SUMMARY

OVERVIEW

Who We Are

We are a globally prominent provider of electronic metal powder materials, specializing in the research and development (R&D), production and sales of high-end metal powder materials. Leveraging our self-developed PVD-based technology platform, we provide core metal powder materials for manufacturers of multilayer ceramic capacitors (MLCCs), low-silver and silver-free photovoltaic (PV) electrode materials, solid-state battery anode materials and other electronic components.

With years of technical expertise in high-end metal powder materials, we have become one of the key material providers in the electronic components industry chain, breaking the long-term monopoly held by overseas companies in the field of nickel powder for high-end MLCCs. According to the Frost & Sullivan Report, we have achieved a global leading position in terms of revenue in 2025. Specifically, among global suppliers of MLCC nickel powders, we ranked second in 2025, with a market share of approximately 11.0%, demonstrating strong technological and industrial capabilities in the high-end electronic metal powder sector.

Our main products include nickel-based products, copper-based products, silver powders and alloy powders, which are widely used in consumer electronics, automotive electronics, industrial automation, artificial intelligence (AI), PV new energy, semiconductor packaging, and other fields. Nickel powder is primarily used as electrode material for MLCCs, serving as a key raw material in electronic component manufacturing. Copper powder and silver-coated copper powder can be widely applied in low-silver/silver-free photovoltaic applications, significantly reducing the production cost of PV cells. Electronic devices are becoming smaller, more reliable, and higher performing. This evolution drives a growing demand and higher performance requirements for high-end metal powder materials across industries like AI servers, high-end consumer electronics, new energy vehicles and photovoltaics. The following diagram illustrates our key achievements:

R&D Capabilities

PVD-based Technology Platform

- Self-developed, with scalable platform capabilities;
- A global leader in achieving large-scale production of 80nm nickel powder;[(1)]
- Supports multi-material expansion including nickel, copper, silver-coated copper, silver and alloy powders

Market Position

A Solid Market Position in the Global Market for High-end Electronic Metal Powder Materials

- Rank No.2 globally in MLCC nickel powder market;[(2)]
- Breaking the long-term monopoly held by overseas companies in the field of nickel powder for high-end MLCCs

Customer Base

A Core Provider Recognized by Globally Leading MLCC Manufacturers

- Core provider to global leading MLCC manufacturers, which are benefiting from increasing demand driven by AI servers;
- Long certification cycle from customer;
- Around ten-year relationships with major customers[(3)]

Financial & Growth Engine

Strong financial performance and multi-growth engines driven by product diversification

- 29.3% revenue CAGR during Track Record Period;
- 165.8% EBITDA CAGR during Track Record Period;[(4)]
- Continuous expansion into new application areas driven by platform-based capabilities

Notes:

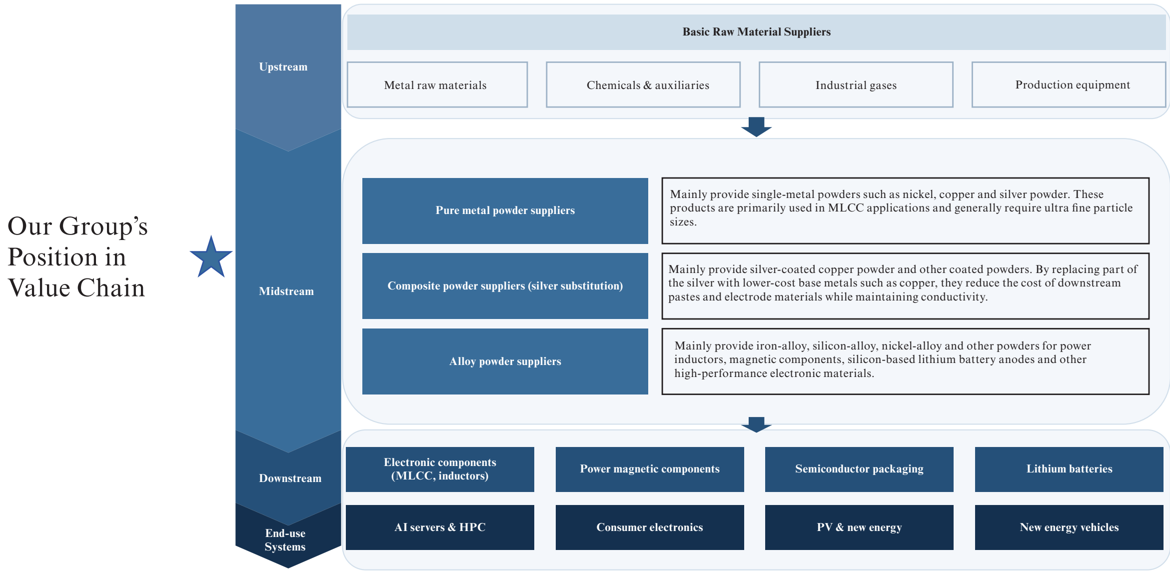
(1) According to Frost & Sullivan.

(2) In terms of revenue in 2025, according to Frost & Sullivan.

(3) Average length of our business relationships with our top five customers during the Track Record Period, calculated for each year/period respectively, based on the number of years we have cooperated with those customers.

(4) Base on Non-IFRS Measure.

The Value Chain of our Group in Electronic Metal Powders



According to Frost & Sullivan, we are positioned at the midstream of the electronic metal powders value chain, our upstream are the raw material suppliers, while the major downstream application fields of electronic metal powders include MLCC, PV cell electrodes, semiconductor packaging, etc. For details of the value chain of the electronic metal powders and the positioning of our Group, please see "Industry Overview — Industry Ecosystem Analysis of Electronic Metal Powders" in this document.

Market Opportunities

With the rapid development of emerging industries such as AI, high-performance computing and new energy vehicles, the demand for high-end MLCCs continues to grow. According to the Frost & Sullivan Report, the global market size for MLCC nickel powder reached RMB7.8 billion in 2025, and is expected to grow at a CAGR of 12.5% from 2025 to 2035. In particular, high-end MLCC nickel powder used in AI servers, communications, smart terminals and other applications is driving the continuous expansion of the high-end metal powder materials market. With the ongoing improvement of AI computing power and the resulting increase in chip power consumption, performance requirements for electronic components have risen, while the dimensions of capacitors and inductors are shrinking. This trend has significantly increased the demand for small-particle-size electronic metal powders. At the same time, we are actively expanding into new material application fields, including PV cell materials, advanced battery anode materials and semiconductor packaging materials, in order to further diversify our product portfolio and cultivate new business growth drivers.

OUR STRENGTHS

We believe that the following strengths contribute to our success, and distinguish us from our competitors:

- PVD-based Technology Platform and Robust R&D Capabilities
- A Solid Market Position in the Global Market for High-end Electronic Metal Powder Materials
- A Core Provider Recognized by Globally Leading MLCC and Electronic Component Manufacturers, Maintaining Stable and Long-term Customer Relationships

- Continuous Product Innovation Capability and Diversified Product Portfolio Enabled by our Technology Platform
- An Experienced Management Team with a Global Strategic Vision

See "Business — Our Strengths" for more details.

OUR STRATEGIES

We plan to implement the following strategies:

- Expanding Production Capacity and Enhancing Production Efficiency to Meet Growing Market Demand
- Leveraging Our Core PVD-based Technology Platform to Strengthen R&D Capabilities and Consolidate our Leading Position in High-end MLCC Materials
- Continuing to Expand Our Diversified Product Portfolio for Emerging Application Areas
- Promoting Industry Chain Integration and Coordinated Development
- Building a Professional and International Talent Team to Solidify the Foundation for Long-term Development

See "Business — Our Strategies" for more details.

OUR PRODUCTS

Our product portfolio primarily includes (i) nickel-based products, including nano-size and submicron-size nickel powders, (ii) copper-based products, including submicron-size and micron-size copper powders and silver-coated copper powders, (iii) silver powders, including submicron-size and micron-size silver powders, and (iv) alloy powders, including submicron-size and micron-size alloy powders. These products serve as essential foundational materials for the electronic information industry, and are primarily used in the manufacturing of electronic components, with wide applications in areas such as consumer electronics, automotive electronics, industrial automation, AI, PV new energy, and semiconductor packaging. In particular, our nickel powders are widely used as internal electrode materials in the production of MLCCs, serving as a key raw material in the electronic component manufacturing process. Our copper powder and silver-coated copper powder can be broadly applied in the low-silver/silver-free PV sector, significantly reducing the production cost of PV cells. Our alloy powders are used in applications such as magnetic materials and cemented carbides.

Through continuous development of our product portfolio, we aim to address the increasingly sophisticated demand trends in downstream applications, including the trend toward smaller dimensions, higher capacitance and enhanced reliability in the MLCC market, and to provide comprehensive electronic-specific high-end metal powder solutions for a wide range of downstream customers.

The table below sets forth a breakdown of our revenue by product category accounted for revenue from contracts with customers:

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Types of goods						
Nickel-based products	500,248	72.6	684,565	72.4	861,705	74.8
Copper-based products	78,008	11.3	121,968	12.9	121,451	10.6
Silver powders	24,338	3.6	44,097	4.7	52,623	4.6
Alloy powders	4,278	0.6	7,496	0.8	26,612	2.3
Others[(1)]	81,834	11.9	86,981	9.2	89,203	7.7
Total	**688,706**	**100.0**	**945,107**	**100.0**	**1,151,594**	**100.0**

Note:

(1) Others include revenue from the sale of scrap materials, such as nickel scrap, copper scrap and silver scrap.

The following table sets forth a breakdown of our gross profit and gross profit margin by product category for the years indicated:

	For the Year Ended December 31,					
	2023		2024		2025	
	Gross Profit	**Gross Profit Margin**	**Gross Profit**	**Gross Profit Margin**	**Gross Profit**	**Gross Profit Margin**
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Nickel-based products	59,592	11.9	153,368	22.4	315,517	36.6
Copper-based products	11,780	15.1	22,728	18.6	32,628	26.9
Silver powders	3,676	15.1	4,248	9.6	3,583	6.8
Alloy powders	(33)	(0.8)	3,304	44.1	16,534	62.1
Others[(1)]	(3,891)	(4.8)	386	0.4	(385)	(0.4)
Total	**71,124**	**10.3**	**184,034**	**19.5**	**367,877**	**31.9**

Note:

(1) Others include gross (loss) profit generated from the sales of scrap materials.

See "Financial Information — Description of Key Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income" for more details.

The following table sets forth the production volume, sales volume and average selling price for our major products (i.e., nickel-based products, copper-based products, silver powders and alloy powders) for the years indicated:

	For the Year Ended December 31,								
	2023			2024			2025		
	Production Volume	*Sales Volume*	*Average Selling Price*	*Production Volume*	*Sales Volume*	*Average Selling Price*	*Production Volume*	*Sales Volume*	*Average Selling Price*
	(Production Volume and Sales Volume in tons; Average Selling Price in RMB thousands/tons)								
Nickel-based products	1,119.8	1,045.2	478.6	1,414.5	1,421.2	481.7	1,314.5	1,448.1	595.0
Copper-based products	112.3	82.5	945.2	135.5	150.6	809.9	188.6	200.6	605.5
Silver powder	3.0	4.5	5,460.8	6.5	6.5	6,800.3	5.5	6.2	8,526.9
Alloy powder products	7.1	7.7	556.9	14.9	12.5	600.0	54.4	41.3	644.3

See "Business — Our Products — Key Operating Data" for more details.

OUR RESULTS

During the Track Record Period, the growing adoption of new energy vehicles, AI servers and high-performance consumer electronics continued to drive the need for smaller, higher-capacitance MLCCs and high-performance inductors, benefiting our nickel-based products and alloy powders. In the PV industry, the ongoing drive of low-silver and silver-free PV electrode materials and the reduction of production costs has fostered the development of silver-substitution technologies, which in return sustaining the demand for copper powders and silver-coated copper powders. Benefiting from the above industry trends and our product optimization, our revenue increased from RMB688.9 million in 2023 to RMB945.3 million in 2024 and further to RMB1,151.8 million in 2025, representing a CAGR of 29.3%. Our EBITDA (non-IFRS measure) increased from RMB47.9 million in 2023 to RMB183.1 million and further to RMB338.4 million in 2025, representing a CAGR of 165.8%.

RESEARCH AND DEVELOPMENT

We have been committed to investing in R&D since our incorporation in 2010, a commitment that has been pivotal to our success to date. In 2023, 2024 and 2025, we incurred research and development costs of RMB68.5 million, RMB50.2 million and RMB48.0 million, respectively, representing 10.0%, 5.3% and 4.2% of our total revenue for the respective periods. Our R&D efforts are aimed at further broadening and deepening our product offering and better addressing our customers' customized needs.

We have built a PVD-based technology platform, comprising two proprietary powder production technologies: transferred arc plasma technology and non-transferred arc plasma technology. Complementing these core PVD technologies, we have also developed proprietary particle classification technologies that are applied after our PVD-based powder production to classify the resulting powders. Leveraging these technologies, we are able to produce metal powder materials with greater performance stability. Moreover, by extending our PVD technology to different material systems, we have gradually developed scalable and replicable material development capabilities that support our diversified product development and expansion into new application fields.

See "Business — Research and Development" for more details.

PRODUCTION

As of the Latest Practicable Date, we operated two major production bases in Ningbo and Suqian, with each production base comprising two factories. As of December 31, 2025, we had a production team of 825 personnel, supporting the operation of our production bases in China.

Our production model is a hybrid of "make-to-order" and "reasonable inventory," which allows us to balance capital occupation and delivery pressure, respond to market uncertainties and customized needs, stabilize production capacity fluctuations and optimize cost structure.

See "Business — Production" for more details.

RAW MATERIALS AND SUPPLIERS

During the Track Record Period, our raw material purchases primarily consisted of nickel ingots and nickel beads, copper rods, silver sand and other auxiliary materials. We mainly source these raw materials from Chinese Mainland.

We have established a rigorous procurement process and supplier selection system for the materials required in our production. This enables us to effectively control procurement costs while ensuring product quality, thereby mitigating the adverse effects of raw material price fluctuations on our results of operations.

Purchases from our largest suppliers for the years ended December 31, 2023, 2024 and 2025 amounted to RMB124.5 million, RMB126.2 million and RMB151.5 million, accounting for 32.0%, 30.7% and 27.9%, respectively, of our total purchase amount for the respective periods. Purchases from our five largest suppliers for the years ended December 31, 2023, 2024 and 2025 amounted to RMB283.9 million, RMB317.2 million and RMB405.3 million, accounting for 72.9%, 77.3% and 74.6%, respectively, of our total purchase amount for the respective periods.

For each year during the Track Record Period, none of our five largest suppliers were also our customers.

See "Business — Raw Materials and Suppliers" for more details.

SALES, DISTRIBUTION AND MARKETING

We primarily adopt a direct sales model, under which our internal sales teams engage directly with downstream customers. Our direct sales channel serves a diverse range of customers, including manufacturers of electronic components such as MLCCs, paste manufacturers, and PV companies. In addition to direct sales, we also sell our products to distributors who resell them to other end users, which allows us to expand our customer base and enhance market penetration.

The following table sets forth the details of our revenue from direct sales and distributors for our products during the Track Record Period:

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except percentages)					
Direct Sales	641,218	93.1	892,500	94.4	1,086,097	94.3
Distributors	47,488	6.9	52,607	5.6	65,497	5.7
Total	**688,706**	**100.0**	**945,107**	**100.0**	**1,151,594**	**100.0**

Revenue generated from our largest customer for the years ended December 31, 2023, 2024 and 2025 amounted to RMB271.8 million, RMB456.3 million and RMB518.7 million, accounting for 39.4%, 48.3% and 45.0%, respectively, of our total revenue for the respective periods. Revenue generated from our five largest customers for the years ended December 31, 2023, 2024 and 2025 amounted to RMB525.5 million, RMB724.8 million and RMB875.2 million, accounting for 76.3%, 76.7% and 76.0%, respectively, of our total revenue for the respective periods.

In particular, we have established a long-term, mutually beneficial strategic relationship with our largest customer during the Track Record Period. This customer lacks the in-house capability to produce metal powders for MLCCs on a large scale and relies on external sourcing of nickel and copper powders for its MLCC production. Given the limited number of qualified suppliers, the customer chose to form a long-term and stable partnership with us to ensure a steady supply and stable pricing of metal powders. Concurrently, leveraging its leading position in MLCC manufacturing technology, this customer has continuously imposed higher technical and quality requirements on our nickel powders, guiding us to persistently advance our R&D and equipment upgrades for metal powder downstream development. As a result, the business relationship between us has lasted for nearly ten years, and remains stable and sustainable, with no significant risks of uncertainty.

For each year during the Track Record Period, none of our five largest customers were also our suppliers.

During the Track Record Period, we primarily sold our products to customers in Chinese Mainland, Korea, Taiwan, China, Japan and other regions. The following table sets forth the breakdown of our revenue by geographical location (based on the location of the customers) for our products for the periods indicated:

	For the Year Ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except percentages)					
Chinese Mainland	306,745	44.6	371,149	39.3	495,630	43.0
Korea	323,788	47.0	517,650	54.8	590,252	51.2
Taiwan, China	45,250	6.6	39,485	4.2	44,795	3.9
Japan	10,935	1.6	14,453	1.5	19,333	1.7
Other regions[1]	1,988	0.3	2,370	0.3	1,584	0.1
Total	**688,706**	**100.0**	**945,107**	**100.0**	**1,151,594**	**100.0**

Note:

(1) Other regions primarily include Singapore and Malaysia.

See "Business — Sales, Distribution and Marketing" for more details.

COMPETITION

We mainly operate in the electronic metal powder industry, which is characterized by rapid technological iteration and a highly concentrated competitive landscape.

Driven by advancements in electronic component manufacturing processes and technologies, as well as growing demand from downstream application sectors, electronic components such as MLCCs are trending toward greater integration, miniaturization and higher capacitance. This trend imposes higher quality requirements on the production and R&D of metal powder materials. In particular, the global supply market for MLCC nickel powders is highly concentrated, with major suppliers primarily located in Japan and Chinese Mainland.

RISK FACTORS

Our business and the [REDACTED] involve certain risks as set out in "Risk Factors" in this document. You should read that section in its entirety carefully before you decide to invest in our Shares. We believe the most significant risks we face include but are not limited to the following:

- A substantial portion of our revenue was generated from a small number of customers during the Track Record Period. The loss of, or significant reduction in the purchases by, one or more of such customers could materially and adversely affect our business, financial condition and results of operations.
- Fluctuations in raw material prices may have a material and adverse effect on our business, financial condition and results of operations.
- We face intense market competition, and the electronic metal powder industry may undergo unforeseen changes during rapid development. If we fail to compete successfully, our business and results of operations may be materially and adversely affected.
- We rely on the market demand from the MLCC industry for our nickel-based products. Any slowdown or decrease in downstream demand, or technological developments that result in substitute products or processes may have a material and adverse impact on us.
- New market opportunities may not develop as quickly as we expect, or at all, which may limit our ability to successfully sell our products.

See "Risk Factors" for more details.

OUR SINGLE LARGEST SHAREHOLDERS GROUP

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Mr. Wang, through Lianfeng Investment and Guanghongyuan, and Mr. YANG Chao (楊超), through Ningbo Shenyang, will be entitled to exercise or control the exercise of an aggregate of approximately [REDACTED]% of the voting power at general meetings of our Company and will constitute the Single Largest Shareholders Group of our Company under the Listing Rules.

See "Relationship with Our Single Largest Shareholders Group" for more details.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

Summary of Consolidated Statements of Profit or Loss

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

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Revenue	**688,907**	**100.0**	**945,310**	**100.0**	**1,151,763**	**100.0**
Cost of sales	(617,582)	(89.6)	(761,073)	(80.5)	(783,798)	(68.1)
Gross profit	**71,325**	**10.4**	**184,237**	**19.5**	**367,965**	**31.9**
Other income and other expenses	15,782	2.3	22,043	2.3	13,982	1.2
Other gains and losses	3,170	0.5	3,230	0.3	(1,616)	(0.1)
Impairment losses under expected credit loss ("**ECL**") model, net of reversal	2,759	0.4	(54)	(0.0)	(7,146)	(0.6)
Selling and distribution expenses	(5,769)	(0.9)	(6,237)	(0.7)	(7,464)	(0.6)
Administrative expenses	(46,597)	(6.8)	(55,267)	(5.8)	(68,978)	(6.0)
Research and development costs	(68,480)	(10.0)	(50,179)	(5.3)	(47,994)	(4.2)
Finance costs	(4,963)	(0.7)	(4,071)	(0.4)	(3,546)	(0.3)
Share of results of associates	—	—	(1,376)	(0.1)	(2,723)	(0.2)
(Loss) profit before tax	**(32,773)**	**(4.8)**	**92,326**	**9.8**	**242,480**	**21.1**
Income tax credit (expenses)	462	0.1	(4,851)	(0.5)	(23,292)	(2.1)
(Loss) profit for the year	**(32,311)**	**(4.7)**	**87,475**	**9.3**	**219,188**	**19.0**
Other comprehensive expense	(54)	(0.0)	(70)	(0.1)	(1)	(0.0)
Total comprehensive (expense) income	**(32,365)**	**(4.7)**	**87,405**	**9.2**	**219,187**	**19.0**
For the year attribute to:						
Owners of the Company	(32,365)	(4.7)	87,405	9.2	219,187	19.0
EBITDA (non-IFRS measure)	**47,888**	**7.0**	**183,122**	**19.4**	**338,417**	**29.4**

Non-IFRS Measure

To supplement our consolidated statements of profit or loss and other comprehensive income which are presented in accordance with IFRS Accounting Standards, we also use EBITDA (non-IFRS measure), which is not required by, or presented in accordance with, IFRS Accounting Standards. We define EBITDA (non-IFRS measure) as (loss)/profit for the year plus (i) depreciation and amortization, which represents the depreciation of property, plant and equipment and right-of-use assets and the amortization of intangible assets, (ii) finance costs, and (iii) income tax credit/(expenses), minus interest income for the year.

We believe that this non-IFRS measure facilitates comparisons of operating performance from year to year and company to company. We believe that this measure provides useful information to investors and others in understanding and evaluating our results of operations in the same manner as it assists our management. However, our presentation of EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measure has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS. The following table sets forth a reconciliation of our EBITDA (non-IFRS measure) in accordance with IFRS for the years indicated:

	For the Year Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
(Loss)/profit for the year	(32,311)	87,475	219,188
Add:			
Depreciation and amortization	80,151	88,637	93,088
Finance costs	4,963	4,071	3,546
Income tax credit/(expenses)	(462)	4,851	23,292
Less:			
Interest income	4,453	1,912	697
EBITDA (non-IFRS measure)	**47,888**	**183,122**	**338,417**

Summary of Consolidated Statements of Financial Position

The following table sets forth our consolidated statements of financial position as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Non-current assets	1,146,650	1,125,484	1,458,622
Current assets	795,069	661,716	805,902
Total assets	**1,941,719**	**1,787,200**	**2,264,524**
Non-current liabilities	37,304	60,004	59,895
Current liabilities	326,136	192,155	489,777
Total liabilities	**363,440**	**252,159**	**549,672**
Net current assets	468,933	469,561	316,125
Net assets	1,578,279	1,535,041	1,714,852
Total Equity	**1,578,279**	**1,535,041**	**1,714,852**

We recorded net current assets throughout the Track Record Period. Our net current assets increased by 0.1% from RMB468.9 million as of December 31, 2023 to RMB469.6 million as of December 31, 2024, primarily due to (i) a decrease in trade and other payables of RMB80.8 million, mainly as a result of our gradual completion of construction projects and the corresponding decrease in other payables in relation to property and equipment, and (ii) a decrease in bank borrowings of RMB60.1 million, mainly as a result of the repayment of certain bank borrowings, partially offset by a decrease in inventories of RMB145.7 million, mainly attributable to our destocking driven by the gradual recovery of downstream consumer electronics industry.

Our net current assets decreased by 32.7% from RMB469.6 million as of December 31, 2024 to RMB316.1 million as of December 31, 2025, primarily due to the increases in (i) bank borrowings of RMB180.1 million, mainly as a result of our capacity expansion, and (ii) trade and other payables of RMB110.0 million, which was mainly attributable to payables for equipment and materials in connection with our production capacity expansion, partially offset by an increase in trade and other receivables of RMB174.4 million, mainly as a result of the increase in revenue in the fourth quarter of 2025.

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows for the periods indicated.

	For the Year Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash from operating activities	179,721	295,093	134,713
Net cash used in investing activities	(221,309)	(99,122)	(320,663)
Net cash (used in)/from financing activities	(45,532)	(206,712)	131,940
Net decrease in cash and cash equivalents	(87,120)	(10,741)	(54,010)
Cash and cash equivalents at the beginning of the year	**178,886**	**95,732**	**89,807**
Effect of foreign exchange rate changes	3,966	4,816	1,423
Total cash and cash equivalents at end of the year	**95,732**	**89,807**	**37,220**

During the Track Record Period, we have historically funded our cash requirements principally from cash generated from our business operations and short-term working capital loans. After the [REDACTED], we intend to finance our future capital requirements through cash generated from our business operations and the [REDACTED] from the [REDACTED].

Taking into account the financial resources available to us, including our cash and cash equivalents on hand, operating cash flows, available financing facilities and the estimated [REDACTED] from the [REDACTED], our Directors are of the view that we have sufficient working capital to meet our present needs and for at least the next 12 months from the date of this document.

KEY FINANCIAL RATIOS

The following table sets forth some of our key financial ratios for the periods indicated.

	As of/For the Year Ended December 31,		
	2023	2024	2025
Revenue growth rate (%)	N/A	37.2	21.8
Gross profit margin (%)	10.4	19.5	31.9
Net profit/(loss) margin (%)	(4.7)	9.3	19.0
Current ratio(1)	2.4	3.4	1.6
Quick ratio(2)	1.1	1.9	1.0

Notes:

(1) Current ratio equals total current assets as of the respective date divided by total current liabilities as of the relevant year end.

(2) Quick ratio equals current assets excluding inventories divided by current liabilities as of the relevant year end.

See "Financial Information — Key Financial Ratios" for more details.

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE

In December 2020, our Company completed the initial public offering of A Shares on the main board of Shanghai Stock Exchange (stock code: 605376) (the "**A-Shares Listing**"). As advised by our PRC Legal Adviser, as of the Latest Practicable Date, our Directors confirmed that we had no instances of material non-compliance with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there were no material matters that should be brought to the investors' attention in relation to our compliance record on the Shanghai Stock Exchange.

See "History, Development and Corporate Structure — Our Listing on the Shanghai Stock Exchange and reasons for the [REDACTED]"

[REDACTED] STATISTICS

This document is published in connection with the [REDACTED] as part of the [REDACTED]. The [REDACTED] of the H Shares on the Stock Exchange is sponsored by the Sole Sponsor. The Sole Sponsor has made an application on behalf of our Company to the Stock Exchange for the [REDACTED] of, and permission to [REDACTED] in, the H Shares in issue and to be issued as mentioned in this document.

[REDACTED] H Shares will initially be made available under the [REDACTED] comprising:

(a) the [REDACTED] of initially [REDACTED] H Shares (subject to [REDACTED]) in Hong Kong as described in "— The [REDACTED]" below; and

(b) the [REDACTED] of initially [REDACTED] H Shares (subject to [REDACTED] and the [REDACTED]) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, as described in "— The [REDACTED]" below.
Investors may either:

(i) apply for [REDACTED] under the [REDACTED]; or

(ii) apply for or indicate an interest for [REDACTED] under the [REDACTED], but may not do both. The [REDACTED] will represent approximately [REDACTED]% of the total Shares in issue immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised). The number of [REDACTED] to be [REDACTED] under the [REDACTED] and the [REDACTED] may be subject to [REDACTED] as described in the paragraph headed "— The [REDACTED]" below. References in this document to applications, application monies or the procedure for applications relate solely to the [REDACTED].

[REDACTED] Statistics

[REDACTED] size	:	Initially [REDACTED]% of our enlarged issued share capital
[REDACTED]	:	Up to [REDACTED]% of our initial [REDACTED]
[REDACTED] per [REDACTED]	:	HK$[REDACTED] to HK$[REDACTED] per [REDACTED]
[REDACTED] Structure	:	[REDACTED]% [REDACTED] and [REDACTED]% [REDACTED] (subject to [REDACTED] and the [REDACTED])

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

Note:

(1) All statistics in this table are presented based on the assumption that the [REDACTED] is not exercised.

(2) The unaudited [REDACTED] adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share are calculated after the adjustments referred to in "Appendix II — Unaudited [REDACTED] Financial Information" to this Document and on the basis that [REDACTED] Shares were in issue immediately following completion of the [REDACTED] and without taking into account any Shares which may be allotted and issued upon the exercise of the [REDACTED].

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED] commissions and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] expenses will be approximately HK$[REDACTED] million (assuming the [REDACTED] of HK$[REDACTED] per [REDACTED] and no exercise of the [REDACTED]), representing [REDACTED]% of the gross [REDACTED] of the [REDACTED]. We expect to incur [REDACTED] expenses of approximately HK$[REDACTED] million, of which approximately HK$[REDACTED] million is expected to be recognized in the consolidated statements of profit or loss as administrative expenses and approximately HK$[REDACTED] million is expected to be recognized as a deduction in equity directly upon the [REDACTED]. Our Directors do not expect such expenses to materially impact our results of operations in 2026. By nature, our [REDACTED] expenses are composed of (i) [REDACTED] commission and discretionary fees of approximately HK$[REDACTED] million; and (ii) non-[REDACTED] related expenses of approximately HK$[REDACTED] million, which consist of fees and expenses of legal advisers and Reporting Accountants of approximately HK$[REDACTED] million and other fees and expenses of approximately HK$[REDACTED] million.

See "Financial Information — [REDACTED] Expenses" for more details.

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK$[REDACTED] million, after deducting [REDACTED] commissions, fees and estimated expenses payable by us in connection with the [REDACTED], assuming an [REDACTED] of HK$[REDACTED] per H Share, being the [REDACTED] of the indicative [REDACTED] range stated in this document, and assuming no exercise of the [REDACTED]. We intend to use the [REDACTED] from the [REDACTED] for the purposes and in the amounts set forth below:

- Approximately [REDACTED]% of the [REDACTED], or HK$[REDACTED] million, will be used for R&D of advanced technologies;
- Approximately [REDACTED]% of the [REDACTED], or HK$[REDACTED] million, will be used for expanding our production capacity;
- Approximately [REDACTED]% of the [REDACTED], or HK$[REDACTED] million, will be used for mergers and acquisitions in global markets;
- Approximately [REDACTED]% of the [REDACTED], or HK$[REDACTED] million, will be allocated for the repayment of certain interest-bearing bank borrowings; and
- Approximately [REDACTED]% of the [REDACTED], or HK$[REDACTED] million, will be used as working capital and for general corporate purposes.

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

DIVIDENDS

In 2023, 2024 and 2025, we declared dividends of RMB78.5 million, RMB130.8 million and RMB39.2 million to our shareholders, respectively. Pursuant to PRC laws and regulations, including the PRC Company Law (《中華人民共和國公司法》) and the No.3 Guideline for the Supervision of Listed Companies — Cash Dividend Distribution of Listed Companies (2025) (《上市公司監管指引第3號 — 上市公司現金分紅(2025年)》), and our Articles of Association, we distribute cash dividends once a year, with no less than 10% of the current year's distributable profits.

Future profit distributions may be carried out in the form of cash dividends or stock dividends or a combination of cash dividends and stock 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.

LEGAL PROCEEDINGS AND COMPLIANCE

We may from time to time be subject to various legal or administrative claims and proceedings arising from the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management's time and attention. See "Risk Factors — Risks Relating to Our Business and Industry — We may be involved in legal proceedings and commercial or contractual disputes, which could have a material and adverse effect on our business, results of operations and financial condition."

As of the Latest Practicable Date, there were no litigation, arbitration or administrative proceedings pending or threatened against us or any of our Directors which could have a material and adverse effect on our financial condition or results of operations.

During the Track Record Period and up to the Latest Practicable Date, there were no material breaches or violations of laws or regulations applicable to us which are expected to have a material adverse effect on our business, financial condition or results of operations.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any accidents, fatalities, occupational safety and hazard issues and/or labor disputes related to our operations, which could have a material and adverse effect on our financial condition or results of operations.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

In April 2026, our Board approved a 640-ton expansion project with total investment of approximately RMB120 million for ultrafine metal powders, which is expected to further enhance our overall market competitiveness. This expansion project reflects our efforts in capturing opportunities arising from AI-driven industries, such as next-generation mobile devices, automotive electronics, and high-end consumer electronics, as well as the low-silver and silver-free trend in the PV industry. As of the Latest Practicable Date, this project was under construction.

For the three months ended March 31, 2026, we recorded increase in revenue and net profit as compared with the same period in 2025, which were mainly driven by the increase of sales volume of our products.

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 December 31, 2025, being the end date of the periods reported in Appendix I to this document, and there is no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report in Appendix I to this document.