28(b))	470,412	–	16,360	486,772
	<u>470,412</u>	<u>–</u>	<u>159,522</u>	<u>629,934</u>

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 31 March 2026				
Financial assets:				
Note receivables at FVOCI				
(Note 18)	–	–	75,141	75,141
Other financial assets at FVPL				
(Note 28(a))	–	–	85,015	85,015
Other financial assets at FVOCI				
(Note 28(b))	1,021,694	–	16,201	1,037,895
	<u>1,021,694</u>	<u>–</u>	<u>176,357</u>	<u>1,198,051</u>

There were no transfers among levels of the fair value hierarchy during the Track Record Periods.

(b) Valuation techniques used to determine fair values

The fair value of financial instruments traded in an active market is determined at the quoted market price; and the fair value of those not traded in an active market is determined by the Group using valuation techniques. The valuation models used mainly comprise discounted cash flow approach, market comparable company approach and net assets approach. The inputs of the valuation techniques mainly include risk-free interest rate, foreign exchange rate, financial projection of target companies and market multiple of comparable companies.

Assets and liabilities subject to Level 2 fair value measurement were mainly included structured deposits in other financial assets at FVPL.

Assets and liabilities subject to Level 3 fair value measurement were mainly included unlisted securities of other financial assets at FVPL and other financial assets at FVOCI. These assets and liabilities were measured mainly using discounted cash flow approach and market comparable company approach. The judgement of Level 3 of the fair value hierarchy is based on the materiality of unobservable inputs towards calculation of whole fair value. Significant unobservable inputs mainly include the financial data of targeted company, market multiple of comparable companies and risk adjusted discount rates.

The Group did not change any valuation techniques in determining the level 2 and level 3 fair values during the Track Record Period.

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The following table presents the changes in level 3 items for the years ended 31 December 2023, 2024 and 2025 and 31 March 2026:

Reconciliation of Level 3 fair value measurements

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
FVOCI				
As at the beginning of the year/period	53,211	13,961	85,015	74,507
Additions	247,232	337,840	700,514	162,752
Disposals/settlements	(284,366)	(265,155)	(712,824)	(145,758)
Losses recognized in profit or loss	(1,195)	(321)	(1,507)	–
Changes in fair value recognized in other comprehensive income	(921)	(1,236)	3,176	–
Currency translation differences	–	(74)	133	(159)
As at the end of the year/period	<u>13,961</u>	<u>85,015</u>	<u>74,507</u>	<u>91,342</u>

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
FVPL				
As at the beginning of the year/period	63,281	67,744	69,912	85,015
Additions	4,000	11,000	3,000	–
Changes in fair value recognized in profit or loss	463	(8,832)	12,103	–
As at the end of the year/period	<u>67,744</u>	<u>69,912</u>	<u>85,015</u>	<u>85,015</u>

(c) Valuation inputs and relationship to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used recurring level 3 fair value measurements:

	Fair value at 31 December			Fair value at 31 March	Valuation technique(s)	Unobservable input	Range of inputs 31 December			Range of inputs 31 March	Relationship of unobservable inputs to fair value
	2023	2024	2025				2023	2024	2025		
	RMB'000	RMB'000	RMB'000				2026				
FVOCI											
– Note receivables measured at fair value through other comprehensive income	1,084	73,448	58,147	75,141	Income Approach	Discount Rate	1%-2%	1%-2%	0.3%-1.7%	0.3%-1.7%	Increased/decreased discount rate by 10%, the fair value for trade and note receivables measured at fair value through other comprehensive income would have been approximately 2023: nil, 2024: RMB4,000 lower/RMB4,000 higher, 2025: RMB1,000 lower/RMB1,000 higher, 31 March 2026: nil.

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	Fair value at 31 December			Fair value at 31 March	Valuation technique(s)	Unobservable input	Range of inputs 31 December			Range of inputs 31 March	Relationship of unobservable inputs to fair value
	2023	2024	2025	2026			2023	2024	2025	2026	
	RMB'000	RMB'000	RMB'000								
FVPL											
– Unlisted equity investments	67,744	NA	NA	NA	Recent Financing Price Method	Expected Stock Price Volatility	35%	NA	NA	NA	Increased/decreased expected stock price volatility by 10%, the fair value for unlisted equity investments measured at fair value through profit or loss would have been approximately 2023: RMB632,000 lower/RMB644,000 higher.
	NA	69,912	85,015	85,015	Market approach	Price Earnings Ratio	NA	70	45	45	Increased/decreased price earnings ratio by 10%, the fair value for unlisted equity investments measured at fair value through profit or loss would have been approximately 2024: RMB4,851,000 higher/RMB5,747,000 lower, 2025: RMB6,360,000 higher/RMB6,797,000 lower, 31 March 2026: RMB6,360,000 higher/RMB6,797,000 lower.
						Discount for lack of marketability (“DLOM”)	NA	34%	31%	31%	Increased/decreased DLOM by 10%, the fair value for unlisted equity investments measured at fair value through profit or loss would have been approximately 2024: RMB3,113,000 lower/RMB2,217,000 higher, 2025: RMB3,117,000 lower/ RMB2,680,000 higher, 31 March 2026: RMB3,117,000 lower/RMB2,680,000 higher.

The Group has a team that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. This team reports the valuation results to the management and Audit Committee. Discussions of valuation processes and results are held by valuation team at least once every three months, in line with the Group’s quarterly reporting periods.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Historical Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group’s accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

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(a) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group’s past history, existing market conditions, as well as forward-looking information at the end of each financial year/period. Details of the key assumptions and inputs used are disclosed in the tables in Note 3.1(b).

(b) Inventory provision

Inventories are stated at the lower of cost and net realizable value. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Even though the management of the Group has made the best estimate about the loss from inventory write-down predicted to occur and provided allowance for write-down, the write-down assessment may still be significantly changed due to the change of market situations.

(c) Estimated useful lives and residual values of property, plant and equipment and investment properties

The Group’s management determines the estimated useful lives and related depreciation charges for its property, plant and equipment and investment properties. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment and investment properties of similar nature and functions. Management will increase the depreciation charge where useful lives are less than previously estimated lives, it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives, and actual residual values. Periodic reviews could result in a change in useful lives and residual values and therefore, changes in depreciation expenses in the future periods.

(d) Income taxes and deferred income tax

There are many transactions and events for which the ultimate tax determination during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that we The Group is subject to enterprise income tax in numerous jurisdictions. There are many transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgement is required from the Group in determining the provision for income taxes in each of these jurisdictions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

As stated in Note 11, certain subsidiaries of the Group are high-tech enterprises. The “High-Tech Enterprise Certificate” is effective for three years. Upon expiration, application for high-tech enterprise assessment should be submitted again to the relevant government authorities. Based on the past experience of reassessment for high-tech enterprise upon expiration and the actual condition of the subsidiaries, the Group considers that the subsidiaries are able to obtain the qualification for high-tech enterprises in future years, and therefore a preferential tax rate of 15% is used to calculate the corresponding deferred income tax. If some subsidiaries cannot obtain the qualification for high-tech enterprise upon expiration, then the subsidiaries are subject to a statutory tax rate of 25% for the calculation of the income tax, which further influences the recognized deferred tax assets, deferred tax liabilities and income tax expense.

(e) Fair value measurement of financial assets at level 3 fair value hierarchy

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the valuation techniques, inputs and key assumptions used in the determination of the fair value of financial assets and liabilities at level 3 fair value hierarchy see Note 3.3(c).

5 REVENUE AND SEGMENT INFORMATION

The executive directors have been identified as the CODM. Management has determined the operating segments based on the operating results reviewed by the executive directors, which are used to allocate resources and assess performance.

The Group is principally engaged in the development, manufacturing and sales of various printed circuit boards. The CODM reviews the operating results of the business as one segment to make decision about resources to be allocated. Revenue and profit after income tax are the measures reported to the executive directors for the purpose of resources allocation and performance assessment.

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All of the Group’s business and operations are conducted in the PRC with sales made to customers in the PRC and overseas countries.

(a) Breakdown of revenue

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Timing of revenue recognition					
– At a point in time					
Sales of Printed Circuit Board	8,571,873	12,838,987	18,143,308	3,882,469	5,922,676
Sales of Properties	6,701	4,690	3,419	–	–
Others	353,346	493,994	795,280	154,442	290,621
– Over time					
Property management service fee	1,237	322	346	112	69
Others	5,152	3,548	2,868	604	790
	<u>8,938,309</u>	<u>13,341,541</u>	<u>18,945,221</u>	<u>4,037,627</u>	<u>6,214,156</u>

The breakdown of revenue by regions based on the location of the customers is set out below:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue from external customers					
Chinese Mainland	1,720,787	2,237,477	3,390,451	706,855	963,878
Outside Chinese Mainland	7,217,522	11,104,064	15,554,770	3,330,772	5,250,278
	<u>8,938,309</u>	<u>13,341,541</u>	<u>18,945,221</u>	<u>4,037,627</u>	<u>6,214,156</u>

During the Track Record Period, a significant portion of sales products were sold overseas, primarily to rest of Asia, Europe and Americas.

(b) Information about major customers

For the Track Record Period, revenue derived from customers who individually accounted for more than 10% of the Group’s total revenue is set out below:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Customer 1	N/A	1,371,060	2,437,596	421,677	670,943
Customer 2	N/A	N/A	2,153,938	N/A	1,211,804

The customers are presented as individual legal entities.

N/A: The customers contributed less than 10% of total revenue for the corresponding year.

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(c) Contract liabilities

(i) The Group recognized the following contract liabilities related to the contracts with customers:

	At 31 December			At 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Current contract liabilities	<u>22,642</u>	<u>28,881</u>	<u>65,820</u>	<u>81,956</u>

Contract liabilities of the Group mainly arise from the advance payments made by customers while the underlying services or goods are yet to be provided.

(ii) Revenue recognized in relation to contract liabilities

The following table shows how much of the revenue recognized during the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026 relates to carried-forward contract liabilities.

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue recognized that was included in the contract liabilities balance at the beginning of the year/period	<u>34,651</u>	<u>22,642</u>	<u>28,881</u>	<u>25,878</u>	<u>62,480</u>

(iii) Unsatisfied performance obligations

The transaction price allocated to the performance obligations that are unsatisfied, or partially unsatisfied, has not been disclosed, as substantially all of the Group’s contracts have a duration of 1 year or less.

(d) Accounting policies for the Group’s principal revenue streams

The Group is mainly engaged in the development, manufacturing and sales of various printed circuit boards. The Group assesses the goods and services promised in a contract to identify performance obligations. Each distinct good or service that an entity promises to transfer is a performance obligation. Where there are multiple promises in a contract, management will need to determine whether goods or services are distinct, and therefore separate performance obligations.

The following is a description of the accounting policies for the principal revenue streams of the Group:

(i) Sales of Printed Circuit Board and Others

Sales are recognized when control of the products and others has transferred, being when the products and others are delivered to the customer, the customer has full discretion to direct the use of the products and others, and there is no unfulfilled obligation that could affect the customer’s acceptance of the products and others.

Control is transferred when the products and others have been shipped to the specific location, and the customer has accepted the products and others in accordance with the sales contract.

(ii) Sales of Properties

For property sales contract for which the control of the property is transferred at a point in time, revenue is recognized when the buyer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable. Revenue of sales of the properties for the Group is recognized at point in time.

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(iii) *Property management service fee*

The Group bills a fixed amount for property management services provided on a monthly basis and recognizes as revenue in the amount to which the Group has a right to invoice and that corresponds directly with the value of performance completed.

6 OTHER INCOME

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Government grants	75,435	69,985	85,014	14,587	30,192
Dividend income	2,263	3,535	4,466	—	—
Interest income on term deposits with initial terms over three months	121,634	144,577	136,593	35,430	28,005
Others	189	994	4,105	1,742	1,342
	<u>199,521</u>	<u>219,091</u>	<u>230,178</u>	<u>51,759</u>	<u>59,539</u>

Government grants provided to the Group is mainly related to financial subsidies received from the local governments in the PRC. There were no unfulfilled conditions or contingencies attached to these grants.

7 OTHER GAINS/(LOSSES) — NET

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Net (losses)/gains on financial instruments . .	(1,962)	(8,270)	12,887	9	—
Net (losses)/gains on disposal of property, plant and equipment . . .	(17,367)	(9,529)	(23,938)	(482)	423
Net foreign exchange gains/(losses)	21,870	123,531	(31,901)	5,752	(147,147)
Gain from sale of subsidiaries (Note 37(b))	—	—	—	—	47,301
Gain from bargain purchase (Note 35)	4,720	—	—	—	—
Others	(2,935)	(4,587)	(6,597)	(321)	571
	<u>4,326</u>	<u>101,145</u>	<u>(49,549)</u>	<u>4,958</u>	<u>(98,852)</u>

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8 EXPENSES BY NATURE

The detailed analysis of cost of sales, selling and marketing expenses, general and administrative expenses and research and development expenses is as follow:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Changes in inventories of finished goods and work in progress (note 21) . . .	48,176	(642,857)	(1,669,338)	(284,336)	(618,266)
Raw materials and consumables used	3,753,496	6,084,590	9,659,651	2,066,110	3,236,597
Employee benefit expenses (note 9)	1,599,759	2,521,908	3,309,653	740,162	1,094,569
Depreciation of property, plant and equipment (note 14)	401,844	472,281	581,600	126,948	185,132
Electricity and water expenses	347,185	427,229	549,320	121,908	159,327
Inspection and testing charge	254,991	397,692	605,258	88,859	241,740
Sales commissions	214,075	288,242	412,096	88,277	131,856
Repair and maintenance fees	178,307	251,374	347,722	72,846	121,030
Impairment of inventories (note 21)	84,793	123,008	199,453	32,776	13,009
Taxes and surcharges	67,352	102,352	115,990	26,492	41,007
Environmental protection fee	50,964	65,099	80,504	18,876	26,511
Logistic fee	34,284	53,664	69,218	15,396	19,316
Impairment losses on property, plant and equipment (note 14) . . .	51,154	104,675	9,817	—	—
Impairment of completed properties held for sale (note 22)	26,859	34,545	—	—	—
Warranty costs	14,699	35,411	13,513	2,382	1,339
Office expenses	3,381	7,138	17,575	8,876	5,363
Travelling expenses	9,349	19,722	41,587	5,673	12,058
Amortization of intangible assets (note 16)	8,757	12,392	14,583	3,311	4,487
Impairment losses on investment properties (note 14)	—	10,673	—	—	—
Entertainment fees	5,320	10,557	13,740	3,816	3,172
Depreciation of right-of-use assets (note 15) . . .	6,906	4,364	7,088	1,076	3,080
Auditors’ remuneration . .	3,051	2,212	2,759	472	696
Depreciation of investment properties (note 14) . . .	1,371	1,320	615	151	178
[REDACTED]	—	—	[REDACTED]	—	[REDACTED]
Others	230,533	198,210	260,109	45,397	77,422
	<u>7,396,606</u>	<u>10,585,801</u>	<u>14,644,787</u>	<u>3,185,468</u>	<u>4,759,931</u>

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9 EMPLOYEE BENEFIT EXPENSES

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries, wages and bonus .	1,311,987	2,132,087	2,645,336	583,572	887,282
Share-based payments (note 26)	34,514	77,124	252,077	63,769	62,422
Pension cost – defined contribution plans (a) . .	83,182	109,494	136,767	30,760	45,399
Other social security costs, housing benefits and other employee benefits .	170,076	203,203	275,473	62,061	99,466
	<u>1,599,759</u>	<u>2,521,908</u>	<u>3,309,653</u>	<u>740,162</u>	<u>1,094,569</u>

(a) Defined contribution plans

Employees of the subsidiaries in the PRC participate in employee social insurance plans established in the PRC, which cover pension, medical and other welfare benefits. The plans are organized and administered by the government authorities. Except for the contributions made to these social insurance plans, the Group has no other commitments owing to the employees. According to the relevant regulations, the contributions that should be borne by the companies within the Group as required by the above social insurance plans are principally determined based on percentages of the basic salaries of employees, subject to certain ceilings imposed. These contributions are expensed as incurred.

During the year ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026, no forfeited contributions were utilised by the Group to reduce its contributions for the current year.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026 include 0, 1, 0, 0 and 0 director respectively, whose emoluments are disclosed in the Note 39. The aggregate amounts of emoluments for the remaining 5, 4, 5, 5 and 5 highest paid individuals for each of the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026 respectively are as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries, wages and bonus .	8,753	8,191	12,332	2,471	2,538
Share- based payments . . .	2,948	5,190	20,750	5,188	5,188
	<u>11,701</u>	<u>13,381</u>	<u>33,082</u>	<u>7,659</u>	<u>7,726</u>

The emoluments of the five highest paid individuals except for the director(s), whose emoluments have been disclosed in note 39, fell within the following bands:

Emolument bands (in HKD)	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
				(Unaudited)	
1,000,001 to 1,500,000 . .	–	–	–	2	–
1,500,001 to 2,000,000 . .	1	–	–	2	4
2,000,001 to 2,500,000 . .	2	–	–	1	1
3,000,001 to 3,500,000 . .	2	3	–	–	–
4,500,001 to 5,000,000 . .	–	1	–	–	–
6,000,001 to 6,500,000 . .	–	–	1	–	–

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	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
				(Unaudited)	
6,500,001 to 7,000,000 . .	—	—	2	—	—
7,500,001 to 8,000,000 . .	—	—	1	—	—
9,000,001 to 9,500,000 . .	—	—	1	—	—
	5	4	5	5	5
	=	=	=	=	=

During the Track Record Period, none of the five highest paid individuals waived or has agreed to waive any emoluments, and none of the five highest paid individuals received emoluments from the Group as inducement to join or upon joining the Group, or as compensation for loss of office.

10 FINANCE COSTS — NET

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Finance income					
Interest income on bank deposits	51,004	62,284	64,154	17,995	8,633
Finance costs					
Interest expenses on bank borrowings	(87,431)	(120,347)	(123,515)	(29,834)	(27,632)
Interest expenses on lease liabilities	(376)	(1)	(133)	—	(109)
Net foreign exchange (losses)/gains on borrowings	(37,418)	(26,454)	30,449	2,904	(1,345)
	(125,225)	(146,802)	(93,199)	(26,930)	(29,086)
Finance costs – net	<u>(74,221)</u>	<u>(84,518)</u>	<u>(29,045)</u>	<u>(8,935)</u>	<u>(20,453)</u>

Interest income represents interest income from cash and cash equivalents, including bank balances and term deposits with initial terms within three months.

11 INCOME TAX EXPENSE

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Current income tax on profits for the year . . .	195,385	446,716	666,505	146,840	228,554
Deferred income tax (Note 33)	20,433	(63,271)	(86,991)	(14,910)	(76,616)
	<u>215,818</u>	<u>383,445</u>	<u>579,514</u>	<u>131,930</u>	<u>151,938</u>

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	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i>
Profit before income tax . .	<u>1,705,336</u>	<u>2,949,760</u>	<u>4,398,187</u>	<u>891,907</u>	<u>1,393,377</u>
Tax calculated at respective statutory tax rates	426,334	738,807	1,105,967	225,404	351,260
Tax exemption and preferential income tax rates applicable to subsidiaries	(172,464)	(310,774)	(445,566)	(98,560)	(174,662)
Non-deductible expenses .	4,028	1,678	2,332	–	427
Super deduction for research and development expenses . .	(34,151)	(62,712)	(106,389)	(16,013)	(37,133)
Tax losses for which no deferred income tax asset was recognized . .	32,303	21,472	29,070	11,806	12,341
Deductible temporary differences in unrecognized deferred tax assets for the current period	–	17,596	1,735	–	–
Utilisation of previously deductible temporary differences which no deferred income tax asset was recognized . .	(50)	(25)	(213)	–	(269)
Impact of change in tax base	(23,696)	(14,191)	(3,130)	–	–
Recognition of deferred tax assets for deductible losses in unrecognized deferred tax assets for the prior period	–	–	(7,406)	–	–
Final settlement differences	(9,795)	(14,683)	(4,503)	–	–
Others	<u>(6,691)</u>	<u>6,277</u>	<u>7,617</u>	<u>9,293</u>	<u>(26)</u>
	<u>215,818</u>	<u>383,445</u>	<u>579,514</u>	<u>131,930</u>	<u>151,938</u>

(a) PRC corporate income tax (“PRC CIT”)

The income tax provision of the Group in respect of its operations in Chinese Mainland was calculated at tax rate of 25% on the assessable profits for the periods presented, based on the existing legislation, interpretation and practices in respect thereof.

Certain subsidiaries of the Company in the Chinese Mainland were approved as high-tech Enterprise, and they were subject to a preferential corporate income tax rate of 15% for the Track Record Period.

During the Track Record Period, certain subsidiaries of the Company located in Chinese Mainland fulfill the micro and small enterprises qualification under Chinese corporate income tax system. Therefore, these subsidiaries were subject to the effective income tax rate of 5%.

The Company’s subsidiaries in Chinese Mainland other than those mentioned above are subject to enterprise income tax at the rate of 25%.

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(b) Corporate income tax in other jurisdictions

The income tax rates of the subsidiaries in Singapore are 17%. Under the investment preferential BOI policy of the Thailand Board of Investment, eligible subsidiaries in Thailand are not subject to tax on their business income which belongs to the preferential policy for the Track Record Period.

Based on management’s assessment, the Pillar Two legislation is not expected to have material impact on the group’s financial statement.

12 DIVIDENDS

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB’000	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000
Ordinary A shares					
Final dividend in respect of the previous year, declared and paid during the following year (tax inclusive)	285,759	956,758	961,694	—	—
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The final dividends of RMB1.5, RMB5.0, RMB5.0 per 10 shares (tax inclusive) in respect of the years ended 31 December 2022, 2023, and 2024 were approved by the Annual General Meeting of the Company.

Details of the proposed dividend in respect of year ended 31 December 2025 are given in Note 42.

13 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit of the Group attributable to the owners of the Company by weighted average number of ordinary shares outstanding during the Track Record Period.

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB’000	RMB’000	RMB’000	RMB’000 (Unaudited)	RMB’000
Profit attributable to owners of the Company (RMB’000)	1,512,538	2,587,237	3,822,306	762,466	1,242,081
Weighted average number of ordinary shares in issue (in thousands) . . .	1,903,930	1,914,188	1,923,189	1,920,968	1,924,364
Basic earnings per share (expressed in RMB per share)	0.79	1.35	1.99	0.40	0.65
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(b) Diluted

The share options granted by the Company have potential dilutive effect on the EPS.

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from stock option incentive plans (Note 26) (collectively forming the denominator for computing the diluted EPS).

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	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i>
Profit attributable to owners of the Company (RMB'000)	1,512,538	2,587,237	3,822,306	762,466	1,242,081
Weighted average number of ordinary shares in issue (in thousands) . . .	1,903,930	1,914,188	1,923,189	1,920,968	1,924,364
Adjustments for share options and awarded shares (in thousands) . .	4,060	7,090	17,949	15,160	18,769
Weighted average number of ordinary shares for diluted earnings per share (in thousands) . . .	1,907,990	1,921,278	1,941,138	1,936,128	1,943,133
Diluted EPS (RMB per share)	0.79	1.35	1.97	0.39	0.64

14 PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

(a) Property, plant and equipment

The Group

	Overseas land	Buildings	Machineries	Vehicles	Office equipment	Construction in progress	Others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023								
Cost	–	1,363,107	4,275,223	8,480	264,469	710,971	7,872	6,630,122
Accumulated depreciation and impairment charges	–	(481,466)	(2,506,170)	(6,950)	(197,631)	–	(6,681)	(3,198,898)
Net book amount	–	881,641	1,769,053	1,530	66,838	710,971	1,191	3,431,224
Year ended 31 December 2023								
Opening net book amount	–	881,641	1,769,053	1,530	66,838	710,971	1,191	3,431,224
Acquisition of a subsidiary (<i>Note 35</i>) . .	–	293,724	352,575	144	22,044	9,940	479	678,906
Additions	102,826	–	–	–	68	631,026	3,991	737,911
Transfers	–	19,317	706,020	1,228	55,409	(781,974)	–	–
Disposals	–	–	(23,799)	(85)	(5,256)	–	–	(29,140)
Depreciation charge (<i>Note 8</i>)	–	(44,652)	(325,663)	(548)	(28,935)	–	(2,046)	(401,844)
Impairment loss (<i>Note 8</i>) .	–	–	(44,546)	–	(6,608)	–	–	(51,154)
Closing net book amount	102,826	1,150,030	2,433,640	2,269	103,560	569,963	3,615	4,365,903
At 31 December 2023								
Cost	102,826	1,676,147	5,176,609	9,217	319,186	569,963	10,595	7,864,543
Accumulated depreciation and impairment charges	–	(526,117)	(2,742,969)	(6,948)	(215,626)	–	(6,980)	(3,498,640)
Net book amount	102,826	1,150,030	2,433,640	2,269	103,560	569,963	3,615	4,365,903

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	Overseas land	Buildings	Machineries	Vehicles	Office equipment	Construction in progress	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2024								
Opening net book amount	102,826	1,150,030	2,433,640	2,269	103,560	569,963	3,615	4,365,903
Additions	–	–	–	–	19	2,441,701	2,127	2,443,847
Transfers	–	314,430	597,798	2,553	48,441	(963,222)	–	–
Disposals	–	1,755	(43,785)	(82)	(2,621)	–	–	(44,733)
Depreciation charge (Note 8)	–	(69,717)	(364,581)	(776)	(35,442)	–	(1,765)	(472,281)
Impairment loss (Note 8)	–	–	(95,600)	(309)	(8,766)	–	–	(104,675)
Currency translation differences	2,578	–	–	–	3	–	–	2,581
Closing net book amount	<u>105,404</u>	<u>1,396,498</u>	<u>2,527,472</u>	<u>3,655</u>	<u>105,194</u>	<u>2,048,442</u>	<u>3,977</u>	<u>6,190,642</u>
At 31 December 2024								
Cost	105,404	1,987,989	5,388,025	11,486	352,819	2,048,442	6,797	9,900,962
Accumulated depreciation and impairment charges	–	(591,491)	(2,860,553)	(7,831)	(247,625)	–	(2,820)	(3,710,320)
Net book amount	<u>105,404</u>	<u>1,396,498</u>	<u>2,527,472</u>	<u>3,655</u>	<u>105,194</u>	<u>2,048,442</u>	<u>3,977</u>	<u>6,190,642</u>
Year ended 31 December 2025								
Opening net book amount	105,404	1,396,498	2,527,472	3,655	105,194	2,048,442	3,977	6,190,642
Additions	–	–	–	–	–	2,715,301	2,763	2,718,064
Transfer from investment properties (Note 14(b)).	–	1,215	–	–	–	–	–	1,215
Transfers	–	183,477	1,886,176	5,975	228,164	(2,303,792)	–	–
Disposals	–	(9,833)	(44,817)	(386)	(1,152)	–	–	(56,188)
Depreciation charge (Note 8)	–	(85,298)	(443,578)	(1,306)	(48,921)	–	(2,497)	(581,600)
Impairment loss (Note 8) .	–	–	(8,815)	–	(1,002)	–	–	(9,817)
Currency translation differences	4,908	13,406	9	21	184	–	–	18,528
Closing net book amount	<u>110,312</u>	<u>1,499,465</u>	<u>3,916,447</u>	<u>7,959</u>	<u>282,467</u>	<u>2,459,951</u>	<u>4,243</u>	<u>8,280,844</u>
At 31 December 2025								
Cost	110,312	2,179,783	6,955,545	15,301	550,999	2,459,951	8,943	12,280,834
Accumulated depreciation and impairment charges	–	(680,318)	(3,039,098)	(7,342)	(268,532)	–	(4,700)	(3,999,990)
Net book amount	<u>110,312</u>	<u>1,499,465</u>	<u>3,916,447</u>	<u>7,959</u>	<u>282,467</u>	<u>2,459,951</u>	<u>4,243</u>	<u>8,280,844</u>
Three months ended 31 March 2026								
Opening net book amount	110,312	1,499,465	3,916,447	7,959	282,467	2,459,951	4,243	8,280,844
Additions	–	–	–	–	–	1,038,104	673	1,038,777
Transfers	–	92,596	870,130	483	44,683	(1,007,892)	–	–
Disposals	–	(268)	(16,306)	–	(172)	(222)	–	(16,968)
Disposal from sale of a subsidiary	–	–	(3)	(13)	(5)	–	(1,469)	(1,490)
Depreciation charge (Note 8)	–	(22,633)	(141,993)	(495)	(19,224)	–	(787)	(185,132)
Currency translation differences	(5,850)	(24,208)	(49,312)	(173)	(5,657)	–	–	(85,200)
Closing net book amount	<u>104,462</u>	<u>1,544,952</u>	<u>4,578,963</u>	<u>7,761</u>	<u>302,092</u>	<u>2,489,941</u>	<u>2,660</u>	<u>9,030,831</u>

APPENDIX I

ACCOUNTANT’S REPORT

	Overseas land	Buildings	Machineries	Vehicles	Office equipment	Construction in progress	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 March 2026								
Cost	104,462	2,246,757	7,713,191	15,166	586,105	2,489,941	7,450	13,163,072
Accumulated depreciation and impairment charges	–	(701,805)	(3,134,228)	(7,405)	(284,013)	–	(4,790)	(4,132,241)
Net book amount	<u>104,462</u>	<u>1,544,952</u>	<u>4,578,963</u>	<u>7,761</u>	<u>302,092</u>	<u>2,489,941</u>	<u>2,660</u>	<u>9,030,831</u>

(i) Depreciation expenses have been charged to the consolidated statements of comprehensive income as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cost of sales	363,288	431,374	524,422	114,785	168,019
Selling and marketing expenses	42	68	611	84	209
General and administrative expenses	12,816	15,479	17,660	5,193	4,355
Research and development expenses	25,698	25,360	38,907	6,886	12,549
	<u>401,844</u>	<u>472,281</u>	<u>581,600</u>	<u>126,948</u>	<u>185,132</u>

(ii) All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated using the straight-line method to allocate their costs, net of their residual values, over their estimated useful lives as follows:

– Overseas land	Permanent
– Buildings	10-35 years
– Machineries	6-12 years
– Vehicles	5 years
– Office equipment	5-6 years

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each year during the Track Record Period.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognized within “other gains/(losses) – net” included in the consolidated statements of comprehensive income.

The Company

	Buildings	Machineries	Vehicles	Office equipment	Construction in progress	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023							
Cost	518,921	2,433,152	3,036	173,792	415,187	3,989	3,548,077
Accumulated depreciation and impairment charges .	(145,308)	(1,748,269)	(2,338)	(135,577)	–	(3,031)	(2,034,523)
Net book amount	<u>373,613</u>	<u>684,883</u>	<u>698</u>	<u>38,215</u>	<u>415,187</u>	<u>958</u>	<u>1,513,554</u>

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ACCOUNTANT’S REPORT

	Buildings	Machineries	Vehicles	Office equipment	Construction in progress	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2023							
Opening net book amount	373,613	684,883	698	38,215	415,187	958	1,513,554
Additions	—	—	—	—	100,195	3,991	104,186
Transfers	17,116	357,872	184	42,968	(418,140)	—	—
Disposals	—	(14,666)	(12)	(531)	—	—	(15,209)
Depreciation charge	(15,493)	(128,239)	(173)	(11,535)	—	(1,391)	(156,831)
Impairment loss	—	(40,493)	—	(6,567)	—	—	(47,060)
Closing net book amount.	<u>375,236</u>	<u>859,357</u>	<u>697</u>	<u>62,550</u>	<u>97,242</u>	<u>3,558</u>	<u>1,398,640</u>
At 31 December 2023							
Cost	536,037	2,734,765	3,104	210,227	97,242	6,623	3,587,998
Accumulated depreciation and impairment charges	<u>(160,801)</u>	<u>(1,875,408)</u>	<u>(2,407)</u>	<u>(147,677)</u>	<u>—</u>	<u>(3,065)</u>	<u>(2,189,358)</u>
Net book amount	<u>375,236</u>	<u>859,357</u>	<u>697</u>	<u>62,550</u>	<u>97,242</u>	<u>3,558</u>	<u>1,398,640</u>
Year ended 31 December 2024							
Opening net book amount	375,236	859,357	697	62,550	97,242	3,558	1,398,640
Additions	24,337	2,519	—	764	629,068	675	657,363
Transfers	2,724	271,971	141	26,544	(301,380)	—	—
Disposals	(3,658)	(11,186)	—	(3,123)	—	—	(17,967)
Depreciation charge	(35,321)	(143,036)	(186)	(17,157)	—	(1,578)	(197,278)
Impairment loss	—	(65,990)	(188)	(4,580)	—	—	(70,758)
Closing net book amount.	<u>363,318</u>	<u>913,635</u>	<u>464</u>	<u>64,998</u>	<u>424,930</u>	<u>2,655</u>	<u>1,770,000</u>
At 31 December 2024							
Cost	555,923	2,719,278	3,111	222,845	424,930	5,126	3,931,213
Accumulated depreciation and impairment charges	<u>(192,605)</u>	<u>(1,805,643)</u>	<u>(2,647)</u>	<u>(157,847)</u>	<u>—</u>	<u>(2,471)</u>	<u>(2,161,213)</u>
Net book amount	<u>363,318</u>	<u>913,635</u>	<u>464</u>	<u>64,998</u>	<u>424,930</u>	<u>2,655</u>	<u>1,770,000</u>
Year ended 31 December 2025							
Opening net book amount	363,318	913,635	464	64,998	424,930	2,655	1,770,000
Additions	—	—	—	—	950,047	211	950,258
Transfer from investment properties	1,215	—	—	—	—	—	1,215
Transfers	3,668	342,175	1,336	67,905	(415,084)	—	—
Disposals	(15,045)	(13,084)	(25)	(191)	—	—	(28,345)
Depreciation charge	(16,866)	(151,776)	(166)	(25,202)	—	(1,659)	(195,669)
Impairment loss	—	(4,150)	—	(100)	—	—	(4,250)
Closing net book amount.	<u>336,290</u>	<u>1,086,800</u>	<u>1,609</u>	<u>107,410</u>	<u>959,893</u>	<u>1,207</u>	<u>2,493,209</u>
At 31 December 2025							
Cost	547,061	2,861,000	3,559	264,556	959,893	4,877	4,640,946
Accumulated depreciation and impairment charges	<u>(210,771)</u>	<u>(1,774,200)</u>	<u>(1,950)</u>	<u>(157,146)</u>	<u>—</u>	<u>(3,670)</u>	<u>(2,147,737)</u>
Net book amount	<u>336,290</u>	<u>1,086,800</u>	<u>1,609</u>	<u>107,410</u>	<u>959,893</u>	<u>1,207</u>	<u>2,493,209</u>
Three months ended 31 March 2026							
Opening net book amount	336,290	1,086,800	1,609	107,410	959,893	1,207	2,493,209
Additions	—	—	—	—	496,613	673	497,286
Transfers	2,208	487,520	30	17,208	(506,966)	—	—
Disposals	(269)	(11,763)	—	—	—	—	(12,032)
Depreciation charge	(4,109)	(46,708)	(94)	(8,230)	—	(454)	(59,595)
Closing net book amount.	<u>334,120</u>	<u>1,515,849</u>	<u>1,545</u>	<u>116,388</u>	<u>949,540</u>	<u>1,426</u>	<u>2,918,868</u>

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	Buildings	Machineries	Vehicles	Office equipment	Construction in progress	Others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 31 March 2026							
Cost	548,777	3,318,080	3,589	279,956	949,540	5,550	5,105,492
Accumulated depreciation and impairment charges .	(214,657)	(1,802,231)	(2,044)	(163,568)	–	(4,124)	(2,186,624)
Net book amount	<u>334,120</u>	<u>1,515,849</u>	<u>1,545</u>	<u>116,388</u>	<u>949,540</u>	<u>1,426</u>	<u>2,918,868</u>

(b) Investment properties

	Investment properties
	<i>RMB'000</i>
At 1 January 2023	
Cost	30,983
Accumulated depreciation and impairment charges	(6,672)
Net book amount	<u>24,311</u>
Year ended 31 December 2023	
Opening net book amount	24,311
Depreciation charge (<i>Note 8</i>)	(1,371)
Closing net book amount	<u>22,940</u>
At 31 December 2023	
Cost	30,983
Accumulated depreciation and impairment charges	(8,043)
Net book amount	<u>22,940</u>
Year ended 31 December 2024	
Opening net book amount	22,940
Transfers from Completed properties held for sale	3,805
Disposals	(1,659)
Depreciation charge (<i>Note 8</i>)	(1,320)
Impairment loss (<i>Note 8</i>)	(10,673)
Closing net book amount	<u>13,093</u>
At 31 December 2024	
Cost	33,005
Accumulated depreciation and impairment charges	(19,912)
Net book amount	<u>13,093</u>
Year ended 31 December 2025	
Opening net book amount	13,093
Additions	5,276
Transfers to property, plant and equipment (<i>Note 14(a)</i>)	(1,215)
Transfers to right-of-use assets (<i>Note 15</i>)	(709)
Depreciation charge (<i>Note 8</i>)	(615)
Closing net book amount	<u>15,830</u>
At 31 December 2025	
Cost	29,267
Accumulated depreciation and impairment charges	(13,437)
Net book amount	<u>15,830</u>

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	Investment properties
	RMB'000
Three months ended 31 March 2026	
Opening net book amount	15,830
Additions	19,680
Depreciation charge (<i>Note 8</i>)	(178)
Disposal from sale of subsidiaries	(35,332)
Closing net book amount	<u><u>–</u></u>
At 31 March 2026	
Cost	–
Accumulated depreciation and impairment charges	<u><u>–</u></u>
Net book amount	<u><u>–</u></u>

- (i) Depreciation expenses have been charged to the consolidated statements of comprehensive income as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Cost of sales	<u>1,371</u>	<u>1,320</u>	<u>615</u>	<u>151</u>	<u>178</u>

- (ii) Depreciation is calculated on the straight-line basis to write off the cost to its residual value over its estimated useful life. The estimated useful lives are as follows:

– Buildings	20 years
– Land use rights	41 years

- (c) **Impairment tests for property, plant and equipment and investment properties**

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Property, plant and equipment	51,154	104,675	9,817	–	–
Investment properties	<u>–</u>	<u>10,673</u>	<u>–</u>	<u>–</u>	<u>–</u>
	<u>51,154</u>	<u>115,348</u>	<u>9,817</u>	<u>–</u>	<u>–</u>

The accumulated impairment loss of the property, plant and equipment was due to the upgrade and replace equipment.

The carrying amounts of investment properties measured using the cost method are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable. As at 31 December 2023, 2024 and 2025 and 31 March 2026, the fair values are not materially different from their carrying amount.

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ACCOUNTANT’S REPORT

15 RIGHT-OF-USE ASSETS

(a) Amounts recognized in the consolidated balance sheets

	Land use rights	Lease of machineries	Lease of vehicles	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023				
Cost	134,844	—	1,625	136,469
Accumulated depreciation and impairment charges	(38,985)	—	(1,111)	(40,096)
Net book amount	<u>95,859</u>	<u>—</u>	<u>514</u>	<u>96,373</u>
Year ended 31 December 2023				
Opening net book amount	95,859	—	514	96,373
Acquisition of a subsidiary (Note 35)	64,859	22,451	411	87,721
Disposals	(67)	(19,886)	(323)	(20,276)
Depreciation charge (note 8)	(3,821)	(2,565)	(520)	(6,906)
Closing net book amount	<u>156,830</u>	<u>—</u>	<u>82</u>	<u>156,912</u>
At 31 December 2023				
Cost	199,589	—	823	200,412
Accumulated depreciation and impairment charges	(42,759)	—	(741)	(43,500)
Net book amount	<u>156,830</u>	<u>—</u>	<u>82</u>	<u>156,912</u>
Year ended 31 December 2024				
Opening net book amount	156,830	—	82	156,912
Disposals	(413)	—	—	(413)
Depreciation charge (note 8)	(4,282)	—	(82)	(4,364)
Closing net book amount	<u>152,135</u>	<u>—</u>	<u>—</u>	<u>152,135</u>
At 31 December 2024				
Cost	198,944	—	—	198,944
Accumulated depreciation and impairment charges	(46,809)	—	—	(46,809)
Net book amount	<u>152,135</u>	<u>—</u>	<u>—</u>	<u>152,135</u>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Year ended 31 December 2025				
Opening net book amount	152,135	—	—	152,135
Additions	—	—	22,140	22,140
Transfers from investment properties (note 14)	709	—	—	709
Depreciation charge (note 8)	(4,306)	—	(2,782)	(7,088)
Closing net book amount	<u>148,538</u>	<u>—</u>	<u>19,358</u>	<u>167,896</u>
At 31 December 2025				
Cost	200,043	—	22,140	222,183
Accumulated depreciation and impairment charges	(51,505)	—	(2,782)	(54,287)
Net book amount	<u>148,538</u>	<u>—</u>	<u>19,358</u>	<u>167,896</u>

APPENDIX I

ACCOUNTANT’S REPORT

	Land use rights	Lease of machineries	Buildings	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Three months ended				
31 March 2026				
Opening net book amount	148,538	—	19,358	167,896
Additions	13,232	—	—	13,232
Depreciation charge (<i>note 8</i>)	(1,161)	—	(1,919)	(3,080)
Closing net book amount	<u>160,609</u>	<u>—</u>	<u>17,439</u>	<u>178,048</u>
At 31 March 2026				
Cost	213,275	—	22,140	235,415
Accumulated depreciation and impairment charges	(52,666)	—	(4,701)	(57,367)
Net book amount	<u>160,609</u>	<u>—</u>	<u>17,439</u>	<u>178,048</u>

Depreciation expenses have been charged to the consolidated statements of comprehensive income as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Cost of sales	2,697	—	2,848	16	1,919
General and administrative expenses	4,209	4,364	4,240	1,060	1,161
	<u>6,906</u>	<u>4,364</u>	<u>7,088</u>	<u>1,076</u>	<u>3,080</u>

16 INTANGIBLE ASSETS

	Software	Patents	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2023			
Cost	33,199	—	33,199
Accumulated amortization	(26,894)	—	(26,894)
Net book amount	<u>6,305</u>	<u>—</u>	<u>6,305</u>
Year ended 31 December 2023			
Opening net book amount	6,305	—	6,305
Acquisition of a subsidiary (<i>Note 35</i>)	6,359	105,662	112,021
Additions	5,703	—	5,703
Amortization charge (<i>Note 8</i>)	(3,222)	(5,535)	(8,757)
Closing net book amount	<u>15,145</u>	<u>100,127</u>	<u>115,272</u>
At 31 December 2023			
Cost	45,261	105,662	150,923
Accumulated amortization	(30,116)	(5,535)	(35,651)
Net book amount	<u>15,145</u>	<u>100,127</u>	<u>115,272</u>
Year ended 31 December 2024			
Opening net book amount	15,145	100,127	115,272
Additions	5,304	—	5,304
Disposals	(281)	—	(281)
Amortization charge (<i>Note 8</i>)	(4,090)	(8,302)	(12,392)
Closing net book amount	<u>16,078</u>	<u>91,825</u>	<u>107,903</u>

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ACCOUNTANT’S REPORT

	Software	Patents	Total
	RMB'000	RMB'000	RMB'000
At 31 December 2024			
Cost	50,047	105,662	155,709
Accumulated amortization	(33,969)	(13,837)	(47,806)
Net book amount	<u>16,078</u>	<u>91,825</u>	<u>107,903</u>
Year ended 31 December 2025			
Opening net book amount	16,078	91,825	107,903
Additions	22,512	14,117	36,629
Disposals	(137)	–	(137)
Amortization charge (<i>Note 8</i>)	(6,187)	(8,396)	(14,583)
Currency translation differences	13	–	13
Closing net book amount	<u>32,279</u>	<u>97,546</u>	<u>129,825</u>
At 31 December 2025			
Cost	71,893	119,779	191,672
Accumulated amortization	(39,614)	(22,233)	(61,847)
Net book amount	<u>32,279</u>	<u>97,546</u>	<u>129,825</u>
Three months ended 31 March 2026			
Opening net book amount	32,279	97,546	129,825
Additions	2,056	–	2,056
Amortization charge (<i>Note 8</i>)	(2,130)	(2,357)	(4,487)
Currency translation differences	(307)	–	(307)
Closing net book amount	<u>31,898</u>	<u>95,189</u>	<u>127,087</u>
At 31 March 2026			
Cost	73,614	119,779	193,393
Accumulated amortization	(41,716)	(24,590)	(66,306)
Net book amount	<u>31,898</u>	<u>95,189</u>	<u>127,087</u>

- (i) Amortization expenses have been charged to the consolidated statements of comprehensive income as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Cost of sales	6,994	9,892	10,235	2,286	3,325
Selling and marketing expenses	13	13	–	–	–
General and administrative expenses	1,605	2,024	2,854	592	843
Research and development expenses	145	463	1,494	433	319
	<u>8,757</u>	<u>12,392</u>	<u>14,583</u>	<u>3,311</u>	<u>4,487</u>

- (ii) Acquired software, and patents are initially capitalized on the basis of the costs incurred to acquire and bring to use the specific software and patents. Costs associated with maintaining computer software programs are recognized as an expense as incurred. Software and patents are stated at historical cost less accumulated amortization and impairment losses, if any.

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Amortization is calculated using the straight-line method to allocate the cost over their estimated useful lives as follows:

– Software	3-10 years
– Patents	5-18 years

The length of useful life of an intangible asset is determined in accordance with the shortest of period among the three, the period during which such assets are expected to bring economic benefits to the Group, the beneficial life specified in the contract and the legal life for software and patents laws and regulations of the PRC.

The amortization period and amortization method of intangible assets are reviewed at each reporting period. The effects of any revision are recognized as profit or loss when the changes arise.

(iii) Research and development

Research expenditure and development expenditure that do not meet the criteria for capitalization as set out above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

17 PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments and other assets				
Prepayments to suppliers	3,114	6,661	44,425	26,446
Prepaid expenses	13,252	34,460	69,063	63,249
Deductible value-added tax input . .	72,465	168,912	164,330	246,260
Prepayment for [REDACTED] . . .	–	–	–	[REDACTED]
Prepayments for purchase of property, plant and equipment . . .	99,998	442,685	1,179,023	1,455,998
	188,829	652,718	1,456,841	1,808,872
Less: non-current portion	(99,998)	(442,685)	(1,179,023)	(1,455,998)
	<u>88,831</u>	<u>210,033</u>	<u>277,818</u>	<u>352,874</u>
Other receivables				
Receivables of tax refund	151	34,404	39,868	50,708
Reverse repurchase agreement and interest (i)	1,003	391,134	406,307	257,736
Deposits	8,579	14,074	15,358	44,543
Advances to employees	4,588	5,525	4,604	2,874
Others	8,953	5,635	5,466	6,391
	<u>23,274</u>	<u>450,772</u>	<u>471,603</u>	<u>362,252</u>
Prepayments, other receivables and other assets	<u>112,105</u>	<u>660,805</u>	<u>749,421</u>	<u>715,126</u>

(i) The reverse repurchase agreement refers to a short-term secured loan in which government bonds are pledged as collateral, enabling the Group to provide funds to a counterparty and earn fixed interest in return.

(ii) As at 31 December 2023, 2024 and 2025 and 31 March 2026, the annual interest rate range of reverse purchase agreement were ranged from 1.72% to 3.91%, 1.64% to 2.80%, 0.81% to 2.90% and 1.52% to 1.69%, respectively.

Other receivables are all classified in stage 1, and the estimated impairment loss was immaterial as at 31 December 2023, 2024 and 2025 and 31 March 2026. Details are disclosed in Note 3.1(b).

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The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments and other assets				
Prepayments to suppliers	486	5,292	27,637	12,433
Prepaid expenses	4,524	6,917	27,795	22,475
Deductible value-added tax input . .	30,883	103,915	98,392	125,002
Prepayment for [REDACTED] . . .	–	–	–	[REDACTED]
Prepayments for purchase of property, plant and equipment . . .	55,118	206,664	927,227	1,106,829
	91,011	322,788	1,081,051	1,283,658
Less: non-current portion	(55,118)	(206,664)	(927,227)	(1,106,829)
	35,893	116,124	153,824	176,829
Other receivables				
Deposit	2,116	7,332	9,325	4,832
Advance to employees	4,993	3,163	2,436	385
Others	8,225	19,268	15,566	27,787
	15,334	29,763	27,327	33,004
Prepayments, other receivables and other assets	51,227	145,887	181,151	209,833

18 NOTE RECEIVABLES MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group and the Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Note receivables at FVOCI	1,084	73,448	58,147	75,141

Note receivables at FVOCI were bank acceptance notes transferred, discounted and endorsed for the purpose of daily treasury management and were qualified for derecognition.

Note receivables at FVOCI is subject to the impairment assessment according to IFRS 9, and the estimated impairment loss was immaterial as at 31 December 2023, 2024 and 2025 and 31 March 2026. Details are disclosed in Note 3.1(b).

19 TRADE AND NOTES RECEIVABLES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade and note receivables				
Trade receivables	2,717,747	4,092,600	5,599,268	6,566,125
Note receivables	6,252	300	66	–
	2,723,999	4,092,900	5,599,334	6,566,125
Less: allowance for credit losses . .				
Trade receivables	(30,614)	(49,187)	(92,107)	(89,678)
	2,693,385	4,043,713	5,507,227	6,476,447

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- (a) The Group has various credit policies for different business operations depending on the requirements of the markets and businesses. The aging analysis of trade receivables based on the due date was as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Not overdue	2,605,727	4,015,350	5,506,805	6,493,712
Past due by 1-90 days	94,191	71,346	87,427	69,979
Past due by 91-180 days	9,143	4,150	4,369	1,261
Over 180 days past due	8,686	1,754	667	1,173
	<u>2,717,747</u>	<u>4,092,600</u>	<u>5,599,268</u>	<u>6,566,125</u>

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the Group’s trade and note receivables with the carrying amounts of RMB268,427,000, RMB359,808,000, nil and nil were pledged to bank as the security for the short-term bank borrowings of RMB212,481,000, RMB287,536,000, nil and nil respectively (note 31(a)).

- (b) The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9. Details are disclosed in Note 3.1(b).

Movements on the provision for impairment of trade and note receivables are as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	42,284	30,614	49,187	92,107
Allowance for impairment	27,941	51,113	92,098	18,613
Written off	–	(1,245)	(566)	–
Reversal	(39,611)	(34,523)	(48,612)	(21,041)
Exchange adjustment	–	3,228	–	(1)
At the end of the year/period	<u>30,614</u>	<u>49,187</u>	<u>92,107</u>	<u>89,678</u>

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade and note receivables				
Trade receivables	2,291,779	3,729,900	4,360,730	5,303,601
Note receivables	5,202	300	66	–
	<u>2,296,981</u>	<u>3,730,200</u>	<u>4,360,796</u>	<u>5,303,601</u>
Less: allowance for credit losses				
Trade receivables	(10,057)	(16,950)	(26,515)	(26,990)
	<u>2,286,924</u>	<u>3,713,250</u>	<u>4,334,281</u>	<u>5,276,611</u>

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- (c) The Company has various credit policies for different business operations depending on the requirements of the markets and businesses. The aging analysis of trade receivables based on the due date was as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Not overdue	2,263,347	3,714,544	4,331,693	5,268,738
Past due by 1-90 days	25,147	14,825	28,905	34,304
Past due by 91-180 days	107	316	125	553
Over 180 days past due	3,178	215	7	6
	<u>2,291,779</u>	<u>3,729,900</u>	<u>4,360,730</u>	<u>5,303,601</u>

The carrying value of trade and notes receivables approximated their fair values as at the balance sheet dates due to their short term nature and were dominated in RMB.

20 CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND TERM DEPOSITS

- (a) Cash and cash equivalents and restricted cash

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and cash equivalent				
– Cash on hand	81	40	39	39
– Cash in banks	2,070,510	1,538,148	2,577,299	4,390,035
Others	27,292	4,511	1,765	1,564
	<u>2,097,883</u>	<u>1,542,699</u>	<u>2,579,103</u>	<u>4,391,638</u>
Restricted cash (i)	<u>4</u>	<u>4</u>	<u>4</u>	<u>3</u>

- (i) As at 31 December 2023, 2024 and 2025 and 31 March 2026, the restricted cash amounted to RMB4,000, RMB4,000, RMB4,000 and RMB3,000 respectively, which was restricted as deposits for the Electronic Toll Collection (ETC) system.

Cash and cash equivalents and restricted cash are denominated in the following currencies:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
– RMB	1,388,170	482,990	1,923,283	3,572,536
– USD	600,538	945,546	575,302	722,569
– EUR	46,249	35,044	41,761	27,477
– JPY	10,007	10,924	14,070	13,600
– HKD	790	716	599	557
– THD	52,054	66,978	22,147	53,747
– SGD	79	505	1,945	1,155
	<u>2,097,887</u>	<u>1,542,703</u>	<u>2,579,107</u>	<u>4,391,641</u>

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The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and cash equivalent				
– Cash on hand	76	40	39	39
– Cash in banks	498,303	568,154	1,361,832	2,926,653
	<u>498,379</u>	<u>568,194</u>	<u>1,361,871</u>	<u>2,926,692</u>

(b) Term bank deposit with initial terms over three months

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Term bank deposits	4,152,901	4,825,453	4,413,581	3,778,210
Less: non-current portion	(3,015,948)	(3,904,554)	(1,578,249)	(1,587,651)
	<u>1,136,953</u>	<u>920,899</u>	<u>2,835,332</u>	<u>2,190,559</u>

The balance of term deposits which were with maturities over three months as at 31 December 2023, 2024 and 2025 and 31 March 2026 were bank deposits and related interest receivables, which were held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. The interest rate on the deposits during the years ended 31 December 2023, 2024 and 2025 and 31 March 2026 ranged from 2.15% to 4.29%.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Term bank deposits	4,068,090	4,347,531	4,014,150	3,376,596
Less: non-current portion	(2,931,137)	(3,514,290)	(1,371,989)	(1,380,134)
	<u>1,136,953</u>	<u>833,241</u>	<u>2,642,161</u>	<u>1,996,462</u>

21 INVENTORIES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Raw materials	152,475	269,260	494,533	710,328
Work-in-progress	472,166	836,236	1,586,552	1,676,483
Finished goods	1,008,546	1,291,797	2,210,819	2,739,154
	<u>1,633,187</u>	<u>2,397,293</u>	<u>4,291,904</u>	<u>5,125,965</u>
Less: provision for impairment of inventories	(84,793)	(123,008)	(200,179)	(212,556)
	<u>1,548,394</u>	<u>2,274,285</u>	<u>4,091,725</u>	<u>4,913,409</u>

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The cost of inventories, excluding cost of Properties under development and Completed properties held for sale, recognised as expenses and included in cost of goods sold for the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026 amounted to approximately RMB6,250,415,000, RMB8,853,453,000, RMB14,511,284,000, RMB2,747,028,000 and RMB4,011,011,000, respectively.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Raw materials	68,415	143,320	191,674	355,814
Work-in-progress	328,006	562,605	980,753	1,020,598
Finished goods	631,529	743,960	1,257,462	1,622,663
	1,027,950	1,449,885	2,429,889	2,999,075
Less: provision for impairment of inventories	(59,568)	(80,015)	(113,795)	(118,130)
	<u>968,382</u>	<u>1,369,870</u>	<u>2,316,094</u>	<u>2,880,945</u>

The cost of inventories, excluding cost of Properties under development and Completed properties held for sale, recognised as expenses and included in cost of goods sold for the years ended December 31, 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026 amounted to approximately RMB4,751,618,000, RMB7,969,077,000, RMB10,459,489,000, RMB2,476,855,000 and RMB3,319,076,000, respectively.

22 PROPERTIES UNDER DEVELOPMENT AND COMPLETED PROPERTIES HELD FOR SALE

(a) Properties under development

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Properties under development expected to be completed:				
Within normal operating cycle included under current assets . . .	<u>52,766</u>	<u>52,881</u>	<u>52,211</u>	—
Properties under development comprise:				
Construction costs	16,422	16,537	15,867	—
Land use rights	<u>36,344</u>	<u>36,344</u>	<u>36,344</u>	—
	<u>52,766</u>	<u>52,881</u>	<u>52,211</u>	—

Properties under development were all located in the PRC.

(b) Completed properties held for sale

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Completed properties held for sale .	174,922	169,063	158,565	—
Less: write-down	<u>(26,859)</u>	<u>(60,126)</u>	<u>(56,561)</u>	—
	<u>148,063</u>	<u>108,937</u>	<u>102,004</u>	—

Completed properties held for sale were all located in the PRC.

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Write-downs of completed properties held for sale to net realisable value during the year ended 31 December 2023, 2024 and 2025 and 31 March 2026, amounted to RMB26,859,000, RMB34,545,000, nil and nil respectively which were recognized in consolidated profit or loss.

As announced on March 7 and March 21, 2026, the Group disposed of property sales and leasing business through disposing of 100% equity interest in WUS Supply Chain Management (Huangshi) Co., Ltd. (“Huangshi Supply Chain”) to Huangshi Lianhong Real Estate Development Co., Ltd. (黄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 (Note 37). Disposal-related gain of RMB47.3 million is included in other gains/(losses)- net in profit or loss for the period of three month ended 31 March 2026.

23 SHARE CAPITAL AND SHARE HELD FOR EMPLOYEE SHARE SCHEME

(a) Share capital and share premium

The Group and the Company

Year ended 31 December 2023			
	Share capital	Number of shares	Share premium
	<i>RMB'000</i>	<i>in thousands</i>	<i>RMB'000</i>
At the beginning of the year	1,896,659	1,896,659	184,090
New shares issued for options exercised	11,919	11,919	232,130
At the end of the year	<u>1,908,578</u>	<u>1,908,578</u>	<u>416,220</u>

Year ended 31 December 2024			
	Share capital	Number of shares	Share premium
	<i>RMB'000</i>	<i>in thousands</i>	<i>RMB'000</i>
At the beginning of the year	1,908,578	1,908,578	416,220
New shares issued for options exercised	10,021	10,021	213,291
At the end of the year	<u>1,918,599</u>	<u>1,918,599</u>	<u>629,511</u>

Year ended 31 December 2025			
	Share capital	Number of shares	Share premium
	<i>RMB'000</i>	<i>in thousands</i>	<i>RMB'000</i>
At the beginning of the year	1,918,599	1,918,599	629,511
New shares issued for options exercised	5,765	5,765	123,053
At the end of the year	<u>1,924,364</u>	<u>1,924,364</u>	<u>752,564</u>

Three months ended 31 March 2026			
	Share capital	Number of shares	Share premium
	<i>RMB'000</i>	<i>in thousands</i>	<i>RMB'000</i>
At the beginning of the period	1,924,364	1,924,364	752,564
New shares issued for options exercised	—	—	—
At the end of the period	<u>1,924,364</u>	<u>1,924,364</u>	<u>752,564</u>

(b) Shares held for share schemes

As at 31 December 2023, 2024 and 2025 and 31 March 2026, no shares held by the Company for the share award schemes.

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24 OTHER RESERVES

The Group

	Statutory reserves (Note (a))	Foreign currency translation reserves	Share-based payment reserves	Other comprehensive income	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	788,054	1,464	142,831	23,923	29,188	985,460
Appropriation to statutory reserves (a)	120,714	–	–	–	–	120,714
Currency translation differences . .	–	16,382	–	–	–	16,382
Share of OCI of investments in associates	–	–	–	2,035	–	2,035
Other financial assets at FVOCI						
– Fair value changes	–	–	–	79,941	–	79,941
– Deferred income tax	–	–	–	(19,986)	–	(19,986)
– Other comprehensive income transfer to retained earnings . .	–	–	–	(3,343)	–	(3,343)
New shares issued for options exercised	–	–	(65,905)	–	–	(65,905)
Share-based payments (note 26) . .	–	–	34,514	–	–	34,514
At 31 December 2023	<u>908,768</u>	<u>17,846</u>	<u>111,440</u>	<u>82,570</u>	<u>29,188</u>	<u>1,149,812</u>

	Statutory reserves (Note (a))	Foreign currency translation reserves	Share-based payment reserves	Other comprehensive income	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	908,768	17,846	111,440	82,570	29,188	1,149,812
Appropriation to statutory reserves (a)	256,071	–	–	–	–	256,071
Currency translation differences . .	–	52,191	–	–	–	52,191
Share of OCI of investments in associates	–	–	–	248	–	248
Other financial assets at FVOCI						
– Fair value changes	–	–	–	209,611	–	209,611
– Deferred income tax	–	–	–	(52,456)	–	(52,456)
New shares issued for options exercised	–	–	(77,142)	–	–	(77,142)
Share-based payments (note 26) . .	–	–	77,004	–	–	77,004
Transaction with NCI	–	–	–	–	(21,335)	(21,335)
Tax benefit from share-based payments (note 33)	–	–	–	–	14,158	14,158
At 31 December 2024	<u>1,164,839</u>	<u>70,037</u>	<u>111,302</u>	<u>239,973</u>	<u>22,011</u>	<u>1,608,162</u>

At 1 January 2025	1,164,839	70,037	111,302	239,973	22,011	1,608,162
Currency translation differences . .	–	56,470	–	–	–	56,470
Share of OCI of investments in associates	–	–	–	534	–	534
Other financial assets at FVOCI						
– Fair value changes	–	–	–	54,832	–	54,832
– Deferred income tax	–	–	–	(13,663)	–	(13,663)
New shares issued for options exercised	–	–	(46,645)	–	–	(46,645)
Share-based payments (note 26) . .	–	–	251,725	–	–	251,725

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	Statutory reserves (Note (a))	Foreign currency translation reserves	Share-based payment reserves	Other comprehensive income	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Transaction with NCI	–	–	–	–	(93,200)	(93,200)
Tax benefit from share-based payments (note 33)	–	–	–	–	72,444	72,444
At 31 December 2025	<u>1,164,839</u>	<u>126,507</u>	<u>316,382</u>	<u>281,676</u>	<u>1,255</u>	<u>1,890,659</u>
At 1 January 2026	<u>1,164,839</u>	<u>126,507</u>	<u>316,382</u>	<u>281,676</u>	<u>1,255</u>	<u>1,890,659</u>
Currency translation differences . .	–	(63,613)	–	–	–	(63,613)
Other financial assets at FVOCI . .						
– Fair value changes	–	–	–	551,281	–	551,281
– Deferred income tax	–	–	–	(137,819)	–	(137,819)
Share-based payments (note 26) . .	–	–	62,416	–	–	62,416
Tax benefit from share-based payments (note 33)	–	–	–	–	22,818	22,818
At 31 March 2026	<u>1,164,839</u>	<u>62,894</u>	<u>378,798</u>	<u>695,138</u>	<u>24,073</u>	<u>2,325,742</u>

The Company

	Statutory reserves (Note (a))	Share-based payment reserves	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	788,865	142,831	19,250	950,946
Appropriation to statutory reserves (a) . .	120,714	–	–	120,714
New shares issued for options exercised .	–	(65,905)	–	(65,905)
Share-based payments	–	34,514	–	34,514
At 31 December 2023	<u>909,579</u>	<u>111,440</u>	<u>19,250</u>	<u>1,040,269</u>

	Statutory reserves (Note (a))	Share-based payment reserves	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	909,579	111,440	19,250	1,040,269
Appropriation to statutory reserves (a) . .	256,071	–	–	256,071
New shares issued for options exercised .	–	(77,142)	–	(77,142)
Share-based payments	–	77,124	–	77,124
Tax benefit from share-based payments (note 33)	–	–	11,515	11,515
At 31 December 2024	<u>1,165,650</u>	<u>111,422</u>	<u>30,765</u>	<u>1,307,837</u>
At 1 January 2025	1,165,650	111,422	30,765	1,307,837
New shares issued for options exercised .	–	(46,645)	–	(46,645)
Share-based payments	–	252,077	–	252,077
Tax benefit from share-based payments (note 33)	–	–	52,686	52,686
At 31 December 2025	<u>1,165,650</u>	<u>316,854</u>	<u>83,451</u>	<u>1,565,955</u>

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	Statutory reserves (Note (a))	Share-based payment reserves	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026	1,165,650	316,854	83,451	1,565,955
Share-based payments	–	62,422	–	62,422
Tax benefit from share-based payments (note 33)	–	–	16,670	16,670
At 31 March 2026	<u>1,165,650</u>	<u>379,276</u>	<u>100,121</u>	<u>1,645,047</u>

- (a) In accordance with the Company Law of the People’s Republic of China and the Company’s Articles of Association, the Company should appropriate 10% of net profit for the year to the statutory reserves, and the Company can cease appropriation when the statutory reserves accumulated to more than 50% of the registered capital. The statutory reserves can be used to make up for the losses or increase the share capital after approval from the appropriate authorities.

25 RETAINED EARNINGS

The Group

	Year ended 31 December			Three months ended 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period .	5,200,690	6,310,098	7,684,506	10,545,118
Net profit	1,512,538	2,587,237	3,822,306	1,242,081
Dividends (note 12)	(285,759)	(956,758)	(961,694)	–
Appropriation to statutory reserves .	(120,714)	(256,071)	–	–
Transfer of share of other comprehensive income to retained earnings upon disposal equity investment	3,343	–	–	–
At the end of the year/period	<u>6,310,098</u>	<u>7,684,506</u>	<u>10,545,118</u>	<u>11,787,199</u>

The Company

	Year ended 31 December			Three months ended 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period .	4,613,199	5,413,862	6,755,851	8,937,033
Net profit	1,207,136	2,560,711	3,142,876	975,797
Dividends	(285,759)	(956,758)	(961,694)	–
Appropriation to statutory reserves .	(120,714)	(256,071)	–	–
Others	–	(5,893)	–	–
At the end of the year/period	<u>5,413,862</u>	<u>6,755,851</u>	<u>8,937,033</u>	<u>9,912,830</u>

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26 SHARE-BASED PAYMENTS

Equity-Settled shared-based payment arrangement

(i) 2020 Stock Option Incentive Plans

Pursuant to the 2020 Stock Option Incentive Plan approved at the Second Extraordinary General Meeting of Shareholders in 2020 on 18 September 2020, the Company granted 29,992,000 share options to 627 incentive participants. The grant date was 16 October 2020, and the exercise price was RMB16.85 per share. The vesting periods for the 2020 Stock Option Incentive Plan are 2 years, 3 years and 4 years from the grant date. According to the Company’s performance appraisal and individual performance appraisal, 40%, 30% and 30% of share options will be exercisable respectively.

Based on fair value of the underlying ordinary shares of the Company, the Group has used Black-Scholes Model to determine the fair value of the share option as at the grant date. Key assumptions are set as below:

	The first exercise period	The second exercise period	The third exercise period
Exercise price (RMB):	16.85	16.85	16.85
Expected life of share options:	2.5	3.5	4.5
The grant date price of underlying shares:	18.96	18.96	18.96
Estimated fluctuation rate of share price:	34.30%	50.46%	48.09%
Risk-free interest rate within expected life of share options:	2.96%	3.05%	3.12%

The fair value of granted share options was RMB221,336,000 on the grant date.

(ii) 2024 Stock Option Incentive Plans

Pursuant to the 2024 Stock Option Incentive Plan approved at the Second Extraordinary General Meeting of Shareholders in 2024 on 10 September 2024, the Company granted 29,998,000 share options to 625 incentive participants. The grant date was 27 September 2024, and the exercise price was RMB20.22 per share. The vesting periods for the 2024 Stock Option Incentive Plan are 2 years and 3 years from the grant date. According to the Company’s performance appraisal and individual performance appraisal, 50% and 50% of share options will be exercisable respectively.

Based on fair value of the underlying ordinary shares of the Company, the Group has used Black-Scholes Model to determine the fair value of the share option as at the grant date. Key assumptions are set as below:

	The first exercise period	The second exercise period
Exercise price (RMB):	20.22	20.22
Expected life of share options:	2.5	3.5
The grant date price of underlying shares:	36.52	36.52
Estimated fluctuation rate of share price:	55.19%	52.64%
Risk-free interest rate within expected life of share options: . .	1.45%	1.57%

The fair value of granted share options was RMB617,942,000 on the grant date.

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(iii) Movements in the share options

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

Year ended 31 December 2023		
	Average exercise price	Number of options
	RMB	
Outstanding as at the beginning of the year	14.99	28,275,184
Exercised	14.95	(11,919,407)
Lapsed	14.92	(390,353)
Forfeited	14.92	(88,000)
Outstanding as at the end of the year	14.84	15,877,424
Vested and exercisable as at the end of the year	14.84	6,779,344

Year ended 31 December 2024		
	Average exercise price	Number of options
	RMB	
Outstanding as at the beginning of the year	14.84	15,877,424
Granted	20.22	29,998,000
Exercised	14.59	(10,021,140)
Forfeited	17.19	(170,067)
Outstanding as at the end of the year	19.27	35,684,217
Vested and exercisable as at the end of the year	14.34	5,751,917

Year ended 31 December 2025		
	Average exercise price	Number of options
	RMB	
Outstanding as at the beginning of the year	19.27	35,684,217
Exercised	14.26	(5,764,217)
Forfeited	19.87	(320,000)
Outstanding as at the end of the year	19.72	29,600,000
Vested and exercisable as at the end of the year	Nil	–

Three ended 31 March 2025 (Unaudited)		
	Average exercise price	Number of options
	RMB	
Outstanding as at the beginning of the period	14.34	5,764,217
Exercised	14.34	(4,001,210)
Outstanding as at the end of the period	14.34	1,763,007
Vested and exercisable as at the end of the year	14.34	1,757,547

Three ended 31 March 2026		
	Average exercise price	Number of options
	RMB	
Outstanding as at the beginning of the period	19.72	29,600,000
Forfeited	19.72	(60,000)
Outstanding as at the end of the period	19.72	29,540,000
Vested and exercisable as at the end of the year	Nil	–

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Share options outstanding at the end of the year/period have the following expiry date and exercise prices:

Grant Date	Expiry date	Exercise price <i>RMB</i>	Share options	
			As at 31 December	
			2022	2023
16 October 2020	15 October 2025	14.84, 14.99	<u>28,275,184</u>	<u>15,877,424</u>
Grant Date	Expiry date	Exercise price <i>RMB</i>	Share options	
			As at 31 December	
			2024	2025
16 October 2020	15 October 2025	13.84, 14.34	5,764,217	–
27 September 2024	26 September 2028	19.72, 20.22	<u>29,920,000</u>	<u>29,600,000</u>
			<u>35,684,217</u>	<u>29,600,000</u>
Grant Date	Expiry date	Exercise price <i>RMB</i>	Share options	
			As at 31 March	
			2026	
27 September 2024	26 September 2028	<u>19.72</u>		<u>29,540,000</u>

(iv) *Share-based payments*

The expense arising from equity-settled share-based payments for the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026 were approximately RMB34,514,000, RMB77,124,000, RMB252,077,000, RMB63,769,000 and RMB62,422,000, respectively.

An accumulated amount of RMB177,344,000, RMB254,466,000, RMB506,543,000 and RMB568,965,000 respectively, for the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2026 has been recognized as other reserves.

27 FINANCIAL INSTRUMENTS BY CATEGORY

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Financial assets				
Financial assets at amortized cost:				
– Trade and note receivables				
(note 19)	2,693,385	4,043,713	5,507,227	6,476,447
– Other receivables (note 17)	23,274	450,772	471,603	362,252
– Cash and cash equivalents				
(note 20)	2,097,883	1,542,699	2,579,103	4,391,638
– Term deposits and restricted cash				
(note 20)	<u>4,152,905</u>	<u>4,825,457</u>	<u>4,413,585</u>	<u>3,778,213</u>
	<u>8,967,447</u>	<u>10,862,641</u>	<u>12,971,518</u>	<u>15,008,550</u>

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	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value:				
– Other financial assets at FVPL (note 28(a))	117,974	69,912	85,015	85,015
– Other financial assets at FVOCI (note 28(b))	210,874	430,320	486,772	1,037,895
– Note receivables at FVOCI (note 18)	1,084	73,448	58,147	75,141
	<u>329,932</u>	<u>573,680</u>	<u>629,934</u>	<u>1,198,051</u>
Financial liabilities				
Liabilities at amortized cost:				
– Borrowings (note 31)	2,605,251	3,626,512	4,548,203	6,336,054
– Trade and other payables excluding accrued payroll and other taxes payable (note 34) . . .	2,852,472	4,617,523	7,183,754	7,975,571
– Lease liabilities	88	–	19,389	17,546
	<u>5,457,811</u>	<u>8,244,035</u>	<u>11,751,346</u>	<u>14,329,171</u>

28 OTHER FINANCIAL ASSETS AT FVPL AND FVOCI

(a) Other financial assets at FVPL

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets				
Equity securities	<u>67,744</u>	<u>69,912</u>	<u>85,015</u>	<u>85,015</u>
Current assets				
Structured deposits	<u>50,230</u>	<u>–</u>	<u>–</u>	<u>–</u>
	<u>117,974</u>	<u>69,912</u>	<u>85,015</u>	<u>85,015</u>

Equity securities comprise unlisted securities. The fair values of these equity securities are measured using a valuation technique with unobservable inputs and hence classified as Level 3 of the fair value hierarchy. The major assumptions used in the valuation refer to Note 3.3.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets				
Unlisted equity investments	<u>67,744</u>	<u>69,912</u>	<u>85,015</u>	<u>85,015</u>

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(b) Other financial assets at FVOCI

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets				
Equity investments	197,997	418,753	470,412	1,021,694
Unlisted equity investments	12,877	11,567	16,360	16,201
	<u>210,874</u>	<u>430,320</u>	<u>486,772</u>	<u>1,037,895</u>

29 INVESTMENTS IN ASSOCIATES

The Group

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
At the beginning of the year/period	43,420	48,929	24,657	24,657	33,590
Share of profit/(loss) of associates, net	22,337	(25,108)	(10,345)	(3,903)	(3,510)
Share of other comprehensive income	2,035	248	534	—	—
Share of other equity movement	—	—	19,279	—	—
Disposals and transfers	(17,752)	—	—	—	—
Others	(1,111)	588	(535)	1,254	3,954
At the end of the year/period . .	<u>48,929</u>	<u>24,657</u>	<u>33,590</u>	<u>22,008</u>	<u>34,034</u>

The following table sets forth a breakdown of the share of losses of associates during the Track Record Period:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Schweizer Electronics (Jiangsu) Co., Ltd.	(10,699)	—	—	—	—
Schweizer Electronic AG.	33,036	(25,108)	(10,345)	(3,903)	(3,510)
	<u>22,337</u>	<u>(25,108)</u>	<u>(10,345)</u>	<u>(3,903)</u>	<u>(3,510)</u>

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The particulars of the associates of the Group as at 31 December 2023, 2024 and 2025 and 31 March 2026 are set out as follows:

Name of entity	Place of business/ Country of incorporation	% of ownership interest				Nature of relationship	Measure method	Principal activities	Carrying amount				As at 31 March 2026
		As at 31 December			As at 31 March 2026				As at 31 December			As at 31 March 2026	
		2023	2024	2025					2023	2024	2025		
		RMB '000							RMB '000		RMB '000		
Schweizer Electronic AG ("Schweizer")	Schramberg Germany	19.74%	19.74%	19.74%	19.74%	Associate	Equity	Pcbs & Embedding Solutions	48,929	24,657	33,590	34,034	

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As at 31 December 2023, 2024 and 2025 and 31 March 2026, the fair value of Schweizer which is a listed entity is not materially different from its carrying amount.

Management has assessed the level of influence that the Group and the Company exercises on certain associates and determined that it has significant influence through the board representation and other relevant facts and circumstances, even though the respective shareholding of some investments is below 20%. Accordingly, these investments have been classified as associates. In the opinion of the directors, no investments in associate are material to the Group.

30 INVESTMENTS IN SUBSIDIARIES — THE COMPANY

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				<i>(Unaudited)</i>	
At the beginning of the year/period	2,273,299	3,034,262	4,190,801	4,190,801	4,460,892
Investment in principal subsidiaries	755,114	1,207,557	201,254	—	—
Disposals	(3,304)	(72,135)	—	—	—
Deemed investment arising from share-based payments for subsidiaries	9,153	21,117	68,837	17,721	17,324
At the end of the year/period . .	<u>3,034,262</u>	<u>4,190,801</u>	<u>4,460,892</u>	<u>4,208,522</u>	<u>4,478,216</u>

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(i) Investment in principal subsidiaries

Company name	Date of incorporation	Place of incorporation/ establishment legal status	Registered capital	Ownership interest held by the Group effective interest held as at						Ownership interest held by non-controlling interests effective interest held as at						Principal Activities	
				as at 31 December			as at 31 March			as at 31 December			as at 31 March				
				2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025		
				%	%	%	%	%	%	%	%	%	%	%	%		
(Unaudited)																	
WWUS International Company Limited	2006/8/28	HK, Limited Liability Company	102,776 USD	100	100	100	100	100	100	–	–	–	–	–	–	–	Trading and Sales of PCB Products
WWUS Printed Circuit (Huangshi) Co., Ltd.	2012/2/27	PRC, Limited Liability Company	1,300,000,000 RMB	100	100	100	100	100	100	–	–	–	–	–	–	–	Manufacturing and Sales of PCB Products
WWUS Supply Chain Management (Huangshi) Co., Ltd.	2012/5/21	PRC, Limited Liability Company	50,000,000 RMB	100	100	100	N/A	N/A	N/A	–	–	–	N/A	N/A	N/A	N/A	PCB Products and Sales of Supply Chain Management
WWUS Printed Circuit Kepz (Kunshan) Co., Ltd.	2002/9/16	PRC, Limited Liability Company	1,500,000,000 RMB	100	100	100	100	100	100	–	–	–	–	–	–	–	Manufacturing and Sales of PCB Products
East West Trading Company	2003/9/11	PRC, Limited Liability Company	1,000,000 RMB	100	100	100	100	100	100	–	–	–	–	–	–	–	Trading and Sales of PCB Products
Centronix Electronics (Kunshan) Co., Ltd.	2004/4/30	PRC, Limited Liability Company	120,375,020 RMB	100	N/A	N/A	N/A	N/A	N/A	–	N/A	N/A	N/A	N/A	N/A	N/A	Manufacturing and Sales of PCB Products
Huangshi Linli Property Service Co., Ltd.	2017/7/7	PRC, Limited Liability Company	500,000 RMB	100	100	100	N/A	100	N/A	–	–	–	–	–	–	–	Property Management Services
WWUS Printed Circuit (Thailand) Co., Ltd.	2022/10/4	Thailand, Limited Liability Company	6,490,363,900 THB	99	99	99	99	99	99	1	1	1	1	1	1	1	Manufacturing and Sales of PCB Products
WWUS International Investment Singapore Pte. Ltd.	2022/11/18	SINGAPORE, Limited Liability Company	4,000,000 USD	100	100	100	100	100	100	–	–	–	–	–	–	–	Trading and Sales of PCB Products
SSchweizer Electronic (Jiangsu) Co., Ltd.	2017/12/18	PRC, Limited Liability Company	109,687,500 EUR	80	84	99	99	99	99	20	16	1	1	1	1	1	Manufacturing and Sales of PCB Products
Kunshan Qingsong Sewage Treatment Co., Ltd.	2025/4/11	PRC, Limited Liability Company	21,980,000 RMB	N/A	N/A	100	100	100	100	N/A	N/A	–	–	–	–	–	Wastewater Treatment and Recycling

The statutory auditors of the subsidiaries of the Group during the Track Record Period are set out below:

Company name (a)	Name of statutory auditors		
	2023	2024	2025
WUS International Company Limited . . .	Jiangsu Welsen Certified Public Accountants Co., Ltd., Kunshan Branch	Jiangsu Welsen Certified Public Accountants Co., Ltd., Kunshan Branch	Jiangsu Welsen Certified Public Accountants Co., Ltd., Kunshan Branch
WUS Printed Circuit (Huangshi) Co., Ltd .	Jingshan United Accountant Firm of Hu Bei (General Partnership)	Jingshan United Accountant Firm of Hu Bei (General Partnership)	Jingshan United Accountant Firm of Hu Bei (General Partnership)
WUS Supply Chain Management (Huangshi) Co., Ltd. .	Jingshan United Accountant Firm of Hu Bei (General Partnership)	Jingshan United Accountant Firm of Hu Bei (General Partnership)	Jingshan United Accountant Firm of Hu Bei (General Partnership)
WUS Printed Circuit Kepz (Kunshan) Co., Ltd.....	Jiangsu Welsen Certified Public Accountants Co., Ltd., Kunshan Branch	Jiangsu Welsen Certified Public Accountants Co., Ltd., Kunshan Branch	Jiangsu Welsen Certified Public Accountants Co., Ltd., Kunshan Branch
East West Trading Company	Jiangsu Welsen Certified Public Accountants Co., Ltd., Kunshan Branch	Jiangsu Welsen Certified Public Accountants Co., Ltd., Kunshan Branch	Jiangsu Welsen Certified Public Accountants Co., Ltd., Kunshan Branch
Centronix Electronics (Kunshan) Co., Ltd. .	Jiangsu Welsen Certified Public Accountants Co., Ltd., Kunshan Branch	N/A	N/A
Huangshi Linli Property Service Co., Ltd. . . .	Jingshan United Accountant Firm of Hu Bei (General Partnership)	Jingshan United Accountant Firm of Hu Bei (General Partnership)	Jingshan United Accountant Firm of Hu Bei (General Partnership)
WUS Printed Circuit (Thailand) Co., Ltd.	Entrust Audit Co., Ltd	Entrust Audit Co., Ltd	Entrust Audit Co., Ltd
WUS International Investment Singapore Pte. Ltd.	Ecovis Assurance LLP	Ecovis Assurance LLP	Ecovis Assurance LLP
Schweizer Electronic (Jiangsu) Co., Ltd. . .	Changzhou Furun Certified Public Accountants (General Partnership)	Changzhou Furun Certified Public Accountants (General Partnership)	Changzhou Furun Certified Public Accountants (General Partnership)
Kunshan Qingsong Sewage Treatment Co., Ltd.	N/A	N/A	N/A

(a) The English names of these companies represent the best effort made by the management of the Company to directly translate the Chinese names as they do not register any official English names.

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(ii) Amounts due from subsidiaries

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current				
Schweizer Electronic (Jiangsu) Co., Ltd.	504,697	520,138	236,681	241,042
Current				
WUS Supply Chain Management (Huangshi) Co., Ltd.	205,463	207,460	207,460	—
WUS Printed Circuit Keping (Kunshan) Co., Ltd.	200,131	200,111	200,129	100,064
WUS Printed Circuit (Thailand) Co., Ltd.	—	216,510	296,049	291,441
Schweizer Electronic (Jiangsu) Co., Ltd.	—	—	337,450	393,679
Kunshan Qingsong Sewage Treatment Co., Ltd.	—	—	26,000	36,000
	<u>405,594</u>	<u>624,081</u>	<u>1,067,088</u>	<u>821,184</u>
	<u>910,291</u>	<u>1,144,219</u>	<u>1,303,769</u>	<u>1,062,226</u>

31 BORROWINGS

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current				
Long-term bank borrowings, unsecured-excluding current portion (a)	846,493	1,309,936	1,885,661	2,625,692
Current				
Current portion of long-term bank borrowings, unsecured (a)	324,265	662,048	492,596	638,464
Short-term bank borrowings, secured (a)	212,481	287,536	—	—
Short-term bank borrowings, unsecured (a)	1,218,785	1,366,992	2,169,946	3,071,898
Other borrowings, unsecured (b)	3,227	—	—	—
	<u>1,758,758</u>	<u>2,316,576</u>	<u>2,662,542</u>	<u>3,710,362</u>
	<u>2,605,251</u>	<u>3,626,512</u>	<u>4,548,203</u>	<u>6,336,054</u>

(a) Bank borrowings

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the annual interest rate of short-term bank borrowings were ranged from 1.22% to 6.02%, 1.15% to 6.02%, 1.20% to 4.86% and 1.20% to 3.78%, respectively.

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the annual interest rate range of long-term borrowings were ranged from 1.50% to 5.70%, 1.50% to 5.70%, 1.50% to 4.40% and 1.93% to 3.95%, respectively.

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As at 31 December 2023, 2024 and 2025 and 31 March 2026, the floating rate bank loan was based on the LPR, and the average effective interest rate for the period was calculated as 2.21%, 1.88%, 2.11% and 2.30%.

As at 31 December 2023, 2024 and 2025 and 31 March 2026, there were no secured, pledged or guaranteed long-term bank borrowings.

As at 31 December 2023, the Group’s short-term bank borrowings of RMB212,481,000 were pledged by the Group’s trade receivables with a carrying value of RMB268,427,000.

As at 31 December 2024, the Group’s short-term bank borrowings of RMB287,536,000 were pledged by the Group’s trade receivables with a carrying value of RMB359,808,000

As at 31 December 2025 and 31 March 2026, there were no secured, pledged or guaranteed short-term bank borrowings.

(b) Other borrowings, unsecured

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the borrowings generated from discounted notes receivable to a bank amounted to approximately RMB3,227,000, nil, nil and nil respectively.

The Group has complied with all loan covenants (including financial and non-financial) throughout the reporting period.

(c) Repayment periods

At 31 December, 2023, 2024 and 2025 and 31 March 2026, the Group’s banking borrowings were repayable as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	1,759,473	2,317,607	2,662,543	3,710,362
Between 1 and 2 years	631,845	1,144,908	528,631	573,407
Between 2 and 5 years	213,933	163,997	1,357,029	2,052,285
	<u>2,605,251</u>	<u>3,626,512</u>	<u>4,548,203</u>	<u>6,336,054</u>

At 31 December 2023, 2024 and 2025 and 31 March 2026, the Group’s other borrowings were repayable as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	<u>3,227</u>	—	—	—

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Non-current				
Long-term bank borrowings,				
unsecured	<u>846,493</u>	<u>1,309,936</u>	<u>1,055,231</u>	<u>1,144,975</u>

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	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Current				
Current portion of long-term bank borrowings, unsecured	324,265	662,048	476,875	572,730
Short-term bank borrowings, secured	212,481	287,536	—	—
Short-term bank borrowings, unsecured	520,663	1,018,894	1,546,891	2,307,101
Other borrowings, unsecured	3,227	—	—	—
	<u>1,060,636</u>	<u>1,968,478</u>	<u>2,023,766</u>	<u>2,879,831</u>
	<u>1,907,129</u>	<u>3,278,414</u>	<u>3,078,997</u>	<u>4,024,806</u>

32 DEFERRED INCOME

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Government grants	<u>302,737</u>	<u>314,446</u>	<u>417,148</u>	<u>417,041</u>

The Group’s government grants mainly for subsidizing the Group’s purchases of property, plant and equipment. These government grants were recorded as deferred income and credited to profit or loss on a straight-line basis over the useful lives of the related property, plant and equipment.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Government grants	<u>244,644</u>	<u>224,341</u>	<u>216,096</u>	<u>211,675</u>

33 DEFERRED INCOME TAX

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deferred tax assets to be recovered				
Lease liabilities	13	—	2,909	2,632
Tax losses	—	—	7,406	7,406
Provision for impairment and inventory provisions	35,569	53,121	64,901	66,288
Intragroup unrealised profits	26,329	42,917	43,232	83,802
Temporary difference on revenue recognition	5,819	7,498	29,252	50,386
Deferred income	11,408	12,483	29,047	28,810
Accrued expenses	6,364	33,819	49,248	53,382

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	As at 31 December			As at 31 March
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Share-based payments	17,301	30,831	122,192	154,285
Changes in fair value	–	112	23	23
Others	12,514	8,631	8,653	8,546
	115,317	189,412	356,863	455,560
Set-off of deferred tax liabilities . . .	(25,223)	(23,049)	(34,807)	(34,423)
Net deferred tax assets	90,094	166,363	322,056	421,137

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Deferred tax liabilities to be settled				
Right-of-use assets	12	–	2,904	2,616
Changes in fair value	35,529	86,738	102,126	239,947
Business combinations	438	421	243	240
Accelerated tax depreciation	15,498	13,440	17,005	16,557
	51,477	100,599	122,278	259,360
Set-off against deferred tax assets . .	(25,223)	(23,049)	(34,807)	(34,423)
Net deferred tax liabilities	26,254	77,550	87,471	224,937

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(a) Deferred income tax assets

The movement in deferred income tax assets during each of the years, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Movement	Lease liabilities	Tax losses	Provision for impairment and inventory provisions	Intragroup unrealised profits	Temporary difference on revenue recognition	Deferred income	Accrued expenses	Share-based payments	Changes in fair value	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	80	-	34,018	41,515	9,052	9,258	5,418	-	-	20,890	120,231
(Charged)/credited to profit or loss	(67)	-	1,551	(15,186)	(3,233)	2,150	946	17,301	-	(8,376)	(4,914)
At 31 December 2023	13	-	35,569	26,329	5,819	11,408	6,364	17,301	-	12,514	115,317
At 1 January 2024	13	-	35,569	26,329	5,819	11,408	6,364	17,301	-	12,514	115,317
(Charged)/credited to profit or loss	(13)	-	17,552	16,588	1,679	1,075	27,455	(628)	-	(3,883)	59,825
Credited to other comprehensive income	-	-	-	-	-	-	-	-	112	-	112
Credited to other reserves	-	-	-	-	-	-	-	14,158	-	-	14,158
At 31 December 2024	-	-	53,121	42,917	7,498	12,483	33,819	30,831	112	8,631	189,412
At 1 January 2025	-	-	53,121	42,917	7,498	12,483	33,819	30,831	112	8,631	189,412
Credit to profit or loss	2,909	7,406	11,780	315	21,754	16,564	15,429	18,917	-	22	95,096
Charged to other comprehensive income	-	-	-	-	-	-	-	-	(89)	-	(89)
Credited to other reserves	-	-	-	-	-	-	-	72,444	-	-	72,444
At 31 December 2025	2,909	7,406	64,901	43,232	29,252	29,047	49,248	122,192	23	8,653	356,863
At 1 January 2026	2,909	7,406	64,901	43,232	29,252	29,047	49,248	122,192	23	8,653	356,863
(Charged)/credited to profit or loss	(277)	-	1,387	40,570	21,134	(237)	4,134	9,275	-	(107)	75,879
Credited to other reserves	-	-	-	-	-	-	-	22,818	-	-	22,818
At 31 March 2026	2,632	7,406	66,288	83,802	50,386	28,810	53,382	154,285	23	8,546	455,560

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(b) Deferred income tax liabilities

The movement in deferred income tax liabilities during each of the years, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Right-of-use assets	Changes in fair value	Business combinations	Accelerated tax depreciation	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	77	16,555	454	–	17,086
(Credited)/charged to profit or loss	(65)	102	(16)	15,498	15,519
Charged to other comprehensive income	–	18,872	–	–	18,872
At 31 December 2023	<u>12</u>	<u>35,529</u>	<u>438</u>	<u>15,498</u>	<u>51,477</u>
At 1 January 2024	12	35,529	438	15,498	51,477
Credited to profit or loss	(12)	(1,359)	(17)	(2,058)	(3,446)
Charged to other comprehensive income	–	52,568	–	–	52,568
At 31 December 2024	<u>–</u>	<u>86,738</u>	<u>421</u>	<u>13,440</u>	<u>100,599</u>
At 1 January 2025	–	86,738	421	13,440	100,599
Charged/(credited) to profit or loss	2,904	1,814	(178)	3,565	8,105
Charged to other comprehensive income	–	13,574	–	–	13,574
At 31 December 2025	<u>2,904</u>	<u>102,126</u>	<u>243</u>	<u>17,005</u>	<u>122,278</u>
At 1 January 2026	2,904	102,126	243	17,005	122,278
(Credited)/charged to profit or loss	(288)	2	(3)	(448)	(737)
Charged to other comprehensive income	–	137,819	–	–	137,819
At 31 March 2026	<u>2,616</u>	<u>239,947</u>	<u>240</u>	<u>16,557</u>	<u>259,360</u>

(c) Deferred tax assets not recognized

Deferred tax assets should be recognized when it is probable that taxable profits or taxable temporary differences will be available against which the deferred tax asset can be utilised. Temporary differences will not be recognized as deferred tax assets if the management estimates that they will not be recovered from taxable profits generated from continuing operations in the foreseeable future. The following table sets forth the taxable temporary differences which were not recognized as deferred tax assets during the Track Record Period:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Tax losses	417,008	502,819	605,602	655,239
Deductible temporary differences	<u>25,842</u>	<u>113,879</u>	<u>139,027</u>	<u>70,376</u>
	<u>442,850</u>	<u>616,698</u>	<u>744,629</u>	<u>725,615</u>

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Tax losses that are not recognized as deferred tax assets will be expired during the Track Record Period are analyzed as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
2024	2,675	2,675	—	—
2025	71,658	63,604	—	—
2026	165,971	154,851	—	—
2027	4,007	4,495	4,495	860
2028	172,697	184,612	13,144	11,708
Later than 2028	—	92,582	587,963	642,671
	<u>417,008</u>	<u>502,819</u>	<u>605,602</u>	<u>655,239</u>

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deferred tax assets to be recovered				
Lease liabilities	9	—	2,909	2,632
Provision for impairment and inventory provisions	22,018	33,260	37,735	38,182
Temporary difference on revenue recognition	5,286	5,377	26,711	47,233
Deferred income	2,695	3,246	4,291	4,053
Accrued expenses	5,480	30,776	42,933	46,005
Share-based payments	13,028	24,317	89,549	112,983
Others	14,708	11,253	11,240	11,115
	<u>63,224</u>	<u>108,229</u>	<u>215,368</u>	<u>262,203</u>
Set-off of deferred tax liabilities . .	<u>(16,791)</u>	<u>(14,822)</u>	<u>(18,308)</u>	<u>(17,713)</u>
Net deferred tax assets	<u>46,433</u>	<u>93,407</u>	<u>197,060</u>	<u>244,490</u>

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deferred tax liabilities to be settled				
Right-of-use assets	8	—	2,904	2,616
Changes in fair value	6,839	5,514	7,330	7,330
Business combinations	—	421	243	240
Accelerated tax depreciation	9,944	8,887	7,831	7,527
	<u>16,791</u>	<u>14,822</u>	<u>18,308</u>	<u>17,713</u>
Set-off against deferred tax assets .	<u>(16,791)</u>	<u>(14,822)</u>	<u>(18,308)</u>	<u>(17,713)</u>
Net deferred tax liabilities	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

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(a) Deferred income tax assets

The movement in deferred income tax assets during each of the years, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Movement	Lease liabilities	Provision for impairment and inventory provisions	Temporary difference on revenue recognition	Deferred income	Accrued expenses	Share-based payments	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	21	18,733	8,341	2,220	4,480	–	22,822	56,617
(Charged)/credited to profit or loss	(12)	3,285	(3,055)	475	1,000	13,028	(8,114)	6,607
At 31 December 2023	9	22,018	5,286	2,695	5,480	13,028	14,708	63,224
At 1 January 2024	9	22,018	5,286	2,695	5,480	13,028	14,708	63,224
(Charged)/credited to profit or loss	(9)	11,242	91	551	25,296	(226)	(3,455)	33,490
Credited to other reserves	–	–	–	–	–	11,515	–	11,515
At 31 December 2024	–	33,260	5,377	3,246	30,776	24,317	11,253	108,229
At 1 January 2025	–	33,260	5,377	3,246	30,776	24,317	11,253	108,229
Credited/(charged) to profit or loss	2,909	4,475	21,334	1,045	12,157	12,546	(13)	54,453
Credited to other reserves	–	–	–	–	–	52,686	–	52,686
At 31 December 2025	2,909	37,735	26,711	4,291	42,933	89,549	11,240	215,368
At 1 January 2026	2,909	37,735	26,711	4,291	42,933	89,549	11,240	215,368
(Charged)/credited to profit or loss	(277)	447	20,522	(238)	3,072	6,764	(125)	30,165
Credited to other reserves	–	–	–	–	–	16,670	–	16,670
At 31 March 2026	2,632	38,182	47,233	4,053	46,005	112,983	11,115	262,203

(b) Deferred income tax liabilities

The movement in deferred income tax liabilities during each of the years, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Right-of-use assets	Changes in fair value	Business combinations	Accelerated tax depreciation	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	20	6,770	–	–	6,790
(Credited)/charged to profit or loss	(12)	69	–	9,944	10,001
At 31 December 2023	8	6,839	–	9,944	16,791
At 1 January 2024	8	6,839	–	9,944	16,791
(Credited)/charged to profit or loss	(8)	(1,325)	421	(1,057)	(1,969)
At 31 December 2024	–	5,514	421	8,887	14,822

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	Right-of-use assets	Changes in fair value	Business combinations	Accelerated tax depreciation	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2025	–	5,514	421	8,887	14,822
Charged/(credited) to profit or loss	2,904	1,816	(178)	(1,056)	3,486
At 31 December 2025 . . .	<u>2,904</u>	<u>7,330</u>	<u>243</u>	<u>7,831</u>	<u>18,308</u>
At 1 January 2026	2,904	7,330	243	7,831	18,308
Credited to profit or loss .	(288)	–	(3)	(304)	(595)
At 31 March 2026	<u>2,616</u>	<u>7,330</u>	<u>240</u>	<u>7,527</u>	<u>17,713</u>

34 TRADE AND OTHER PAYABLES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	1,840,263	2,516,963	4,156,406	4,802,265
Notes payable	374,070	619,517	934,129	956,138
Payables for purchases of property, plant and equipment	307,824	971,304	1,363,484	1,367,450
Salaries, wages and benefits payable	296,544	477,140	530,246	527,653
Sales commissions	101,546	129,066	175,620	205,497
Deposits	55,305	99,726	154,906	197,223
Accrued expenses	151,385	261,867	371,870	390,083
Other taxes payable	26,049	38,061	53,291	48,274
Others	22,079	19,080	27,339	56,915
	<u>3,175,065</u>	<u>5,132,724</u>	<u>7,767,291</u>	<u>8,551,498</u>

The aging of trade payables based on invoice date as at 31 December 2023, 2024 and 2025 and 31 March 2026 are all within 1 year.

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the fair value of trade and other payables approximated their carrying amounts.

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the carrying amounts of trade and other payables were primarily denominated in RMB.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	1,627,527	2,224,704	3,159,064	3,840,843
Notes payable	302,608	440,086	778,179	795,047
Salaries, wages and benefits payable	196,905	330,167	352,649	356,191
Payables for purchases of property, plant and equipment	92,532	254,223	406,282	431,505
Accrued expenses	72,827	155,315	244,536	282,398
Sales commissions	34,174	53,494	82,178	105,738

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	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deposits	37,979	62,720	92,688	127,078
Other taxes payable	15,582	24,146	33,627	21,262
Others	57,697	11,670	12,000	7,085
	<u>2,437,831</u>	<u>3,556,525</u>	<u>5,161,203</u>	<u>5,967,147</u>

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the fair value of trade and other payables approximated their carrying amounts.

35 BUSINESS COMBINATION

On 22 December 2022, the Company entered into a Share Transfer Agreement with Schweizer and Schweizer Electronic (Jiangsu) Co., Ltd. (“Schweizer Jiangsu”). According to the agreement, the Company acquired 57.1795% of the shares of Schweizer Jiangsu from Schweizer and subsequently invested an additional capital injection in Schweizer Jiangsu. Considered the fair value of the previously held equity interest is RMB17,798,000, the total consideration is RMB273,608,000. As a result, the Company’s shareholding in Schweizer Jiangsu rose to 80%.

The acquisition was completed on 1 May 2023, and after the acquisition, Schweizer Jiangsu became an indirect non-wholly-owned subsidiary of the Company, and the financial results of it was consolidated into the financial statements of the Group.

The fair values of the identifiable assets and liabilities of Schweizer Jiangsu as at the date of the acquisition are set out as follows:

	Fair value
	RMB'000
Intangible assets	112,021
Property, plant and equipment	678,906
Right-of-use assets	87,721
Prepayments, other receivables and other assets	19,386
Inventories	13,562
Trade and other receivables	21,240
Cash and cash equivalents	166,449
	<u>1,099,285</u>
Lease liabilities	(22,588)
Contract liabilities	(1,359)
Bank borrowings	(457,751)
Trade and other payables	(269,677)
	<u>(751,375)</u>
Fair value of net identifiable assets	347,910
Less: non-controlling interests	(69,582)
Net assets acquired	<u>278,328</u>
Purchase consideration for acquisition of Schweizer Jiangsu	273,608
Net assets acquired	<u>(278,328)</u>
Gain from bargain purchase	<u>(4,720)</u>

The negative goodwill was mainly attributable to a price concession accepted by Schweizer to facilitate the transaction, given its pressing funding needs.

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	At the date of acquisition
	<i>RMB'000</i>
Outflow of cash to acquire a subsidiary, net of cash acquired	
Cash consideration	255,810
Less: Cash and cash equivalents acquired	<u>(166,449)</u>
Net outflow of cash – investing activities	<u>89,361</u>

Revenue and loss contribution

The acquired business contributed revenues of RMB87,165,000 and net loss of RMB114,508,000 to the Group for the year ended 31 December 2023. Had the combination taken place at 1 January 2023, the revenue and profit of the Group would have been RMB8,973,407,000 and RMB1,402,911,000 respectively.

36 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENTS

(a) Net cash (used in)/generated from operations:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Profit before income tax	1,705,336	2,949,760	4,398,187	891,907	1,393,377
Adjustments for:					
Finance costs – net					
<i>(note 10)</i>	74,221	84,518	29,045	8,935	20,453
Depreciation of property, plant and equipment					
<i>(note 14(a))</i>	401,844	472,281	581,600	126,948	185,132
Depreciation of right-of- use assets <i>(note 15)</i>	6,906	4,364	7,088	1,076	3,080
Depreciation of investment properties					
<i>(note 14(b))</i>	1,371	1,320	615	151	178
Amortization of intangible assets <i>(note 16)</i>	8,757	12,392	14,583	3,311	4,487
Net impairment losses on property, plant and equipment <i>(note 14(a))</i>	51,154	104,675	9,817	–	–
Provisions for impairment of inventories					
<i>(note 21)</i>	84,793	123,008	199,453	32,776	13,009
Impairment of completed properties held for sale					
<i>(note 22(b))</i>	26,859	34,545	–	–	–
Net impairment losses on Investment properties					
<i>(note 14(b))</i>	–	10,673	–	–	–
Net impairment (gains)/losses on financial assets					
<i>(note 3.1(b))</i>	(11,670)	16,590	43,486	4,131	(2,428)
Net losses on disposal of property, plant and equipment and other non-current assets					
<i>(note 7)</i>	17,367	9,529	23,938	482	(423)

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	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Amortization of deferred income	(41,110)	(35,854)	(34,207)	(7,981)	(11,320)
Losses/(gains) on financial assets at fair value through profit or loss . .	1,726	7,274	(16,992)	(1,752)	(1,342)
Share of (profit)/loss of associates, net (note 29)	(22,337)	25,108	10,345	3,903	3,510
Gains from disposal of subsidiaries, net (note 37(b))	–	–	–	–	47,301
Dividend income (note 6) .	(2,263)	(3,535)	(4,466)	–	–
Gains from bargain purchase on acquisition of subsidiary (note 7) . .	(4,720)	–	–	–	–
Share-based payment (note 26)	34,514	77,124	252,077	63,769	62,422
Changes in working capital:					
Trade and other payables .	558,299	1,171,181	2,275,782	1,021,652	1,291,703
Trade and note receivables, other receivables and prepayments	(412,468)	(1,528,003)	(1,458,604)	(163,463)	(1,466,178)
Inventories	(81,888)	(840,760)	(2,017,620)	(520,318)	(1,034,239)
Properties under development and completed properties held for sale	6,937	4,467	7,603	1,769	154,215
	<u>2,403,628</u>	<u>2,700,657</u>	<u>4,321,730</u>	<u>1,467,296</u>	<u>662,937</u>

(b) Debt reconciliation

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Borrowings (Note 31)	2,605,251	3,626,512	4,548,203	6,336,054
Lease liabilities	88	–	19,389	17,546
	<u>2,605,339</u>	<u>3,626,512</u>	<u>4,567,592</u>	<u>6,353,600</u>
		Borrowings	Lease liabilities	Total
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2023		1,491,289	535	1,491,824
Net cash flows				
– Financing cash flows – net		531,362	(1,354)	530,008
– Accrual of interest expenses		87,431	376	87,807
– Additions of lease liabilities		–	411	411
– Acquisition of a subsidiary		457,751	–	457,751
– Currency translation differences		37,418	–	37,418
– Other non-cash movements		–	120	120
At 31 December 2023		<u>2,605,251</u>	<u>88</u>	<u>2,605,339</u>

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	Borrowings	Lease liabilities	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2024	2,605,251	88	2,605,339
Net cash flows			
– Financing cash flows – net	874,460	(100)	874,360
– Accrual of interest expenses	120,347	1	120,348
– Currency translation differences	26,454	–	26,454
– Other non-cash movements	–	11	11
At 31 December 2024	<u>3,626,512</u>	<u>–</u>	<u>3,626,512</u>
At 1 January 2025	3,626,512	–	3,626,512
Net cash flows			
– Financing cash flows – net	825,083	(2,209)	822,874
– Accrual of interest expenses	123,515	133	123,648
– Additions of lease liabilities	–	22,140	22,140
– Currency translation differences	(26,907)	–	(26,907)
– Other non-cash movements	–	(675)	(675)
At 31 December 2025	<u>4,548,203</u>	<u>19,389</u>	<u>4,567,592</u>
At 1 January 2026	4,548,203	19,389	4,567,592
Net cash flows			
– Financing cash flows – net	1,993,034	–	1,993,034
– Accrual of interest expenses	27,632	109	27,741
– Currency translation differences	(232,815)	–	(232,815)
– Other non-cash movements	–	(1,952)	(1,952)
At 31 March 2026	<u>6,336,054</u>	<u>17,546</u>	<u>6,353,600</u>

37 DISPOSAL OF SUBSIDIARIES

On 7 March, 2026, in order to focus on its core business, the Board approved the disposal (the “Disposal”) of 100% equity interest in Huangshi Supply Chain, a subsidiary which was engaged in the property development and management business in Huangshi City, to Huangshi Lianhong, a company controlled by the Wu Family, for a consideration of approximately RMB9.7 million, the consideration was determined after arm’s-length negotiation based on the valuation conducted by an independent valuer. The Disposal was completed on 20 March, 2026.

Transactions of disposal of subsidiaries during the three months ended 31 March 2026 is analyzed as follows:

(a) Net cash received from disposal of subsidiaries

	Three months ended 31 March
	2026
	<i>RMB'000</i>
Cash consideration	
WUS Supply Chain Management (Huangshi) Co., Ltd.	<u>9,705</u>
Less: Professional fee	(95)
Less: Cash and cash equivalents held by the subsidiaries at the dates of disposal	<u>(5,384)</u>
Net cash inflow from disposal of subsidiaries	<u><u>4,226</u></u>

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(b) Gains on disposal of investments in subsidiaries

	Three months ended 31 March
	2026
	RMB'000
Total cash consideration	9,705
Carrying amount of net assets sold	(37,596)
Gains on disposal of investments in subsidiaries	47,301

38 CAPITAL COMMITMENTS

Significant capital expenditure commitments were set out below:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Commitments for acquisition of property, plant and equipment . . .	910,423	1,473,448	4,511,509	5,102,011

39 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, to joint control over the party or exercise significant influence over the other party in making financial and operation decisions, or vice versa. Parties are also considered to be related if they are subject to common control.

The following significant transactions were carried out between the Group and its related parties during the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Names and relationships with related parties

The directors of the Company are of the view that the following parties were related parties that had transactions or balances with the Group for the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026:

Name of related parties	Relationship with the Company
Wu Family	The ultimate holder of the Company
WUS Printed Circuit Co., Ltd (“WUS TW”)	The parent company of WUS Group Holdings Co., Ltd., the substantial shareholder of the Group
Centron Electronics (Kunshan) Co., Ltd (“Centron Kunshan”)	An entity controlled by WUS TW
WUS Printed Circuit (Singapore) Pte., Ltd. (“WUS Printed Circuit (Singapore)”)	An entity controlled by WUS TW
WUS Energy Technology (Kunshan) Co., Ltd (“WUS Energy”)	An entity controlled by WUS TW
Schweizer Electronic AG (“Schweizer”)	Associate of the Group
Schweizer Electronic (Jiangsu) Co. Ltd. (“Jiangsu Schweizer”)	Associate of the Group until May 2023
Schweizer Electronic Singapore PT (“Schweizer Singapore”)	Associate of the Group
Schweizer Trading (Suzhou) Co., Ltd. (“Schweizer Suzhou”)	Associate of the Group

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Name of related parties	Relationship with the Company
Biggering Enterprise (Kunshan) Co., Ltd. (“Biggering Kunshan”)	An entity controlled by Wu Family
Kunshan Longjiang Property Management Co., Ltd. (“Kunshan Longjiang”)	An entity controlled by Wu Family
Huangshi Lianhong	An entity controlled by Wu Family

(b) Transactions with related parties

Related party transactions of the Group are listed as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	<i>(Unaudited)</i>				
Trade					
Purchases of goods and services					
– WUS TW	14,526	24,183	48,996	20,314	18,734
– Jiangsu Schweizer	6,751	–	–	–	–
– Schweizer	6,632	26,743	953	99	308
– WUS Energy	225	527	2,069	114	837
– Centron Kunshan	–	808	86	–	–
	<u>28,134</u>	<u>52,261</u>	<u>52,104</u>	<u>20,527</u>	<u>19,879</u>
Sales of goods and services					
– Schweizer Singapore	152,827	262,981	500,465	120,877	126,811
– Schweizer	91,004	145,181	231,843	54,670	58,854
– Centron Kunshan	12,270	6,948	8,507	1,077	646
– Jiangsu Schweizer	7,694	–	–	–	–
– Schweizer Suzhou	7,125	55,099	110,472	13,338	49,973
– WUS Energy	1,245	997	645	311	–
– WUS TW	–	1,906	7,451	3,128	2,788
– Mr. Wu Chuanlin	–	–	1,794	–	–
	<u>272,165</u>	<u>473,112</u>	<u>861,177</u>	<u>193,401</u>	<u>239,072</u>
Sales commission					
– WUS Printed Circuit (Singapore)	<u>6,931</u>	<u>1,394</u>	<u>–</u>	<u>–</u>	<u>–</u>
Non-trade					
Rental income					
– Centron Kunshan	96	51	31	8	217
– Huangshi Lianhong	–	6	16	6	–
– WUS Energy	6	–	–	–	–
	<u>102</u>	<u>57</u>	<u>47</u>	<u>14</u>	<u>217</u>
Rental fee					
– WUS Energy	188	180	150	15	–
– Biggering Kunshan	–	545	1,207	297	316
– Mr. Zhu Liren	–	90	90	22	22
– Centron Kunshan	–	–	604	–	1,718
– Kunshan Longjiang	–	41	82	68	20
– Ms. Chen May Fong	–	19	148	22	42
	<u>188</u>	<u>875</u>	<u>2,281</u>	<u>424</u>	<u>2,118</u>

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	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Non-trade					
Asset sale					
– Schweizer Suzhou	19	–	–	–	–
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Asset purchase					
– Centron Kunshan	–	–	27,000	–	94,400
– Schweizer	–	–	16,341	–	–
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Share purchase					
– Schweizer (Note 30) . . .	–	–	155,279	–	–
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Advance from related parties					
– WUS TW	4,834	7,287	5,818	1,204	1,691
– Schweizer	16	7,584	1,081	–	–
– WUS Printed Circuit (Singapore)	–	540	583	155	191
– Centron Kunshan	14	–	–	–	–
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Advance to related parties					
– Schweizer Singapore . . .	1,144	–	–	–	–
– Schweizer	753	–	–	–	–
– WUS Printed Circuit (Singapore)	–	451	84	20	21
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Sale of partial equity interest in subsidiary					
– WUS Printed Circuit (Singapore)	5,954	–	–	–	–
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Sale of subsidiary					
– Huangshi Lianhong (Note 37)	–	–	–	–	9,705
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(c) **Key management compensation**

Key management comprise the Company’s directors and senior management. The compensation paid or payable to key management for employee services is shown below:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries, wages, bonuses and benefits in kind (including contributions to pension plans)	7,991	12,221	15,442	2,321	2,720
Share-based payments	1,012	2,819	8,539	2,135	2,135
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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The amount of salaries and other short-term employee benefits and post-employment benefits disclosed above included accrued payroll amounting to approximately RMB3,257,000, RMB5,051,000, RMB6,055,000 and RMB2,147,000 as at 31 December 2023, 2024 and 2025 and 31 March 2026, respectively recorded within other payables in the consolidated balance sheets.

(d) Balances with related parties

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade				
Trade receivable				
– Schweizer Singapore	56,026	99,830	200,079	196,054
– Schweizer	52,886	48,674	81,388	76,267
– Schweizer Suzhou	8,052	45,270	89,107	113,460
– WUS TW	–	1,784	1,285	2,985
– Centron Kunshan	1,820	917	981	738
– WUS Energy	–	452	–	–
Less: allowance for expected credit losses	(11,697)	(19,378)	(37,121)	(38,681)
	<u>107,087</u>	<u>177,549</u>	<u>335,719</u>	<u>350,823</u>
Trade				
Other receivable				
– Schweizer	747	18	–	–
– Schweizer Singapore	659	–	–	–
– WUS Printed Circuit (Singapore)	–	23	21	21
– Schweizer Suzhou	22	–	–	–
– Centron Kunshan	11	2	1	231
	<u>1,439</u>	<u>43</u>	<u>22</u>	<u>252</u>
Trade				
Prepayments				
– Kunshan Longjiang	–	68	48	61
– Biggering Kunshan	–	–	28	344
– Centron Kunshan	–	–	40	–
– Ms. Chen May Fong	–	–	2	43
	<u>–</u>	<u>68</u>	<u>118</u>	<u>448</u>
Trade				
Trade payables				
– Schweizer	47,841	720	17,179	–
– WUS TW	6,509	14,257	10,329	24,730
– WUS Printed Circuit (Singapore)	2,586	106	–	–
– Schweizer Singapore	207	–	–	–
– WUS Energy	172	87	305	318
– Centron Kunshan	–	468	–	2,042
	<u>57,315</u>	<u>15,638</u>	<u>27,813</u>	<u>27,090</u>

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	As at 31 December			As at 31 March
	2023	2024	2025	2026
Trade				
Other payable and accruals				
– WUS TW	44	245	50	27
– Schweizer	13	–	–	59
– WUS Printed Circuit (Singapore)	–	141	142	187
– Huangshi Lianhong	–	2	–	–
– Centron Kunshan	–	–	404	–
	<u>57</u>	<u>388</u>	<u>596</u>	<u>273</u>
Trade				
Contract liabilities				
– Huangshi Lianhong	–	5	–	–
	<u>–</u>	<u>5</u>	<u>–</u>	<u>–</u>

40 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors and supervisors’ emoluments

The remuneration paid or payable to each of the directors (including emoluments for services as senior management or employees of companies now comprising the Group prior to appointment as directors) of the Company is as follows:

Name	Year ended 31 December 2023			
	Fees	Salaries, wages, bonuses and benefits in kind (including contributions to pension plans)	Share-based payments	Total
	RMB’000	RMB’000	RMB’000	RMB’000
Chairman of the Board				
Mr. Wu Li-Gann	–	–	–	–
Directors				
Ms. Chen May Fong	–	360	–	360
Mr. Wu Chuanlin	–	1,066	–	1,066
Mr. Kao Wen-hsien	–	1,250	386	1,636
Mr. Shyr Jyh-jong	–	1,122	46	1,168
Mr. Lin Ming-yen	72	–	–	72
Independent non-executive directors				
Mr. Kau Chei-chan	72	–	–	72
Mr. Lu Zongyuan (ii)	48	–	–	48
Ms. Wang Yongcui (iv)	–	–	–	–
Mr. Li Shusong (i)	30	–	–	30
Mr. Zhang Xin (iii)	72	–	–	72
Supervisors				
Ms. Guo Xiuluan	72	–	–	72
Ms. Chen Huifen	–	598	–	598
Ms. Lin Meizhen	72	–	–	72
	<u>438</u>	<u>4,396</u>	<u>432</u>	<u>5,266</u>

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Year ended 31 December 2024				
Name	Fees	Salaries, wages, bonuses and benefits in kind (including contributions to pension plans)	Share-based payments	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Chairman of the Board				
Mr. Wu Li-Gann (v)	—	—	—	—
Ms. Chen May Fong (vi)	—	360	—	360
Directors				
Mr. Wu Chuanlin	—	1,273	—	1,273
Mr. Kao Wen-hsien	—	1,490	577	2,067
Mr. Shyr Jyh-jong	—	1,332	445	1,777
Mr. Lin Ming-yen	72	—	—	72
Mr. Zhang Jin (vii)	—	2,372	717	3,089
Independent non-executive directors				
Mr. Kau Chei-chan	72	—	—	72
Mr. Lu Zongyuan	72	—	—	72
Ms. Wang Yongcui	72	—	—	72
Supervisors				
Ms. Guo Xiuluan	72	—	—	72
Ms. Chen Huifen	—	786	—	786
Ms. Lin Meizhen	72	—	—	72
	<u>432</u>	<u>7,613</u>	<u>1,739</u>	<u>9,784</u>

Year ended 31 December 2025				
Name	Fees	Salaries, wages, bonuses and benefits in kind (including contributions to pension plans)	Share-based payments	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Chairman of the Board				
Ms. Chen May Fong	—	360	—	360
Directors				
Mr. Wu Chuanpin	162	2,636	—	2,798
Mr. Wu Chuanlin	—	1,457	—	1,457
Mr. Kao Wen-hsien	—	2,097	1,708	3,805
Mr. Shyr Jyh-jong	—	2,004	1,708	3,712
Mr. Lin Ming-yen	72	—	—	72
Mr. Zhang Jin (vii)	—	2,467	1,708	4,174
Independent non-executive directors				
Mr. Kau Chei-chan	76	—	—	76
Mr. Lu Zongyuan	76	—	—	76
Ms. Wang Yongcui	76	—	—	76
Mr. Koon Kam Kwan	8	—	—	8
Supervisors				
Ms. Guo Xiuluan	72	—	—	72
Ms. Chen Huifen	834	140	—	973
Ms. Lin Meizhen	72	—	—	72
	<u>1,448</u>	<u>11,160</u>	<u>5,124</u>	<u>17,732</u>

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Three months ended 31 March 2025 (Unaudited)				
Name	Fees	Salaries, wages, bonuses and benefits in kind (including contributions to pension plans)	Share-based payments	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Chairman of the Board				
Ms. Chen May Fong	—	90	—	90
Directors				
Mr. Wu Chuanlin	—	289	—	289
Mr. Kao Wen-hsien	—	208	427	635
Mr. Shyr Jyh-jong	—	388	427	815
Mr. Lin Ming-yen	18	—	—	18
Mr. Zhang Jin (vii)	—	273	427	700
Independent non-executive directors				
Mr. Kau Chei-chan	18	—	—	18
Mr. Lu Zongyuan	18	—	—	18
Ms. Wang Yongcui	18	—	—	18
Supervisors				
Ms. Guo Xiuluan	18	—	—	18
Ms. Chen Huifen	206	—	—	206
Ms. Lin Meizhen	18	—	—	18
	<u>314</u>	<u>1,248</u>	<u>1,281</u>	<u>2,843</u>

Three months ended 31 March 2026				
Name	Fees	Salaries, wages, bonuses and benefits in kind (including contributions to pension plans)	Share-based payments	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Chairman of the Board				
Ms. Chen May Fong	—	90	—	90
Directors				
Mr. Wu Chuanpin	—	362	—	362
Mr. Wu Chuanlin	—	310	—	310
Mr. Kao Wen-hsien	—	391	427	818
Mr. Shyr Jyh-jong	—	397	427	824
Mr. Lin Ming-yen	18	—	—	18
Mr. Zhang Jin (vii)	—	492	427	919
Independent non-executive directors				
Mr. Kau Chei-chan	24	—	—	24
Mr. Lu Zongyuan	24	—	—	24
Ms. Wang Yongcui	24	—	—	24
Mr. Koon Kam Kwan	24	—	—	24
Mr. Chan Chi Hung	8	—	—	8
	<u>122</u>	<u>2,042</u>	<u>1,281</u>	<u>3,445</u>

- (i) Mr. Li Shusong resigned as the independent non-executive director of the Company in April 2023.
- (ii) Mr. Lu Zongyuan was appointed as the independent non-executive director of the Company in April 2023.

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- (iii) Mr. Zhang Xin resigned as the independent non-executive director of the Company in December 2023.
- (iv) Ms. Wang Yongcui was appointed as the independent non-executive director of the Company in December 2023.
- (v) Mr. Wu Li-Gann resigned as the chairman of the board of the Company in March 2024.
- (vi) Ms. Chen May Fong was appointed as the chairman of the board of the Company in April 2024.
- (vii) Mr. Zhang Jin was appointed as the director of the Company in April 2024.
- (viii) Mr. Wu Chuanpin was appointed as the director of the Company in November 2025.
- (ix) Mr. Koon Kam Kwan was appointed as the Independent non-executive director of the Company in November 2025 and resigned in February 2026.
- (x) Mr. Chan Chi Hung was appointed as the Independent non-executive director of the Company in February 2026.

(b) Directors’ retirement and termination benefits

No retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiaries’ undertaking during the Track Record Period.

No payment was made to the directors as compensation for early termination of appointment during the Track Record Period.

(c) Consideration provided to third parties for making available directors’ services

No payment was made to any former employers of the directors for making available the services of them as a director of the Company during the Track Record Period.

(d) Information about loans, quasi-loans or other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There were no loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors during the Track Record Period.

(e) Directors’ material interests in transactions, arrangements or contracts

Save as disclosed in Note 39, there were no significant transactions, arrangements and contracts in relation to the Group’s business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year/period or at any time during the Track Record Period.

41 SUMMARY OF OTHER ACCOUNTING POLICIES

41.1 Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated fully from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Where an associate holds an interest in the subsidiaries, the non-controlling interests are directly determined based on the holdings of the Group in the subsidiaries.

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Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Transaction with NCI

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in equity. In addition, when the counterparty of transaction with non-controlling interests is an associate, the share of the gain of the upstream transaction is credited to equity.

(iii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group’s share of the post-acquisition profits or losses of the investee in profit or loss, and the Group’s share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

Where the Group’s share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group’s interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 41.6.

41.2 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest’s proportionate share of the acquired entity’s net identifiable assets.

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Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity’s incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

41.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee’s net assets including goodwill.

41.4 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in RMB, which is the functional currency of the Company and its subsidiaries and also the presentation currency of the Company.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statements of comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statements of comprehensive income on a net basis within “other gains/(losses) – net”.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognized in other comprehensive income.

41.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Construction in progress represents unfinished construction and equipment under construction or pending for installation and is stated at cost less impairment losses. Cost comprises direct costs of construction including borrowing costs attributable to the construction during the period of construction. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and ready for intended use.

41.6 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. For the purposes of goodwill impairment assessment, management considered each of the acquired companies as a separate group of CGU and goodwill has been allocated to each of the acquired companies accordingly. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of the year/period.

41.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statements of financial position where the entity currently has a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

41.8 Cash and cash equivalents

For the purpose of presentation in the consolidated statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

41.9 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

41.10 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the Track Record Period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

41.11 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

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Borrowings are derecognized when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as finance costs.

Borrowings are classified as current liabilities unless, at the end of the Track Record Period, when the Group has a right to defer settlement of the liability for at least 12 months after the Track Record Period.

41.12 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in the period in which they are incurred.

41.13 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred income tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the Track Record Period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and it considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. However, deferred income tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the Track Record Period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current income tax assets and liabilities and where the deferred income tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity respectively.

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41.14 Employee benefits

(a) *Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees’ services up to the end of the Track Record Period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statements of financial position.

(b) *Pension obligations*

In accordance with the rules and regulations in the PRC, the employees of the Group participate in various defined contribution retirement benefit plans organized by the relevant municipal and provincial governments in the PRC under which the Group and the employees are required to make monthly contributions to these plans calculated as a percentage of the employees’ salaries, subject to certain ceiling. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in an independent fund managed by the PRC government. The Group’s contributions to these plans are expensed as incurred.

(c) *Housing funds, medical insurances and other social insurances*

The employees of the Group are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group’s liability in respect of these funds is limited to the contributions payable in each period.

(d) *Bonus plan*

The expected cost of bonuses is recognized as a liability when the Group has a present legal or constructive obligation for payment of bonus as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans are expected to be settled within 1 year and are measured at the amounts expected to be paid when they are settled.

(e) *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the Track Record Period are discounted to present value.

41.15 Leases

Lease as lessee

The Group leases various offices and factories. Rental contracts are typically made for fixed periods of one year to four years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

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Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments (if applicable):

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option; and
- lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortizing loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentive received;
- any initial direct costs; and
- restoration costs, if any.

Right-of-use assets are generally depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset’s useful life.

Payments associated with short-term leases of building are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

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41.16 Earnings per share

(a) *Basic earnings per share*

Basic profit per share is calculated by dividing:

- the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury stock.

(b) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic loss per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

41.17 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

41.18 Interest income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets, see Note 7.

Interest income on financial assets at amortized cost and financial assets at FVOCI calculated using the effective interest method is recognized in profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 10.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

42 SUBSEQUENT EVENTS

The Board has resolved to declare the payment of a final dividend of RMB5.00 per 10 shares (tax inclusive) in respect of the year ended 31 December 2025, approved by the Annual General Meeting of the Company on 23 April 2026. The final dividends were paid on 8 May 2026.

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In June 2026, the Company acquired 100% equity interests in Kunshan Pujiang Logistics Facilities Co., Ltd. (“Pujiang Logistics”) at a consideration of RMB206.7 million. Pujiang Logistics owns certain warehouses and production facilities (including facilities currently leased by the Company), and does not have any other business operations. Accordingly, our directors consider that the acquisition constitutes asset acquisition under IFRS Accounting Standards.

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of the companies now comprising the Group in respect of any period subsequent to 31 March 2026 and up to the date of this report.

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Set out herein is a summary of the Articles of Association for the main purpose of providing an overview of the Articles of Association to [REDACTED]. As the information contained herein is only a summary, it may not contain all the information that is important to [REDACTED].

OVERVIEW

This Appendix contains a summary of the principal provisions of the Articles of Association. The Articles of Association of the Company shall take effect on the date of the H Shares being listed on the Stock Exchange.

SHARES AND REGISTERED CAPITAL

All the shares issued by the Company are ordinary shares. All the shares issued by the Company are denominated in RMB.

The shares of the Company shall be issued in accordance with the principles of openness, fairness and justice. Each share of the same class shall carry the same rights.

Shares of the same class and in the same issue shall be issued on the same conditions and at the same price. Any entity or individual subscribing to the shares shall pay the same price for each share.

INCREASE, REDUCTION, REPURCHASE AND TRANSFER OF SHARES

Increase of Shares

In light of the Company’s operational and developmental needs, the Company may increase its capital in accordance with the laws, regulations and the securities regulatory rules of the places where the Company’s shares are listed and subject to respective resolution of the shareholders’ meeting, by any of the following methods:

- (i) Issuance of shares to unspecified recipients;
- (ii) Issuance of shares to specific recipients;
- (iii) allotment of bonus shares to existing shareholders;
- (iv) conversion of reserve funds to share capital; or
- (v) other methods permitted by laws and administrative regulations and approved by securities regulatory authority where the Company’s shares are listed.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Reduction of Capital

The Company may reduce its registered capital. Any reduction of the Company’s registered capital shall be subject to the procedures prescribed in the PRC Company Law, other relevant regulations, as well as the Articles of Association.

Repurchase of Shares

The company shall not acquire its own shares. However, the following circumstances are excluded.

- (i) to reduce the registered capital of the Company;
- (ii) to merge with other companies that hold shares in the Company;
- (iii) to use the shares for employee shareholding schemes or as share incentives;
- (iv) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any shareholders’ meeting on the merger or division of the Company;
- (v) to use the shares to satisfy the conversion of those corporate bonds convertible into shares issued by the Company;
- (vi) to safeguard corporate value and shareholders’ equity as the Company deems necessary;
- (vii) Other circumstances permitted by laws, administrative regulations, and the securities regulatory rules of the place where the Company’s shares are listed.

Transfer of Shares

The shares of the Company shall be transferred in accordance with the law.

The shares issued by the Company before public offering shall not be transferred within one year from the date on which the Company’s shares are listed on the stock exchange.

Directors and senior management of the Company shall report their shareholding in the Company and changes thereof to the Company, and during their tenure determined at the time of taking office, the shares transferred each year shall not exceed 25% of the total Company shares held by them; the Company shares held by them shall not be transferred within one year from the date when the shares of the Company are listed and traded; within half a year from departure from the Company, the aforesaid persons shall not transfer the Company shares held by them.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

If the securities regulatory rules of the place where the Company is listed have other provisions on the transfer restrictions of the Company’s shares, such provisions shall prevail.

SHAREHOLDERS AND SHAREHOLDERS’ MEETING

Shareholders

The Company shall, on the basis of the certificates provided by the securities registration authority, establish a register of members. The register of members is sufficient evidence of the shareholders’ shareholding in the Company. A shareholder shall enjoy relevant rights and assume relevant obligations in accordance with the class of shares he/she holds. Shareholders holding the same class of shares shall have the same rights and assume the same obligations. The Company shall make available the Hong Kong branch register of shareholders for inspection by shareholders, provided that the Company may suspend the registration of shareholders in accordance with applicable laws and regulations and the rules of the securities regulatory authorities of the place where the Company is listed.

When the Company intends to convene a shareholders’ meeting, distribute dividends, enter into liquidation and engage in other activities that require determination of shareholders, the Board of Directors or the convenor of a meeting shall determine an equity record date, and the shareholders registered after the close of the equity record date shall be the shareholders entitled to the relevant rights and interests.

Rights and Obligations of the Shareholders

Shareholders of the ordinary shares of the Company shall enjoy the following rights:

- (i) the right to dividends and other distributions in proportion to the number of shares held;
- (ii) the right to apply legally for, convene, preside, attend or appoint proxies to attend shareholders’ meetings and to exercise the corresponding voting right, unless individual shareholders are required to waive their voting rights on specific matters in accordance with the provisions of the securities regulatory rules of the place where the Company is listed or applicable laws and administrative regulations;
- (iii) the right to supervise, present proposals or raise enquiries in respect of the Company’s business operations;
- (iv) the right to transfer, give as a gift or pledge the shares it holds in accordance with laws, administrative regulations and the Articles of Association;

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

- (v) the right to inspect and copy the Articles of Association, the register of members, the minutes of shareholders' meetings, resolutions of the Board of Directors and financial and accounting reports; In accordance with laws and regulations, eligible shareholders may also have access to the company's accounting books and accounting vouchers.
- (vi) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining property of the Company in proportion to the number of shares held;
- (vii) shareholders who object to resolutions of merger or division made by the shareholders' meeting of may request the Company to purchase their shares; and
- (viii) such other rights provided by laws, administrative regulations, departmental rules, rules of the securities regulatory authorities of the place where the Company is listed or these Articles of Association.

Shareholders of ordinary shares of the Company shall have the following obligations:

- (i) to abide by laws, administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association;
- (ii) to pay the share subscription price based on the shares subscribed for by them and the method of acquiring such shares;
- (iii) not to return shares unless prescribed otherwise in laws and administrative regulations;
- (iv) not to abuse shareholders' rights to infringe upon the interests of the Company or other shareholders; not to abuse the Company's status as an independent legal person or the limited liability of shareholders to harm the interests of the Company's creditors; and
- (v) other obligations that should be assumed under the laws, administrative regulations, and the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If a shareholder of the Company abuses shareholder rights and causes losses to the Company or other shareholders, he shall bear compensation liability in accordance with the laws. If a shareholder of the Company abuses the independent legal person status of the Company and the limited liability of shareholders to evade debts and seriously damages the interests of the Company's creditors, he shall be jointly and severally liable for the Company's debts.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

General Rules for the Shareholders’ Meeting

The shareholders’ meeting is the power organ of the Company and exercises the following functions and powers in accordance with the law:

- (i) to elect and replace directors who are not employee representatives; and to decide on matters relating to their remuneration;
- (ii) to review and approve reports of the Board of Directors;
- (iii) to review and approve the profit distribution plans and loss recovery plans of the Company;
- (iv) to adopt resolutions on increasing or reducing the registered capital of the Company;
- (v) to adopt resolutions on the issuance of bonds of the Company;
- (vi) to adopt resolutions on the merger, division, dissolution, liquidation or change in corporate form of the Company;
- (vii) to amend the Articles of Association;
- (viii) to make resolutions on the hiring and dismissal of accounting firms that conducting company audit services by the Company;
- (ix) to review and approve the guarantee matters under Article 47 of the Articles of Association;
- (x) to review and approve the purchase or the sale of major assets by the Company within one year, and the amount of which exceeds 30% of the latest audited total assets of the Company;
- (xi) to review and approve matters relating to the modification of use of proceeds;
- (xii) to review the Company’s share incentives schemes and employee shareholding schemes;
- (xiii) to view other matters that are required to be resolved by the shareholders’ meeting as prescribed by the law, administrative regulations, departmental rules and other securities regulatory rules of the place where the Company is listed or these articles of association.

The shareholders’ meeting may authorize the board of directors to pass resolutions on the issuance of corporate bonds.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

The company may, upon resolution of the shareholders’ meeting or, upon authorization by the articles of association or the shareholders’ meeting and resolution by the board of directors, issue stocks or corporate bonds convertible into stocks. The specific implementation shall comply with laws, administrative regulations, the provisions of the CSRC and the stock exchange.

Shareholders’ meetings include annual shareholders’ meetings and extraordinary shareholders’ meetings. Annual shareholders’ meetings shall be convened once a year and within six months after the end of the preceding fiscal year.

The Company shall convene an extraordinary shareholders’ meeting within two months from the date of the occurrence of any of the following circumstances:

- (i) the number of directors is less than the number stipulated in the Company Law or two-thirds of the number prescribed in the Articles of Association;
- (ii) the losses of the Company that have not been made up reach one-third of its total paid in share capital;
- (iii) such is requested in writing by a shareholder alone or shareholders jointly holding no less than 10% of the Company’s outstanding voting shares;
- (iv) the Board of Directors considers it necessary;
- (v) the audit committee proposes that such a meeting shall be held; or
- (vi) other circumstances as specified by laws, administrative regulations, department rules, and other securities regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

If the extraordinary shareholders’ meeting is convened in accordance with the provisions of the securities regulatory rules of the place where the Company is listed, the actual convening date of the extraordinary shareholders’ meeting can be adjusted according to the approval progress of the stock exchange where the Company is listed.

Proposals and Notices of Shareholders’ Meetings

The contents of proposals shall fall within the authority of shareholders’ meetings, have a clear topic and specific resolution, and be in compliance with the laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed and the relevant provisions of the Articles of Association.

The Board of Directors, the Audit Committee and shareholders individually or jointly holding no less than 1% of the shares of the Company shall be entitled to put forward proposals to the Company.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Shareholders individually or jointly holding no less than 1% of the shares of the Company may submit interim proposals in writing to the convenor ten days prior to the date of shareholders' meeting. The convenor shall issue a supplemental notice of shareholders' meeting within two days after receipt of the motion, with such interim proposals announced.

Except as provided in the preceding paragraph, the convenor, after issuing the notice of the shareholders' meeting, shall neither modify the proposals stated in the notice of shareholders' meetings nor add new proposals.

The convenor shall issue an announcement 21 days prior to the convening of the annual shareholders' meeting to notify every shareholder or 15 days prior to the convening of the extraordinary shareholders' meeting to notify every shareholder.

Notice of the shareholders' meeting shall include the following:

- (i) the time, venue and duration of the meeting;
- (ii) subject matters and proposals submitted for consideration and approval on the meeting;
- (iii) particulars shall be in clear text that all shareholders are entitled to attend shareholders' meetings and may appoint their proxies in writing to attend and vote at the meetings. Such proxies need not be shareholders of the Company;
- (iv) the record date of equity for shareholders who are entitled to attend the shareholders' meeting;
- (v) name(s) and telephone number(s) of the standing contact person(s) for the affairs of meetings;
- (vi) online or other means of voting time and voting procedures; and
- (vii) Other matters that need to be specified.

Holding of Shareholders' Meetings

All shareholders or their proxies of the Company registered on the register of members on the equity record date shall have the right to attend shareholders' meetings and exercise their voting rights in accordance with the relevant laws, regulations and the Articles of Association.

Shareholders may attend a shareholders' meeting in person and may appoint a proxy to attend and vote on their behalf.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Shareholders’ meetings shall be presided over by the chairman of the Board of Directors. If the chairman of the Board of Directors is unable or fails to perform his/her duties, the vice chairman of the Board of Directors presides over the shareholders’ meeting; when the vice chairman of the Board of Directors is unable or fails to perform his/her duties, a director shall be jointly elected by more than half of the directors to preside over the meeting.

Voting and Resolutions of Shareholders’ Meeting

Resolutions of the shareholders’ meeting include ordinary resolutions and special resolutions. Ordinary resolution at a shareholders’ meeting shall be adopted by shareholders in attendance (including proxies) holding more than half of the voting rights. Special resolution at a shareholders’ meeting shall be adopted by shareholders in attendance (including proxies) holding at least two-thirds of the voting rights.

Shares in the Company which are held by the Company do not carry any voting rights, and such shares shall not be counted in the total number of voting shares represented by shareholders present at a shareholders’ meeting.

Decisions of the shareholders’ meeting on any of the following matters shall be adopted by special resolution:

- (i) the increase or reduction of the registered capital by the Company;
- (ii) the division, spin-off, merger, dissolution and liquidation of the Company;
- (iii) the amendment to the Articles of Association;
- (iv) the purchase or the sale of major assets by the Company within one year, or the guarantee amount of which exceeds 30% of the latest audited total assets of the Company;
- (v) the share incentive schemes;
- (vi) other matters that are stipulated by laws, administrative regulations, the Articles of Association of the Company or the securities regulatory rules of the place where the Company is listed, and are recognized by the shareholders’ meeting through an ordinary resolution as having a significant impact on the Company and requiring adoption by a special resolution.

Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they held, with one vote for each share.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

When the shareholders’ meeting considers major matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized investors shall be counted separately. The results of the separate vote counting shall be publicly disclosed in a timely manner.

Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders’ meeting.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Non-employee representative director are elected or replaced by the shareholders’ meeting and may be removed from office by the shareholders’ meeting before the expiration of their term. The term of office for directors is three years. Upon the expiration of the term, they can be re-elected for consecutive terms. If the securities regulatory rules of the stock listing place have other provisions regarding the re-election of directors, those provisions shall prevail.

The term of office of a director shall commence on the date of taking office and end on the expiration of the term of the current session of the Board. If a director is not re-elected in a timely manner upon the expiration of his term of office, the former director shall perform his duties as a director in accordance with the provisions of the laws, administrative regulations, departmental rules and the Articles of Association before the re-elected director takes office.

The directors may be held concurrently by senior management members, but the total number of directors who concurrently hold the positions of senior management and the directors who are serving as employee representatives shall not exceed one-half of the total number of directors of the Company.

The directors shall abide by the laws, administrative regulations and the Articles of Association and have the following duty of loyalty to the Company:

- (i) shall neither embezzle the assets of the Company nor misappropriate the Company’s funds;
- (ii) shall not deposit the Company’s assets or funds in accounts under his/her own name or the names of other individuals;
- (iii) shall not accept bribery or other illegal income by taking advantage of his/her power;

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

- (iv) shall not directly or indirectly enter into contracts or conduct transactions with the Company without reporting to the shareholders' meeting or the Board of Directors and obtaining approval through resolutions passed by the Board of Directors or at the shareholders' meeting in accordance with the provisions of the Articles of Association;
- (v) shall not take advantage of his/her position to seek business opportunities that should otherwise belong to the Company for himself/herself or others, except where it has been reported to the Board of Directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or where the Company is unable to utilize such business opportunity in accordance with laws, administrative regulations or the provisions of these Articles of Association;
- (vi) shall not engage in the same kind of business as the Company for his/her own account or for the benefits of others, without reporting to the Board of Directors or the shareholders' meeting and obtaining approval through resolutions passed at the shareholders' meeting;
- (vii) shall not accept commissions as theirs' from transactions conducted by the others and the Company;
- (viii) shall not disclose the Company's secrets without authorization;
- (ix) shall not make use of the affiliated relationship to prejudice the interests of the Company; or
- (x) other duties of loyalty stipulated by the provisions of laws, administrative regulations, departmental rules, the Articles of Association, and the securities regulatory rules where the Company's shares are listed.

Any income derived by a director from violation of the provisions of the preceding paragraph shall belong to the Company; for any resulting loss to the Company, such director shall be liable for compensation.

Directors shall abide by the laws, administrative regulations and the Articles of Association and shall be subject to the following diligence obligations to the Company:

- (i) shall exercise the rights granted by the Company in a prudent, conscientious and diligent manner to ensure that the Company's commercial activities comply with the requirements of national laws, administrative regulations and various national economic policies, and that the extent of the commercial activities do not exceed the business scope stipulated in the business license;
- (ii) shall treat all Shareholders fairly;

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

- (iii) shall keep abreast of the Company’s business operation and management;
- (iv) shall sign written statements confirming the regular reports of the Company, and ensure that the information disclosed by the Company is true, accurate and complete;
- (v) shall truthfully provide relevant information and materials to the Audit Committee, and shall not hinder the Audit Committee from performing their duties; and
- (vi) other diligence obligations stipulated by laws, administrative regulations, departmental rules, the Articles of Association, and the securities regulatory rules where the Company’s shares are listed.

Board of Directors

The Company shall set up a Board of Directors, which shall consist of 9-12 directors. The Board of Directors shall consist of one chairman and one vice-chairman.

The Board of Directors exercises the following functions and powers:

- (i) to convene shareholders’ meetings and report to the shareholders’ meetings;
- (ii) to implement resolutions of the shareholders’ meetings;
- (iii) to decide on the Company’s business plans and investment plans;
- (iv) to formulate the Company’s profit distribution plans and plans on making up losses;
- (v) to formulate proposals for the increase or reduction of the Company’s registered capital, the issuance of bonds or other securities of the Company and the listing of shares of the Company;
- (vi) formulate plans for major acquisitions of the Company, the repurchase of the Company’s shares, or plans for mergers, divisions, and dissolutions;
- (vii) within the scope of the authorization granted by the shareholders’ meeting, decide on matters such as the Company’s external investments, acquisition and sale of assets, asset mortgages, external guarantees, entrusted financial management, related party transactions, and external donations;
- (viii) to decide on the establishment of internal management organs of the Company;

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

- (ix) to appoint or dismiss the president of the Company, the secretary of the Board of Directors and other senior management personnel, and to decide on matters regarding their remunerations, rewards and punishments; based on the nomination of the president, to appoint or dismiss senior management personnel such as the vice president and the chief financial officer of the Company, and to decide on matters regarding their remunerations, rewards and punishments;
- (x) to formulate the basic management system of the Company;
- (xi) to formulate proposals to amend the Articles of Association;
- (xii) to manage information disclosure of the Company;
- (xiii) to propose to the shareholders’ meeting the appointment or replacement of the accounting firm that provides audit services to the Company;
- (xiv) to listen to the work report of the general manager of the Company and to inspect the work of the general manager of the Company; and
- (xv) other duties stipulated by laws, administrative regulations, the Articles of Association, and the securities regulatory rules where the Company’s shares are listed, as well as other powers granted by the Articles of Association.

Meetings of the Board of Directors may be held only if more than one half of the directors are present. A resolution of the Board of Directors must be passed by more than half of all directors. Vote on the Board of Directors resolution shall be carried out on the basis of one person one vote.

SENIOR MANAGEMENT

The Company has one general manager, who is appointed or dismissed by the Board of Directors. The Company also has several vice presidents, appointed or dismissed by the Board of Directors. The president, vice presidents, chief financial officer, secretary of the Board of Directors of the Company and other senior management personnel proposed by the general manager for recognition by the board of directors are the senior management personnel of the Company.

The general manager shall be accountable to the Board of Directors and exercise the following functions and powers:

- (i) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board of Directors, and to report his/her works to the Board of Directors;

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

- (ii) to organize the implementation of the Company's annual business plans and investment plans;
- (iii) to draft plans for the establishment of the Company's internal management organization;
- (iv) to draft the Company's basic management system;
- (v) to formulate the specific rules and regulations of the Company;
- (vi) to propose to the Board of Directors appointment or dismissal of the vice president and the person in charge of finance of the Company;
- (vii) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors; and
- (viii) such other functions and powers conferred by the securities regulatory rules where the Company's shares are listed, the Articles of Association or the Board of Directors.

The general manager shall be present at the meetings of the Board of Directors.

AUDIT COMMITTEE

In accordance with the Company Law and the Guidelines on Articles of Association, the Company's Board of Directors has established an Audit Committee to exercise the authority of the Supervisory Committee as stipulated in the Company Law. The Audit Committee consists of three members who are directors not serving as senior management of the Company, with two independent directors. The committee shall be convened by an accounting professional from among the independent directors. Employee representatives on the Board of Directors may serve as members of the Audit Committee.

The Audit Committee meets at least quarterly. An interim meeting may be convened upon the proposal of two or more members or when the convener deems it necessary. Meetings of the Audit Committee shall be held only when at least two-thirds of the members are present. Resolutions of the Audit Committee shall be adopted by a majority vote of its members. Voting on resolutions by the Audit Committee shall be conducted on a one-person-one-vote basis. Rules of Procedure of the Audit Committee shall be formulated by the board of directors.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

The Audit Committee is responsible for reviewing the Company’s financial information and its disclosures, overseeing and evaluating internal and external audits and internal controls. The following matters shall be submitted to the Board of Directors for deliberation after approval by a majority of all Audit Committee members:

- (i) Disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;
- (ii) Hire or terminate an accounting firm responsible for auditing listed companies;
- (iii) Appoint or dismiss the financial controller of a listed company;
- (iv) Changes in accounting policies, changes in accounting estimates, or corrections of significant accounting errors are made for reasons other than changes in accounting standards;
- (v) Other matters as stipulated by laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed, and the Articles of Association.

FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTIONS AND AUDITING

Financial and Accounting Systems

The Company shall establish financial and accounting systems according to laws, administrative regulations, the regulations of the financial department of the State Council and the securities regulatory rules of the place where the Company’s shares are listed.

Within four months after the end of each fiscal year, the Company shall submit and disclose the annual report to the stock exchange where the Company is listed. Within two months after the end of the first six months of each fiscal year, the Company shall submit and disclose the semi-annual report to the stock exchange where the Company is listed.

The aforementioned regular reports shall be prepared in accordance with relevant laws, administrative regulations, and the securities regulatory rules of the place where the Company’s shares are listed.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Profit Distributions

The profit distribution policy of the Company is as follows:

- (i) Basic principles of the Company’s profit distribution policy

The Company implements an active profit distribution policy, attaches great importance to reasonable investment returns for shareholders, and the profit distribution policy should maintain continuity and stability.

- (ii) Details of the profit distribution policy

- (1) Form of profit distribution

The Company may distribute dividends in cash, stocks or a combination of cash and stocks, and give priority to profit distribution in cash, where eligible.

- (2) Specific conditions and proportion of cash dividends: When the company implements cash dividends, the following conditions must be met simultaneously. That is, the distributable profit of the company for the current year (i.e., the after-tax profit remaining after the company makes up for losses and sets aside the reserve fund) is positive, the accounting firm issues a standard unqualified audit report on the company’s financial report for the current year, and the company has no major plans for external investment within the next twelve months.

The Board of Directors of the Company shall, taking into account factors such as the characteristics of the industry it is in, the stage of development, its own business model, the level of profitability, the ability to repay debts, whether there are arrangements for major capital expenditures. It should distinguish the following situations and, in accordance with the procedures stipulated in the Articles of Association of the Company, put forward a differentiated cash dividend policy.

- (i) If the Company’s development stage is mature and there is no arrangement for significant capital expenditure, when profit distribution is made, the proportion of cash dividends in the profit distribution shall be at least 80%;
 - (ii) If the Company’s development stage is mature and there are arrangements for significant capital expenditures, when profit distribution is made, cash dividends shall be at least 40% of the profit distribution;
 - (iii) If the Company is in the growth stage and has significant capital expenditure arrangements, the minimum proportion of cash dividends in the profit distribution shall be at least 20%.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

- (iv) If it is not easy to distinguish the stage of development of the Company but there are arrangements for significant capital expenditures, it can be handled in accordance with the provisions of the preceding item.

The Board of Directors may also propose interim cash dividends based on the Company’s financial performance.

Internal Auditing

The Company has implemented an internal audit system that defines the leadership structure, responsibilities, staffing, funding, application of audit results, and accountability for internal audit operations. The Company’s internal audit system is implemented upon approval by the Board of Directors and disclosed to the public.

The Company’s internal audit department oversees and inspects business activities, risk management, internal controls, financial information, and other related matters. The internal audit function shall maintain independence, be staffed with full-time auditors, and shall not be placed under the authority of the finance department or share office space with the finance department.

MERGER, DIVISION, INCREASE OF CAPITAL, REDUCTION OF CAPITAL, DISSOLUTION AND LIQUIDATION OF THE COMPANY

Merger, Division, Increase of Capital and Reduction of Capital of the Company

In a merger of companies, the Company shall execute a merger agreement and prepare the balance sheet and property list. The Company shall notify their creditors within ten days of adopting merger resolutions, and shall publish the announcement within 30 days on the designated information disclosure media of the company or the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統). Creditors shall be entitled to claim full repayment of all debts owed by the Company or require that appropriate assurances be provided within 30 days of receiving the notice, or within 45 days of publication of the announcement if any such creditor does not receive the notice.

In the event of a merger of companies, the debts and liabilities of the merging parties shall be assumed by the surviving Company or the newly established Company after the merger.

If the Company is to be divided, its assets shall be divided accordingly.

In a division of the Company, a balance sheet and a property list shall be prepared. The Company shall notify its creditors within ten days of the date on which the division resolution is adopted, and shall publish the announcement within 30 days on the designated information disclosure media of the company or the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統).

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

The debts of a Company prior to its separation shall be jointly and severally liable to the Company after separation. However, unless otherwise agreed in the written agreement reached between the Company and the creditors on the settlement of debts before the separation.

When the Company needs to reduce its registered capital, it must prepare the balance sheet and property list.

The Company shall notify its creditors within 10 days as of the date of making the resolution on reducing the registered capital, and shall announce it on the designated information disclosure media of the company or the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統) within 30 days. Creditors shall be entitled to claim full repayment of all debts owed by the Company or require that appropriate assurances be provided within 30 days of receiving the notice, or within 45 days of publication of the announcement if any such creditor does not receive the notice.

When reducing its registered capital, the Company shall reduce the amount of capital contribution or Shares held by the Shareholders in proportion to their respective Shareholdings, unless otherwise provided for by law or the Articles of Association.

Dissolution and Liquidation of the Company

The Company shall be dissolved in accordance with the law under any of the following circumstances:

- (i) the term of business operation expires as specified by the Articles of Association or other matters leading to dissolution occur as specified by the Articles of Association;
- (ii) the shareholders’ meeting resolves to dissolve the Company;
- (iii) dissolution is necessary as a result of the merger or division of the Company;
- (iv) the Company’s business license is revoked or it is ordered to close down or it is deregistered according to laws; or
- (v) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding at least 10% of all shareholders’ voting rights of the Company may petition a People’s Court to dissolve the Company.

In the event of the circumstances specified in Article 189(1) and (2) of the Articles of Association, and if the property has not been distributed to the shareholders, the Company may continue its existence by amending the Articles of Association or by resolution of the shareholders’ meeting.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

Amendments to the Articles of Association in accordance with the preceding paragraph must be approved by more than two-thirds of the voting rights held by the shareholders present at the shareholders’ meeting. If the Company is dissolved due to the reasons specified in Article 189(1), (2), (4), and (5) of these Articles of Association, a liquidation committee shall be established within 15 days to commence liquidation. The liquidation committee shall comprise the directors, unless these Articles of Association stipulate otherwise or the general meeting resolves to elect other person(s). If the liquidation obligors fail to perform their liquidation obligations in a timely manner, causing losses to the Company or creditors, they shall bear the liability for compensation.

The liquidation committee shall notify creditors within ten days of its establishment, and shall announce it on the designated information disclosure media of the company or the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統) within 60 days. Creditors shall declare their claims to the liquidation committee within 30 days from the date of receipt of the written notice or, if they did not receive a written notice, within 45 days from the date of the announcement. When declaring their claims, creditors shall explain the particulars relevant to their claims and submit supporting documentation. The liquidation committee shall register the claims. During the period of declaration of claims, the liquidation committee shall not repay the debts to creditors.

After the liquidation committee has liquidated the Company’s property and prepared a balance sheet and property list, it shall formulate a liquidation plan and submit such plan to the shareholders’ meeting or the People’s Court where the Company is registered for confirmation.

The Company’s property remaining after payment of the liquidation expenses, the wages, social insurance premiums and statutory compensation of the employees, the taxes owed and all the Company’s debts shall be distributed by the Company to the shareholders in proportion to the shares they hold. During liquidation, the Company shall continue to exist but may not engage in any business activities unrelated to the liquidation. The Company’s property will not be distributed to the shareholders until repayment of its debts in accordance with the preceding paragraph.

If the liquidation committee, having liquidated the Company’s property and prepared a balance sheet and property list, discovers that the Company’s property is insufficient to pay its debts in full, it shall apply to the People’s Court for a declaration of bankruptcy in accordance with the law. After the People’s Court has ruled to declare the Company bankrupt, the liquidation committee shall turn over the liquidation matters to the bankruptcy administrator appointed by the People’s Court where the Company is registered.

APPENDIX III SUMMARY OF THE ARTICLES OF ASSOCIATION

AMENDMENT TO THE ARTICLES OF ASSOCIATION

In any of the following circumstances, the Company shall amend the Articles of Association:

- (i) after the PRC Company Law or relevant laws, administrative regulations, or securities regulatory rules of the place where the Company is listed are amended, the matters stipulated in the Articles of Association are in conflict with the provisions of the amended laws, administrative regulations, or securities regulatory rules;
- (ii) the circumstances of the Company have changed, which are inconsistent with the matters recorded in the Articles of Association; or
- (iii) the shareholders’ meeting decides to amend the Articles of Association.

If the matters regarding the amendment of the Articles of Association approved by the resolutions of the shareholders’ meeting require approval of the competent authorities, the amendments shall be submitted to the relevant authorities for approval. If the amendments involve the items subject to Company registration, the alteration registration shall be handled in accordance with the laws.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of Our Company

Our Company was established under the laws of the PRC with limited liability on April 14, 1992, and converted into a joint stock company with limited liability on February 24, 2003. The Company completed the listing of A Shares on the Shenzhen Stock Exchange (stock code: 002463.SZ) in August 2010.

We have registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on December 8, 2025, and have established a principal place of business in Hong Kong at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong. Mr. CHOW Tsz Ho has been appointed as the authorized representative of our Company for the acceptance of service of process and notices in Hong Kong.

As our Company is incorporated in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of our Articles of Association and relevant aspects of PRC law is set out in “Regulatory Overview” and “Appendix III — Summary of Articles of Association” in this document.

2. Changes in the Share Capital of Our Company

The following sets out the changes in our Company’s share capital within the two years immediately preceding the issue of this document:

- (i) On May 13, 2024, the total issued share capital of our Company increased from 1,907,951,023 to 1,911,999,270, upon the exercising of options previously granted.
- (ii) On November 7, 2024, the total issued share capital of our Company increased from 1,911,999,270 to 1,915,157,599, upon the exercising of options previously granted.
- (iii) On January 14, 2025, the total issued share capital of our Company increased from 1,915,157,599 to 1,918,136,273, upon the exercising of options previously granted.
- (iv) On December 29, 2025, the total issued share capital of our Company increased from 1,918,136,273 to 1,924,363,537, upon the exercising of options previously granted.

Save as disclosed above, there has been no alteration in our share capital within the two years immediately preceding the date of this document.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

3. Changes in the Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries are set out in Note 1 to the Accountant’s Report in Appendix I to this document. The following sets out the statutory changes in the share capital of our subsidiaries within the two years immediately preceding the issue of this document:

On December 5, 2024, the registered share capital of Jiangsu Schweizer increased from EU€87,716,023 to EU€109,687,500.

On April 11, 2025, Qingsong Sewage Treatment was established in the PRC with limited liability, with an initial registered share capital of RMB10,000,000.

On April 30, 2025, the registered share capital of Qingsong Sewage Treatment increased from RMB10,000,000 to RMB21,980,000.

On July 10, 2025, the share capital of WUS Singapore increased from US\$1,000,000 to US\$4,000,000.

On September 8, 2025, the registered capital of WUS Thailand increased from Baht6,380,000,000 to Baht6,490,363,900.

Save as disclosed above, there has been no alteration in the share capital of our subsidiaries within the two years immediately preceding the date of this document.

4. Resolutions of Our Shareholders

On November 17, 2025, resolutions of our Shareholders were passed pursuant to which, among other things:

- (a) the [REDACTED] of H Shares with a [REDACTED] of RMB1.00 each by our Company and such H Shares be [REDACTED] on the Stock Exchange;
- (b) the number of H Shares to be [REDACTED] pursuant to the [REDACTED] before the exercise of the [REDACTED] shall not exceed 15% of the enlarged share capital of our Company upon completion of the [REDACTED], and the [REDACTED] shall not exceed 15% of the above number of H Shares to be issued;
- (c) subject to the completion of the [REDACTED], the Articles of Association to become effective on the [REDACTED] shall be conditionally adopted, and the Board and its authorized person have been authorized to amend the Articles of Association in accordance with any comments from the relevant regulatory authorities; and
- (d) to authorize the Board and its authorized person to handle the matters relating to, among others, the [REDACTED], the [REDACTED] and [REDACTED] of the H Shares.

APPENDIX IV STATUTORY AND GENERAL INFORMATION

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

Our Group has entered into the following contracts (not being a contract entered into in the ordinary course of business) within the two years immediately preceding the date of this document that is or may be material:

- (a) [●]; and
- (b) the [REDACTED].

2. Our Intellectual Property Rights

(a) Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be material in relation to our business:

No.	Trademark	Class	Registrant	Place of registration	Registration number	Expiry date
1. . .		9	Our Company	PRC	1730013	March 13, 2032
2. . .	WUS-PCB	9	Our Company	PRC	9502706	June 27, 2032
3. . .	沪士电子	9	Our Company	PRC	9502639	July 13, 2032
4. . .	沪士电子	35	Our Company	PRC	74818378	April 13, 2034
5. . .		7	Our Company	PRC	74827735	April 20, 2034
6. . .		35	Our Company	PRC	74818369	June 20, 2034
7. . .	沪士电子	7	Our Company	PRC	74826593	June 20, 2034
8. . .	KEPZ WUS	9	WUS KEPZ	PRC	32175411	April 6, 2029
9. . .	胜伟策电子	9	Jiangsu Schweizer	PRC	71636721	November 6, 2033
10. .		9	Jiangsu Schweizer	PRC	71661164	November 27, 2033
11. .		7, 9, 35	Our Company	Hong Kong	307090380	November 11, 2035
12. .		7,9,35	Our Company	Thailand	251100492	December 21, 2033

APPENDIX IV STATUTORY AND GENERAL INFORMATION

(b) Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be material to our business:

No.	Patentee	Patent Name	Patent Category	Patent Number	Patent Application Date	Authorization Announcement Date
1 . . .	Our Company	A Process for Assisting Copper Removal from Hole Walls in Deep Drilling (一種深度鑽孔中輔助去除孔壁銅工藝)	Invention Patent	ZL200610028732.7	July 7, 2006	August 19, 2009
2 . . .	Our Company	Method for Deep Drilling of Printed Circuit Boards (印刷電路板深度鑽孔方法)	Invention Patent	ZL200710097346.8	May 11, 2007	August 19, 2009
3 . . .	Our Company	Method for Controlling the Depth of Double-Sided Press-Fit Blind Holes in a Printed Circuit Board (印刷線路板雙面插接盲孔深度控制方法)	Invention Patent	ZL201210363055.X	September 26, 2012	November 11, 2015
4 . . .	Our Company	Method for Manufacturing a High-Layer-Count, Ultra-Large-Size, High-Alignment Line-Card Printed Circuit Board (高層數超大尺寸高對準度線卡類印製線路板的製作方法)	Invention Patent	ZL201410660512.0	November 19, 2014	January 9, 2018
5 . . .	Our Company	A Back Drilling Method (一種背鑽方法)	Invention Patent	ZL201510396189.5	July 8, 2015	June 12, 2018
6 . . .	Our Company	A Method for Forming Semi-Embedded Circuits After Electroplating Fine Circuits on Copper Foil (一種用於在銅箔上電鍍精細線路後半埋嵌線路方法)	Invention Patent	ZL201810703307.6	June 29, 2018	October 23, 2020
7 . . .	Our Company	A Method for Forming Semi-Embedded Circuits After Fabricating Fine Circuits on Copper Foil by a Subtractive Etching Process (一種用於在銅箔上減蝕法製作精細線路後半埋嵌線路方法)	Invention Patent	ZL201810703306.1	June 29, 2018	October 23, 2020

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No.	Patentee	Patent Name	Patent Category	Patent Number	Patent Application Date	Authorization Announcement Date
8 . . .	Our Company	A Manufacturing Method for High-Alignment Back Drilling of Printed Circuit Boards (一種用於印製電路板高對準度背鑽的製作方法)	Invention Patent	ZL201910676978.2	July 25, 2019	May 11, 2021
9 . . .	Our Company	A PCB and Methods for Manufacturing and Back Drilling Thereof (一種PCB板及其製造和背鑽方法)	Invention Patent	ZL201910729395.1	August 8, 2019	May 11, 2021
10 . . .	Our Company	A Method for Monitoring Alignment Accuracy in Multiple Outer-Layer Drilling Operations of a PCB (一種PCB板外層多次鑽孔對準度監測方法)	Invention Patent	ZL201910744376.6	August 13, 2019	May 11, 2021
11 . . .	Our Company	An Inner-Layer Core Board, a Method for Manufacturing the Inner-Layer Core Board, and a Printed Circuit Board (一種內層原板、一種內層原板的製作方法以及一種印製電路板)	Invention Patent	ZL202210989728.6	August 18, 2022	December 16, 2025
12 . . .	Our Company	A Printed Circuit Board with a High Aspect Ratio and a Manufacturing Method Thereof (一種高厚徑比的印刷線路板及其製作方法)	Invention Patent	ZL202211015708.5	August 24, 2022	January 9, 2026
13 . . .	Our Company	A Stepped Groove and a Manufacturing Method Thereof (一種階梯槽及其製作方法)	Invention Patent	ZL202211694056.2	December 28, 2022	September 2, 2025
14 . . .	Our Company	Method for Preparing a PCB Having Stepped Grooves (具有階梯槽的PCB板的製備方法)	Invention Patent	ZL202211694620.0	December 28, 2022	November 28, 2025
15 . . .	Our Company	A Method for Machining Back-Drilled Holes of a Printed Circuit Board and a Printed Circuit Board (一種印製電路板的背鑽孔的加工方法和印製電路板)	Invention Patent	ZL202310087280.3	February 8, 2023	September 23, 2025
16 . . .	Our Company	A Double-Sided Press-Fit Blind-Hole Printed Circuit Board and a Manufacturing Method Thereof (一種雙面壓接盲孔印製電路板及其製作方法)	Invention Patent	ZL202310857028.6	July 13, 2023	September 16, 2025

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No.	Patentee	Patent Name	Patent Category	Patent Number	Patent Application Date	Authorization Announcement Date
17 . . .	Our Company	A Multi-Stage HDI Circuit Board and a Manufacturing Method Thereof (一種多階HDI線路板及其製作方法)	Invention Patent	ZL202311059758.8	August 22, 2023	September 16, 2025
18 . . .	Our Company	A PCB for Back-Drilling Alignment Detection and a Manufacturing Method Thereof (一種用於背鑽對準度檢測的PCB及其製作方法)	Invention Patent	ZL202311111763.9	August 31, 2023	December 16, 2025
19 . . .	Our Company	A Processing Method for Selectively Thickening Copper Plating in Designated Holes (一種實現指定孔孔銅加厚的作業方法)	Invention Patent	ZL202311157292.5	September 8, 2023	October 10, 2025
20 . . .	Our Company	A PCB and a Slot-Hole Fabrication Method Thereof (一種PCB及其槽孔製備方法)	Invention Patent	ZL202311203966.0	September 18, 2023	September 16, 2025
21 . . .	Our Company	A Treatment Method for Resolving Surface Ink Appearance Defects (一種解決表面油墨外觀缺陷的處理方法)	Invention Patent	ZL202311454530.9	November 3, 2023	October 17, 2025
22 . . .	Our Company	A Stepped-Structure Gold Finger and a Manufacturing Method Thereof (一種階梯結構金手指及其製作方法)	Invention Patent	ZL202311775214.1	December 22, 2023	December 16, 2025
23 . . .	Our Company	A Method for Up/Down Drilling Alignment of Large-Size Circuit Boards (一種大尺寸電路板up/down鑽孔對位方法)	Invention Patent	ZL202410202887.6	February 23, 2024	November 28, 2025
24 . . .	Our Company	A PCB Back-Drilling Processing Method and a PCB (一種PCB板背鑽加工方法及PCB板)	Invention Patent	ZL202410362469.3	March 28, 2024	January 6, 2026
25 . . .	Our Company	A Method, Apparatus, and Storage Medium for Determining High-Risk Links in a PCB (一種PCB的高風險鏈路確定方法、裝置及存儲介質)	Invention Patent	ZL202410374971.6	March 29, 2024	October 31, 2025
26 . . .	Our Company	A Press-Fit Blind-Hole PCB (一種壓接盲孔PCB板)	Utility Model	ZL202520337585.X	February 28, 2025	February 10, 2026

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No.	Patentee	Patent Name	Patent Category	Patent Number	Patent Application Date	Authorization Announcement Date
27 . . .	Our Company	An Embedded Circuit Board, a Manufacturing Method Thereof, and an Electronic Device (一種嵌入式電路板及其製作方法和電子器件)	Invention Patent	ZL202511518918.X	October 23, 2025	February 24, 2026
28 . . .	Our Company	A Manufacturing Method for a Bendable Embedded PCB and a PCB (一種可彎折嵌入式PCB的製作方法及PCB)	Invention Patent	ZL202511544184.2	October 28, 2025	March 31, 2026
29 . . .	WUS KEPZ	Substrate for a CAF-Resistant Printed Circuit Board and a Manufacturing Method Thereof (防CAF印刷線路板的基板及其製造方法)	Invention Patent	ZL201610110353.6	February 29, 2016	June 8, 2018
30 . . .	WUS KEPZ	Method for Preventing Electrochemical Migration Between Board Holes (避免板孔間電化學遷移的方法)	Invention Patent	ZL201710165408.8	March 20, 2017	June 25, 2019
31 . . .	WUS KEPZ	A Heat-Dissipation Substrate Structure and a Manufacturing Method Thereof (一種散熱基板結構及其製作方法)	Invention Patent	ZL201911012051.5	October 23, 2019	December 11, 2020
32 . . .	WUS KEPZ	A Method for Fabricating a Cavity Structure (一種腔結構的製作方法)	Invention Patent	ZL201911074899.0	November 6, 2019	January 6, 2023
33 . . .	WUS KEPZ	A Method for Manufacturing a PCB Without Annular Rings (一種無孔環的PCB板製作方法)	Invention Patent	ZL202010822748.5	August 17, 2020	December 22, 2020
34 . . .	WUS KEPZ	A Multi-Stage HDI-PCB and a Manufacturing Method Thereof (一種多階HDI-PCB板及其製作方法)	Invention Patent	ZL202111306532.4	November 5, 2021	April 30, 2024
35 . . .	WUS KEPZ	A Horizontal Copper Electroplating Apparatus and Method (一種水平電鍍銅的裝置及方法)	Invention Patent	ZL202210679005.6	June 16, 2022	January 23, 2024
36 . . .	WUS KEPZ	A Method for Processing a Copper-Based Circuit Board Having Bosses (一種具有凸台的銅基電路板的加工方法)	Invention Patent	ZL202211385120.9	November 7, 2022	February 14, 2025

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No.	Patentee	Patent Name	Patent Category	Patent Number	Patent Application Date	Authorization Announcement Date
37 . . .	WUS KEPZ	A Stacked Laser-Via Structure and a Manufacturing Method Thereof (一種疊鐳射孔結構及其製作方法)	Invention Patent	ZL202310055900.5	January 16, 2023	February 18, 2025
38 . . .	WUS KEPZ	A High-Reliability Through-Hole Copper-Plating Structure and a Manufacturing Method Thereof (一種高信賴性通孔鍍銅結構及其製造方法)	Invention Patent	ZL202310274525.3	March 21, 2023	March 25, 2025
39 . . .	WUS KEPZ	A Segmented-Conduction Through-Hole PCB and a Manufacturing Method Thereof (一種通孔分段導通式PCB板及其製作方法)	Invention Patent	ZL202310728088.8	June 19, 2023	February 14, 2025
40 . . .	WUS KEPZ	A Method for Preparing a High-Frequency Antenna Board (一種高頻天線板的製備方法)	Invention Patent	ZL202410123125.7	January 30, 2024	December 27, 2024
41 . . .	Jiangsu Schweizer	Electronic Component, Manufacturing Method Thereof, and Circuit Board Having the Electronic Component (電子部件及其製造方法和帶有電子部件的電路板)	Invention Patent	ZL201180065944.1	November 24, 2011	December 31, 2014
42 . . .	Jiangsu Schweizer	Electronic Assembly, Manufacturing Method Thereof, and Printed Circuit Board Having the Electronic Assembly (電子組件、其製造方法和具有電子組件的印刷電路板)	Invention Patent	ZL201480025043.3	March 11, 2014	February 22, 2019
43 . . .	Jiangsu Schweizer	Electronic Assembly and Method for Manufacturing the Electronic Assembly (電子組件和製造電子組件的方法)	Invention Patent	ZL201480025065.X	March 12, 2014	November 20, 2018
44 . . .	Jiangsu Schweizer	Radio-Frequency Antenna, Radio-Frequency Substrate Having the Radio-Frequency Antenna, and Manufacturing Method Thereof (射頻天線、具有射頻天線的射頻基底和製造方法)	Invention Patent	ZL201680046995.2	August 9, 2016	August 7, 2020
45 . . .	Jiangsu Schweizer	Electronic Switching Element and Modularly Constructed Power Converter (電子開關元件和模組化構造的變流器)	Invention Patent	ZL201680047523.9	August 10, 2016	January 25, 2022

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No.	Patentee	Patent Name	Patent Category	Patent Number	Patent Application Date	Authorization Announcement Date
46 . . .	Jiangsu Schweizer	Circuit Board Component and Method for Manufacturing the Circuit Board Component (電路板構件和用於製造電路板構件的方法)	Invention Patent	ZL201710518799.7	June 29, 2017	March 24, 2023
47 . . .	Jiangsu Schweizer	Electronic Assembly and Method for Manufacturing the Electronic Assembly (電子組件和用於製造電子組件的方法)	Invention Patent	ZL201710518797.8	June 29, 2017	March 15, 2022
48 . . .	Jiangsu Schweizer	Radio-Frequency Transmitting/Receiving Element and Method for Manufacturing the Radio-Frequency Transmitting/Receiving Element (射頻發射/接收元件和製造射頻發射/接收元件的方法)	Invention Patent	ZL201710535228.4	July 3, 2017	October 27, 2020
49 . . .	Jiangsu Schweizer	Method for Manufacturing a Circuit Board Component and a Circuit Board Component (用於製造電路板構件的方法和電路板構件)	Invention Patent	ZL201710563656.8	July 11, 2017	October 25, 2019
50 . . .	Jiangsu Schweizer	Method for Electrically Connecting Metal Contact Pads in a Printed Circuit Board and a Printed Circuit Board (使印刷電路板中的金屬觸片接通的方法和印刷電路板)	Invention Patent	ZL201810442050.3	May 10, 2018	July 13, 2021
51 . . .	Jiangsu Schweizer	Electronic Assembly and Printed Circuit Board (電子組件和印刷電路板)	Invention Patent	ZL201810455683.8	May 14, 2018	April 14, 2023
52 . . .	Jiangsu Schweizer	Printed Circuit Board Element with Integrated Electronic Switching Elements, Power Converter, and Method for Manufacturing the Printed Circuit Board Element (集成電子開關元件的印刷電路板元件、功率變換器以及製造印刷電路板元件的方法)	Invention Patent	ZL201910159098.8	March 4, 2019	October 18, 2022

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No.	Patentee	Patent Name	Patent Category	Patent Number	Patent Application Date	Authorization Announcement Date
53 . . .	Jiangsu Schweizer	Metal-Ceramic Module and Manufacturing Method Thereof, Circuit Board Module and Manufacturing Method Thereof (金屬陶瓷模組及其製造方法、電路板模組及其製造方法)	Invention Patent	ZL201910423638.9	May 21, 2019	August 8, 2023

(c) Copyrights

As of the Latest Practicable Date, we had registered the following copyrights which we consider to be material to our business:

No.	Copyright	Registrant	Registration number	Registration date
1. . .	WUS Electronics Supplier Management System V1.8 (滬士電子供應商管理系統V1.8)	Our Company	2012SR023617	March 27, 2012
2. . .	WUS Electronics Machining Program Auto-Layout Software V1.0 (滬士電子機加工程式自動排版軟件V1.0)	Our Company	2019SR0818457	August 7, 2019
3. . .	WUS Supplier Audit Platform System 1.0 (WUS供應商審核平台系統1.0)	Our Company	2024SR0530395	April 19, 2024
4. . .	WUS Statistical Modeling Software V1.0 (WUS統計建模軟件V1.0)	WUS KEPZ	2024SR0087600	January 12, 2024
5. . .	PCB Full-Process Traceability System V1.0 (PCB全流程追溯系統V1.0)	WUS KEPZ	2024SR2090651	December 16, 2024

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(d) Domain Names

As of the Latest Practicable Date, we had registered the following domain names which we consider to be material in relation to our business:

No.	Domain name	Registrant	Expiry date
1. . .	wustec.com	Our Company	January 25, 2033
2. . .	wuscn.com	Our Company	March 19, 2033
3. . .	wus-schweizer.com	Jiangsu Schweizer	February 3, 2033
4. . .	wustec.co.th	WUS Printed Circuit (Thailand) Co., Ltd.	August 5, 2035

Save as aforesaid, as of the Latest Practicable Date, there were no other trademarks, patents or other intellectual property rights which we consider to be material in relation to our business.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

(a) Interests of our Directors and chief executive

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]), the interests and/or short positions of our Directors and chief executive in the shares, underlying shares and debentures of our Company or our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to our Company and the Stock Exchange, once the H Shares are [REDACTED], are set out below:

(i) Interest in our Company

Name of Shareholder	Nature of interest ⁽¹⁾	Number of Shares held or interested	Description of Shares	Shareholding as of the Latest Practicable Date in total issued share capital of our Company	Shareholding upon completion of the [REDACTED]	
					in A Shares	in total issued share capital of our Company
Ms. CHEN May Fong ⁽²⁾	Interest in controlled corporation	391,611,200	A Shares	20.35%	[20.35]%	[REDACTED]%
Mr. WU Chuan Pin ⁽²⁾	Interest in controlled corporation	391,611,200	A Shares	20.35%	[20.35]%	[REDACTED]%

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Name of Shareholder	Nature of interest ⁽¹⁾	Number of Shares held or interested	Description of Shares	Shareholding as of the Latest Practicable Date in total issued share capital of our Company	Shareholding upon completion of the [REDACTED]	
					in A Shares	in total issued share capital of our Company
Mr. WU Chuanlin ⁽²⁾ . .	Interest in controlled corporation	391,611,200	A Shares	20.35%	[20.35]%	[REDACTED]%
Mr. KAO Wen-hsien ⁽³⁾ . .	Beneficial owner	833,600	A Shares	0.04%	[0.04]%	[REDACTED]%
Mr. SHYR Jyh-jong ⁽⁴⁾ . . .	Beneficial owner	381,632	A Shares	0.02%	[0.02]%	[REDACTED]%
Mr. ZHANG Jin ⁽⁵⁾	Beneficial owner	391,400	A Shares	0.02%	[0.02]%	[REDACTED]%

Notes:

- (1) All interests stated are long positions.
- (2) Each of Ms. CHEN May Fong, Mr. WU Chuan Pin and Mr. WU Chuanlin is a member of the Wu Family.

As of the Latest Practicable Date, (i) Biggering Holdings directly held 371,799,937 A Shares and was collectively wholly owned by the Wu Family; and (ii) Happy Union directly held 19,811,263 A Shares and was owned as to 75.82% by the Wu Family. Therefore, by virtue of SFO, each of Ms. CHEN May Fong, Mr. WU Chuan Pin and Mr. WU Chuanlin is deemed to be interested in the Shares held by both Biggering Holdings and Happy Union, which is 391,611,200 A Shares in total.
- (3) As of the Latest Practicable Date, Mr. KAO Wen-hsien was interested in 633,600 A Shares held by him and 200,000 A Shares held under the 2024 Share Option Incentive Plan.
- (4) As of the Latest Practicable Date, Mr. SHYR Jyh-jong was interested in 181,632 A Shares held by him and 200,000 A Shares held under the 2024 Share Option Incentive Plan.
- (5) As of the Latest Practicable Date, Mr. ZHANG Jin was interested in 191,400 A Shares held by him and 200,000 A Shares held under the 2024 Share Option Incentive Plan.

(ii) Interest in our associated corporations

So far as our Directors are aware, immediately following the completion of the [REDACTED], no Directors or the chief executive will, directly or indirectly, be interested in the shares or underlying shares of the associated corporations of our Company.

(b) Interests of our substantial Shareholders

Save as disclosed in the section headed “Substantial Shareholders” in this document, our Directors are not aware of any other person who will, immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]), have an interest or short position in the shares or underlying shares of any member of our Group which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10% or more of the issued voting shares of our Company or any other member of our Group.

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2. Directors’ Service Contracts

Each of our Directors [has entered] into a service contract with our Company. The principal particulars of these service contracts comprise (a) the term of the service; (b) termination provisions; and (c) dispute resolution provision. The service contracts are for a term of three years and may be renewed in accordance with our Articles of Association and the applicable laws, rules and regulations from time to time.

Save as disclosed above, none of our Directors have entered, or have proposed to enter, a service contract with any member of our Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

3. Directors’ Remuneration

For details of our Directors’ emoluments during the Track Record Period, see note 39 to the Accountant’s Report in Appendix I to this document.

D. 2024 SHARE OPTION INCENTIVE PLAN

The following is a summary of the principal terms of the 2024 Share Option Incentive Plan. Given no further share options will be granted under the 2024 Share Option Incentive Plan after the [REDACTED], the terms of the 2024 Share Option Incentive Plan are not subject to the provisions of Chapter 17 of the Listing Rules.

(a) Purpose

The purpose of the 2024 Share Option Incentive Plan is to further enhance our Company’s long-term incentive mechanism, attract and retain top talent, effectively motivate our Directors, senior management and key personnel, and to align the interests of our Shareholders with that of our Company and of our employees, which will benefit the long-term development of our Group.

(b) Administration

The 2024 Share Option Incentive Plan is subject to the administration by our Board.

(c) Participants

The eligible participants of the 2024 Share Option Incentive Plan include Directors, senior management and key personnels of our Group, and exclude independent Directors, supervisors, Shareholders or actual controllers who individually or collectively hold 5% or more of our Shares, and their respective spouses, parents, and children.

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(d) Source and maximum number of options

The Shares underlying the options to be granted under the 2024 Share Option Incentive Plan shall be A Shares issued by our Company. Each option granted represents the right to purchase one A Share within the exercise period at the exercise price. The maximum number of options that can be granted under the 2024 Share Option Incentive Plan is 30,000,000 options.

(e) Date of grant and duration

The date on which the options are granted shall be determined by our Board after the approval of the 2024 Share Option Incentive Plan by our Shareholders’ meeting and shall be a trading day. The initial grant of options to the participants shall be determined, announced and registered within 60 days upon approval of the 2024 Share Option Incentive Plan by our Shareholders’ meeting. The 2024 Share Option Incentive Plan shall be effective from the date of the initial grant of options under the plan up to the date when all of the options granted under the plan have been vested or void and lapsed, provided that the term of the 2024 Share Option Incentive Plan shall not exceed 48 months.

(f) Conditions to the grant of options

The options under the 2024 Share Option Incentive Plan will only be granted to selected participants if the following conditions are met:

- (i) The following circumstances have not occurred with respect to our Company:
 - an audit report with an adverse opinion or a disclaimer of opinion has been issued by the certified public accountant with respect to our Company’s accountant’s report for the most recent fiscal year;
 - an audit report with an adverse opinion or a disclaimer of opinion has been issued by the certified public accountant with respect to the internal control of the financial report for the most recent fiscal year;
 - our Company has not distributed dividends in accordance with the laws and regulations, our Articles of Association or our public commitment within 36 months after its [REDACTED];
 - applicable laws and regulations prohibit the implementation of share incentive; or
 - any other circumstances as determined by the CSRC; and
- (ii) with respect to a grantee, none of the following circumstances have occurred:
 - the grantee has been regarded as an inappropriate person by the stock exchange within the last 12 months;

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- the grantee has been regarded as an inappropriate person by the CSRC and its local office within the last 12 months;
- the grantee has received administrative penalty or been prohibited from entering into the securities market by the CSRC and its local office due to material non-compliance with applicable laws and regulations within the last 12 months;
- the grantee is not qualified to serve as a director or senior management according to the PRC Company Law;
- the grantee is prohibited from participating in any share incentive of listed companies according to applicable laws and regulations; or
- any other circumstances as determined by the CSRC.

(g) Exercise of options

Options may be exercised by a grantee provided that (i) the conditions set out under paragraph (f) above are still satisfied during the exercise period; and (ii) corporate-level and individual-level performance evaluations as set out in the 2024 Share Option Incentive Plan are satisfied. The number of options granted and the exercise prices will be adjusted upon the occurrence of certain events, including increase in the share capital by way of capitalization of capital reserves, subdivision and consolidation of shares, share placing and distribution of dividends.

The options under the 2024 Share Option Incentive Plan shall be exercised in accordance with the exercise schedule as set out under the 2024 Share Option Incentive Plan. The options granted may be exercised in two tranches of 50% and 50% in each of the two 12-month exercise periods that occur between the first trading date after 24 months from the date of grant and the last trading day within the 48 months of the date of grant, respectively.

(h) Exercise Price

The initial exercise price of the options granted under the 2024 Share Option Incentive Plan is RMB20.22, which is not lower than the nominal value of each A Share and not lower than 60% of the higher of (i) the average trading price of A Shares on the trading day immediately preceding the announcement of the 2024 Share Option Incentive Plan; and (ii) the average trading price of A Shares during the 120 trading days immediately preceding the announcement of the 2024 Share Option Incentive Plan.

(i) Adjustment

Subject to the other terms and conditions contained in the 2024 Share Option Incentive Plan, the number and/or exercise price of options granted may be adjusted upon the occurrence of certain events from the date of the announcement of the 2024 Share Option Incentive Plan to the completion of relevant registration or exercise by the grantee. These events include, as the case may be, capitalization of capital reserves, subdivision and consolidation of shares and distribution of dividends.

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(j) Outstanding options

As of the Latest Practicable Date, the number of outstanding options granted under the 2024 Share Option Incentive Plan was 29,540,000, representing approximately [REDACTED]% of the total issued Shares immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED]). As of the Latest Practicable Date, the outstanding options were held by 600 grantees. Assuming full exercise of all outstanding options granted under the 2024 Share Option Incentive Plan and the [REDACTED] is not exercised, the issued and outstanding shareholding of our Shareholders immediately following completion of the [REDACTED] will be diluted by approximately [REDACTED]%. The dilution effect on our earnings per Share would be approximately [REDACTED]%.

The table below sets forth the details of options granted to Directors, members of senior management or connected persons of our Company under 2024 Share Option Incentive Plan as of the Latest Practicable Date:

Name	Position in our Company	Address	Date of grant	Exercise period	Exercise price (RMB)	Number of outstanding options	Approximate percentage of issued share capital upon completion of [REDACTED] ⁽¹⁾
<i>Director and members of senior management of our Company</i>							
Mr. KAO Wen-hsien	Executive Director, head of business unit	Room 809, Building 3, No. 66 Heilongjiang North Road, Yushan Town, Kunshan, Jiangsu, PRC	September 27, 2024	September 28, 2026 to September 26, 2028	19.22	200,000	[REDACTED]%
Mr. SHYR Jyh-jong	Executive Director, head of business unit	6F, No. 77, Shisizhang Road, Xindian District, New Taipei City, Taiwan, PRC	September 27, 2024	September 28, 2026 to September 26, 2028	19.22	200,000	[REDACTED]%
Mr. ZHANG Jin	Executive Director, deputy head of business department	Room 1804, Building 3 Ziyou Dushi Garden, No. 468 Hengjing Road, Zhoushi Town, Kunshan, Jiangsu, PRC	September 27, 2024	September 28, 2026 to September 26, 2028	19.22	200,000	[REDACTED]%

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Name	Position in our Company	Address	Date of grant	Exercise period	Exercise price (RMB)	Number of outstanding options	Approximate percentage of issued share capital upon completion of [REDACTED] ⁽¹⁾
Mr. LEE Ming-kuei	Deputy general manager of our Company and secretary of our Board	Building 5, Unit 301, Aoyu Garden, Changjiang North Road, Kunshan, Jiangsu, PRC	September 27, 2024	September 28, 2026 to September 26, 2028	19.22	200,000	[REDACTED]%
Ms. CHU Pihsia	Chief financial officer	Unit 2201, Building 1, Yujingyuan, No. 8 Heilongjiang North Road, Kunshan, Jiangsu, PRC	September 27, 2024	September 28, 2026 to September 26, 2028	19.22	200,000	[REDACTED]%

Note:

- (1) The calculation is based on the assumption that the [REDACTED] is not exercised and no changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED].

The table below sets forth the details of outstanding options granted to other grantees (excluding Directors, members of senior management or connected persons of our Company) under the 2024 Share Option Incentive Plan as of the Latest Practicable Date:

Category by number of underlying A Shares	Number of grantees	Date of grant	Exercise period	Exercise price	Number of A Shares underlying the options granted	Approximate percentage of issued share capital upon completion of [REDACTED] ⁽¹⁾
1-50,000	477	September 27, 2024	September 28, 2026 to September 26, 2028	19.22	10,130,000	[REDACTED]%
50,001-100,000	58	September 27, 2024	September 28, 2026 to September 26, 2028	19.22	4,300,000	[REDACTED]%

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Category by number of underlying A Shares	Number of grantees	Date of grant	Exercise period	Exercise price	Number of A Shares underlying the options granted	Approximate percentage of issued share capital upon completion of [REDACTED] ⁽¹⁾
Over 100,000	60	September 27, 2024	September 28, 2026 to September 26, 2028	19.22	14,110,000	[REDACTED]%

Note:

- (1) The calculation is based on the assumption that the [REDACTED] is not exercised and no changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED].

E. OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty would be likely to fall upon any member of our Group.

2. Litigation

As of the Latest Practicable Date, so far as our Directors are aware, there is no litigation or claims of material importance pending or threatened against any member of our Group.

3. Joint Sponsors

The Joint Sponsors have made an [REDACTED] on our behalf to the [REDACTED] for the [REDACTED] of, and permission to [REDACTED] in, the H Shares in [REDACTED] and to be [REDACTED] pursuant to the [REDACTED].

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. The Joint Sponsors will receive an aggregate fee of US\$600,000 in total for acting as the sponsors for the [REDACTED].

4. No Material Adverse Change

Save as disclosed in this document, our Directors confirm that there has been no material adverse change in the financial or trading position of our Group since March 31, 2026, being the end of the period reported on in the Accountant’s Report in Appendix I to this document, and up to the date of this document.

APPENDIX IV STATUTORY AND GENERAL INFORMATION

5. Qualification and Consent of Experts

This document contains statements made by the following experts:

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited	Licensed to conduct Types 1 (Dealing in Securities), 2 (Dealing in Futures Contracts), 4 (Advising on Securities), 5 (Advising on Futures Contracts) and 6 (Advising on Corporate Finance) of the regulated activities under the SFO
HSBC Corporate Finance (Hong Kong) Limited	Licensed to conduct Type 6 (Advising on Corporate Finance) of the regulated activities under the SFO
Commerce & Finance Law Offices	Legal advisor to our Company as to PRC law and PRC data compliance law
W&W Partners (Thailand) Co., Ltd.	Legal advisor to our Company as to Thai data compliance law
CMD & Partners Attorneys at Law	Legal advisor to our Company as to Taiwan law
PricewaterhouseCoopers	Certified Public Accountants under the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
China Insights Industry Consultancy Limited	Independent industry consultant

None of the experts named above has any shareholding interest in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group save in connection with the [REDACTED] and the [REDACTED].

The experts named above have each given and have not withdrawn their respective written consents to the issue of this document with copies of their reports, letters, opinions or summaries of opinions (as the case maybe) and references to their names included in the form and context in which they are respectively included.

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6. Promoter

The promoters of our Company are all of the seven then shareholders of our Company immediately before our conversion into a joint stock company with limited liability. Save as disclosed in this document, within the two years immediately preceding the date of this document, no cash, securities, or other benefit has been paid, allotted or given, or has been proposed to be paid, allotted or given, to any of the promoters named above in connection with the [REDACTED].

7. Compliance Advisor

Our Company has appointed Somerley Capital Limited as our Compliance Advisor in compliance with Rule 3A.19 of the Listing Rules.

8. Preliminary Expenses

The Company did not incur material preliminary expenses for the purpose of the Listing Rules.

9. Binding Effect

This document shall have the effect, where an [REDACTED] is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance insofar as applicable.

10. Bilingual Document

The English language and Chinese language versions of this document are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

11. Miscellaneous

- (a) Save as disclosed in this document and to the knowledge of our Company, within the two years immediately preceding the date of this document:
 - (i) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of any member of our Group, and no Directors, promoters or experts named in “— E. Other Information — 5. Qualification and Consent of Experts” in this section have received any such payment or benefit;
 - (ii) no capital of any member of our Group has been issued or is proposed to be issued for cash or issued as fully or partly paid up otherwise than in cash;

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- (iii) none of our Directors or the experts named in “— E. Other Information — 5. Qualification and Consent of Experts” in this section have any interest, direct or indirect, in the promotion of, or in any assets which have been, acquired or disposed of by or leased to, any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group; and
 - (iv) no [REDACTED] (but not including [REDACTED] to [REDACTED]) have been paid or payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares or debentures of our Company.
- (b) Save as disclosed in this document:
 - (i) there is no arrangement under which future dividends are waived or agreed to be waived;
 - (ii) our Company has no outstanding convertible debt securities or debentures;
 - (iii) there are no founder, management or deferred shares in our Company or any of our subsidiaries;
 - (iv) no capital of any member of our Group is under option, or is agreed conditionally or unconditionally to be put under option;
 - (v) there has not been any interruption in the business of our Group which may have or have had a significant effect on our financial position in the 12 months immediately preceding the date of this document;
 - (vi) So far as is known to our Directors, none of our Directors or their close associates or any Shareholders who are expected to be interested in 5% or more of the issued share capital of our Company has any interest in the five largest customers or the five largest suppliers of our Group in each year during the Track Record Period; and
 - (vii) none of the Directors or any of the experts referred to in “— E. Other Information — 5. Qualification and Consent of Experts” below, is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group.

APPENDIX V DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE ON DISPLAY

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to a copy of this document and delivered to the Registrar of Companies in Hong Kong for registration were:

- (a) a copy of each of the material contracts referred to in “Statutory and General Information — B. Further Information About Our Business — 1. Summary of Material Contracts” in Appendix IV to this document; and
- (b) the written consents referred to in “Statutory and General Information — E. Other Information — 5. Qualification and Consent of Experts” in Appendix IV to this document.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange at www.hkexnews.hk and our Company at www.wustec.com for a period of 14 days from the date of this document:

- (a) the Articles of Association;
- (b) the audited consolidated financial statements of our Group for the years ended December 31, 2023, 2024, and 2025 and the three months ended March 31, 2026;
- (c) the Accountant’s Report from PricewaterhouseCoopers on the historical financial information of our Group for the years ended December 31, 2023, 2024, and 2025 and the three months ended March 31, 2026, the text of which is set out in Appendix I to this document;
- (d) the report on the unaudited [REDACTED] financial information of our Group from PricewaterhouseCoopers, the text of which is set out in Appendix II to this document;
- (e) the legal opinion issued by Commerce & Finance Law Offices, our PRC Legal Advisor, in respect of certain matters of our Group in the PRC;
- (f) the PRC data compliance memorandum issued by Commerce & Finance Law Offices, our legal advisor as to PRC data compliance law, in respect of PRC data compliance;
- (g) the Thailand data compliance legal opinion issued by W&W Partners (Thailand) Co., Ltd., our legal advisor as to Thai data compliance law, in respect of Thai data compliance;

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- (h) the legal opinion issued by CMD & Partners Attorneys at Law, our legal advisor as to certain aspects of Taiwan law;
- (i) the industry report issued by China Insights Industry Consultancy Limited, the summary of which is set forth in “Industry Overview” in this document;
- (j) the material contracts referred to in “Statutory and General Information — B. Further Information About Our Business — 1. Summary of Material Contracts” in Appendix IV to this document;
- (k) the service contracts referred to in “Statutory and General Information — C. Further Information About Our Directors and Substantial Shareholders — 2. Directors’ Service Contracts” in Appendix IV to this document;
- (l) the written consents referred to in “Statutory and General Information — E. Other Information — 5. Qualification and Consent of Experts” in Appendix IV to this document;
- (m) the PRC Company Law, the PRC Securities Law, and the Trial Measures for the Administration Related to the Overseas Securities Offering and Listing by Domestic Companies, together with unofficial English translations thereof; and
- (n) the terms of the 2024 Share Option Incentive Plan.

DOCUMENT AVAILABLE FOR INSPECTION

A copy of a full list of all the grantees under the 2024 Share Option Incentive Plan will be made available for public inspection at our Company’s Hong Kong legal advisor’s office in Hong Kong at 22/F, Bank of China Tower, 1 Garden Road, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this document.