This summary aims to give you an overview of the information contained in this document. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full text of this document. You should read the entire document before you decide to **[REDACTED]** *in the* **[REDACTED]**. *There are risks associated with any* **[REDACTED]**. *Some of the particular risks in* **[REDACTED]** *in the* **[REDACTED]** *are set out in "Risk Factors" in this document. You should read that section carefully before you decide to* **[REDACTED]** *in the* **[REDACTED]**.

OVERVIEW

Who We Are

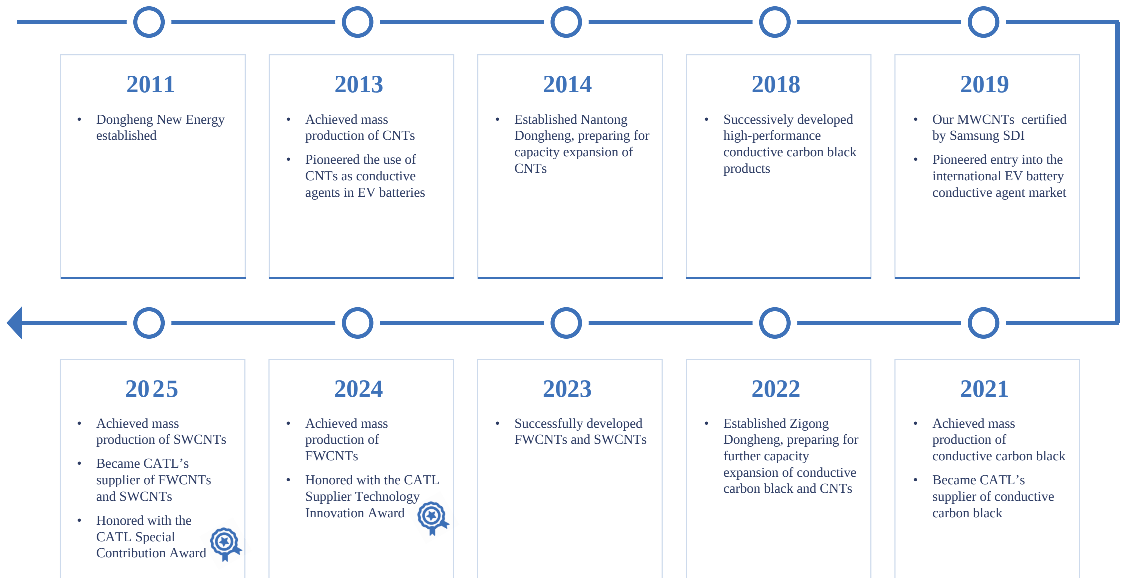
We are a leading new energy conductive carbon materials technology company in Chinese Mainland, driven by innovation and guided by our customers' needs. We strive to achieve sustainable development through our core competitive strengths to become a world-leading new energy conductive carbon materials technology company. The diagram below provides an overview of our key achievements and performance that underpin our industry leadership:

Notes:

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

(2) Based on global shipment volume in 2025, according to Frost & Sullivan.

The following diagram illustrates our key milestones since the establishment:



Our core business during the Track Record Period is the research and development, production and sale of high-performance conductive carbon materials, with a focus on their application in the new energy battery sector. Conductive carbon materials are a category of advanced carbon-based materials with superior electrical conductivity and other favorable physical and chemical properties. As an essential component of new energy batteries, conductive carbon materials are incorporated into the electrodes to form a conductive network that facilitates electron transport. Owing to the unique bonding characteristics of carbon atoms, they exist in multiple forms, including particle (conductive carbon black), tube (carbon nanotubes ("**CNTs**") and sheet (graphene). Conductive carbon materials offer outstanding mechanical, electrical and thermal properties, which underpin their critical role in the new energy battery sector, with broader application potential in areas such as advanced composite materials, semiconductors, artificial intelligence and embodied intelligence. Our conductive carbon material product portfolio consists of:

- **Conductive carbon black**, which is a conventional conductive carbon material consisting of spherical or near-spherical carbon particles. Compared with conventional carbon black products, conductive carbon black generally offers enhanced conductivity and dispersion performance. We offer a range of conductive carbon black products with different specifications and performance characteristics to meet diverse customer requirements.

- **CNTs**, which are advanced conductive carbon materials with a tubular structure and a high aspect ratio. Unlike conductive carbon black, which relies on point-contact between particles, CNTs form conductive networks through line-contact mechanisms, enabling more efficient electron transport pathways within battery electrodes. According to Frost & Sullivan, CNTs generally provide higher conductivity than conductive carbon black. During the Track Record Period, we offered our CNT products in both powder and slurry forms, with slurry products accounting for an increasing proportion of our CNT product sales. Our CNT slurry products can be directly incorporated into customers' battery production processes, reducing processing requirements and enhancing manufacturing efficiency.

- **Graphene**, which forms conductive networks through surface-contact mechanisms, providing extensive conductive pathways within electrode materials, therefore providing exceptionally high electrical conductivity and large specific surface area. During the Track Record Period, our graphene products were typically incorporated into product combinations comprising our conductive carbon black and CNT products. Such combinations leverage the complementary characteristics of point-contact, line-contact and surface-contact conductive structures to support different battery performance requirements of our customers.

According to Frost & Sullivan, high-performance conductive carbon materials are critical to new energy battery electrode performance, enhancing cycle life, rate performance and energy density, and represent the high-barrier, high-value segment within the new energy battery auxiliary materials industry.

The following table sets forth a breakdown of our revenue by type of goods, in absolute amounts and as percentages of the total revenue, for the years indicated.

	Year Ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Conductive carbon black	152,277	47.0	160,634	51.0	160,338	17.9
CNT	169,449	52.3	153,040	48.6	732,161	81.6
– CNT powder	138,760	42.8	97,293	30.9	108,277	12.1
– CNT slurry	30,689	9.5	55,747	17.7	623,884	69.5
Graphene	2,047	0.6	103	0.1	–	–
Others[(1)]	212	0.1	914	0.3	4,761	0.5
Total	**323,985**	**100.0**	**314,691**	**100.0**	**897,260**	**100.0**

Note:

(1) Others primarily comprise sales of products generated during the commissioning process of our production line that do not meet the specifications for new energy battery applications but are suitable for alternative uses, including applications in rubber, tires and dry batteries.

OUR STRENGTHS

Our competitive strengths include: (i) industry-leading product portfolio across the full spectrum of conductive carbon materials; (ii) proven R&D capabilities backed by deep technology reserves; (iii) robust engineering expertise accelerating commercial scale-up capabilities; (iv) strategic partnership with global leading battery manufacturers; and (v) visionary and experienced management team.

OUR STRATEGIES

Our development strategies include: (i) sustain high R&D investment to maintain and extend our technology leadership; (ii) scale production capacity strategically to capture growing global demand; (iii) deepen customer relationships and broaden our customer base; and (iv) embed environmental, social and corporate governance ("**ESG**") into our operations and advance green and low-carbon manufacturing.

RESEARCH AND DEVELOPMENT

We believe that our strong research and development capabilities are fundamental to our success and a core pillar of our competitive advantage. Our product innovation is supported by a proprietary and traceable technology database developed through formulation iterations and extensive downstream validation. This database captures and analyzes key product parameters, including specific surface area, oil absorption number, structural specifications and electrical impedance, enabling us to efficiently tailor our products to the requirements of different electrode material systems and application scenarios. Leveraging this accumulated technical know-how, we have developed a portfolio of next-generation conductive carbon materials, including high-performance conductive carbon black products optimized for various material systems, single-walled CNT products designed for silicon-carbon anodes, and few-walled CNT slurry products for fast-charging and high-energy-density battery applications. Our data-driven development approach also enhances R&D efficiency by shortening product development cycles, accelerating product iteration and reducing development costs.

We have established a well-structured R&D team with extensive industry experience. As of December 31, 2025, our R&D team comprised 121 members, of whom approximately 39% held a master's degree or above. Our core R&D personnel have an average of over eight years of research and development experience in the conductive carbon material sector and have served with us for an average of over five years, ensuring the continuity and stability of our technological roadmap.

PRODUCTION

As of the Latest Practicable Date, we operated three production bases:

Production Base	Primary Functions
Wuxi production base	Production of CNTs
Nantong production base	Production of conductive carbon black, CNTs and graphene
Zigong production base	Production of conductive carbon black(1)

Note:

(1) As of the Latest Practicable Date, we were deploying production lines for CNT production in the Zigong Base.

Set forth below are the production capacity, production volume and utilization rates in terms of our product categories for the years indicated:

	Year ended December 31,								
	2023			2024			2025		
	Production Capacity(1)	Production Volume	Utilization Rate(2)	Production Capacity(1)	Production Volume	Utilization Rate(2)	Production Capacity(1)	Production Volume	Utilization Rate(2)
	(tons)	*(tons)*	*(%)*	*(tons)*	*(tons)*	*(%)*	*(tons)*	*(tons)*	*(%)*
Conductive Carbon Black	5,500	3,585	65.2(3)	5,500	4,710	85.6	5,500	5,392	98.0
CNT									
– CNT powder.	825	687	83.2	825	578	70.0	889	708	79.6
– CNT slurry .	1,732	1,457	84.1	3,183	2,935	92.2	25,312	22,950	90.7
Subtotal . . .	**2,557**	**2,143**	**83.8**	**4,008**	**3,513**	**87.6**	**26,201**(4)	**23,657**	**90.3**
Total	**8,057**	**5,728**	**71.1**	**9,508**	**8,223**	**86.5**	**31,701**	**29,050**	**91.6**

Notes:

(1) Calculated based on the following assumptions: (i) all product lines are functioning at their full designed capacity; (ii) our facilities operate 24 hours per day; and (iii) we operate 26 working days per month.

(2) Calculated by dividing the production volume for the year by the production capacity of the same year.

(3) The relatively low utilization rate for our conductive carbon black in 2023 was primarily because we were still ramping up production.

(4) The production capacity for CNT significantly increased in 2025, primarily due to the increased production lines in Wuxi production base during 2025 to meet the increasing demand from our customers for our CNT slurry products.

(5) We manufactured graphene products in 2023. In 2024, we repurposed the relevant production capacity to the production of conductive carbon black and CNT products in expectation of downstream market demands. The relevant production facilities can be converted back to graphene production with limited modifications, providing us with the flexibility to adjust our production mix in response to future changes in market demand and industry trends.

SALES AND MARKETING

We rely on a direct sales model to market and sell our products, which are developed and supplied in accordance with customers' specific technical requirements and application needs. Our team of highly skilled application engineers works closely with customers to understand their technical requirements, provide application support and assist customers in evaluating and adopting our products.

We have established long-term and in-depth collaborations with leading companies in the new energy battery industry. Through regular and close engagement with our customers, we are able to gain deep insights into their evolving needs and the dynamics of the competitive landscape. We also regularly participate in industry conferences and events to follow the latest industry know-how and trends and promote our brand and products.

MAJOR CUSTOMERS AND SUPPLIERS

Our customers are primarily new energy battery manufacturers during the Track Record Period. During the Track Record Period, the aggregate revenue generated from our five largest customers in each years amounted to RMB309.7 million, RMB296.5 million and RMB862.3 million of revenues, respectively, accounting for 95.6%, 94.2% and 96.1% of our total revenue, respectively. In addition, revenues generated from our largest customer in each year accounted for 45.9%, 49.9% and 74.9% of our total revenue, respectively.

During the Track Record Period, purchases from our five largest suppliers in each year amounted to RMB127.6 million, RMB143.1 million and RMB486.8 million, respectively, representing 75.3%, 68.6% and 71.0% of our total purchases, respectively. In addition, purchases from our largest supplier in each year accounted for 43.0%, 40.8% and 33.9% of our total purchases, respectively.

Our Relationship with Customer A

Our largest customer in each of 2023, 2024 and 2025, Customer A, is a SZSE- and HKEx-listed, globally leading innovative new energy technology company primarily engaging in the research, development, production, and sales of EV batteries and energy storage system ("**ESS**") batteries. During the Track Record Period, Customer A indirectly held less than 5% of our total issued share capital and was an Independent Third Party. During the Track Record Period, we provided conductive carbon black and CNT to Customer A as the raw materials of their EV batteries and ESS batteries. According to Frost & Sullivan, customer concentration is primarily a reflection of the highly consolidated nature of the downstream new energy battery industry, where a few major global players, including Customer A, command a significant share of the market. Our ability to meet the stringent technical requirements, large-volume supply needs and continuous innovation demands of these industry leaders has been fundamental to our growth. Despite the concentration of our revenue attributable to Customer A, our Directors are of the view that the risk of any material adverse change in, or termination of, our business relationship with Customer A is relatively low, and that we are able to effectively mitigate our exposure to such risk, based on (i) mutual benefit and high switching barriers with Customer A; (ii) long term and stable relationship with Customer A, and (iii) diversification of customer base and revenue stream. See "Business — Our Relationship with Customer A."

COMPETITION

We operate in the global and Chinese Mainland conductive carbon materials industry, which is highly competitive and characterized by high entry barriers including technology barrier, customer resource barrier and supply chain barrier. The industry is expected to continue evolving toward higher-performance materials, including broader adoption of CNTs and graphene, deeper integration with advanced battery chemistries, and increasing export penetration by domestic suppliers.

Our major competitors include competitors focused on specific categories of conductive carbon materials and competitors with business coverage across all major types of conductive carbon materials. We are one of the few conductive carbon material manufacturers in the global new energy conductive carbon material market with business coverage across all major types of conductive carbon materials. According to Frost & Sullivan, in terms of revenue in 2025, we ranked third among all manufacturers in the global new energy conductive carbon material market, and ranked second among Chinese manufacturers in the global new energy conductive carbon material market.

PRE-[REDACTED] INVESTMENTS

To fund our strategic growth and broaden our shareholder base, we have conducted several rounds of Pre-[**REDACTED**] Investments since the incorporation of our Company. See "History, Development and Corporate Structure — Pre-[**REDACTED**] Investments" for details of the principal terms of our Pre-[**REDACTED**] Investments and the identity and background of our Pre-[**REDACTED**] Investors.

OUR SINGLE LARGEST SHAREHOLDER GROUP

Mr. Shen Bohua, Mr. Shen Yudong and Wuxi Hengcheng were entitled to exercise approximately 33.07% of the voting rights in our Company as of the Latest Practicable Date and will be entitled to control approximately [**REDACTED**]% of the voting rights in our Company immediately following the completion of the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised). Accordingly, upon the [**REDACTED**], Mr. Shen Bohua, Mr. Shen Yudong and Wuxi Hengcheng will together constitute our Single Largest Shareholder Group, and our Company will not have any controlling shareholders as defined under the Listing Rules.

Each member of our Single Largest Shareholder Group confirms that he/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.

CONNECTED TRANSACTION

Prior to the [**REDACTED**], we have entered into a property lease agreement with a party who will, upon the [**REDACTED**], become a connected person of the Company. See "Connected Transaction" for details of such one-off connected transaction of the Company.

OUR FINANCIAL PERFORMANCE

During the Track Record Period, our revenue was primarily derived from the sales of conductive carbon materials products. Our revenue increased from RMB324.0 million in 2023 to RMB897.3 million in 2025, representing a compound annual growth rate of approximately 66.4%. We incurred net profit of RMB13.9 million in 2023, net loss of RMB37.4 million in 2024, and net profit of RMB59.5 million in 2025. Our net loss in 2024 was primarily due to (i) the decrease in sales of CNT powder products to our overseas customers in 2024 due to fluctuations in overseas market demand; and (ii) an increase in administrative expenses, primarily attributable to the expansion of our administrative team to support the operations of the newly established Zigong production base. We recorded net cash flows used in operating activities of RMB4.2 million in 2023, and net cash flows generated from operating activities of RMB58.9 million in 2024 and RMB248.0 million in 2025. Our net operating cash outflow in 2023 was primarily due to (i) the settlement of trade and bills payables, as we settled outstanding payables to suppliers during the year and (ii) the increase in restricted cash pledged for issuance of bills payables.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our historical financial information for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this document. You should read this summary in conjunction with our historical financial information included in the Accountants' Report set out in Appendix I to this document, including the accompanying notes, and the information set forth in "Financial Information."

Results of Operations

The following table sets forth a summary of our consolidated statements of profit or loss for the years indicated.

	Year Ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Revenue	**323,985**	**100.0**	**314,691**	**100.0**	**897,260**	**100.0**
Cost of sales	(216,063)	(66.7)	(246,537)	(78.3)	(694,687)	(77.4)
Gross profit	**107,922**	**33.3**	**68,154**	**21.7**	**202,573**	**22.6**
Other income and gains	7,751	2.4	7,696	2.4	8,053	0.9
Selling and marketing expenses	(3,773)	(1.2)	(3,894)	(1.2)	(3,033)	(0.3)
Administrative expenses	(56,042)	(17.3)	(71,663)	(22.8)	(82,246)	(9.2)
Research and development expenses	(37,675)	(11.6)	(36,811)	(11.7)	(50,524)	(5.6)
Impairment losses on financial assets, net	(1,173)	(0.4)	(672)	(0.2)	(3,027)	(0.3)
Other expenses	(1,152)	(0.4)	(627)	(0.2)	(424)	0.0
Finance costs	(3,764)	(1.2)	(4,788)	(1.5)	(7,674)	(0.9)
Profit/(loss) before tax	**12,094**	**3.7**	**(42,605)**	**(13.5)**	**63,698**	**7.1**
Income tax credit	1,759	0.5	5,203	1.7	(4,192)	(0.5)
Profit/(loss) for the year	**13,853**	**4.3**	**(37,402)**	**(11.9)**	**59,506**	**6.6**

Non-IFRS Measures

To supplement our consolidated financial statements that are presented in accordance with IFRS Accounting Standards, we also use adjusted net profit/(loss) (non-IFRS measure) and adjusted net profit/(loss) margin (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, IFRS Accounting Standards. We believe that these non-IFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items. We believe that these measures provide useful information to [**REDACTED**] and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net profit/(loss) (non-IFRS measure) and adjusted net profit/(loss) margin (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

	Year Ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Profit/(loss) for the year	**13,853**	**(37,402)**	**59,506**
Add back:			
[**REDACTED**][1]	–	–	[**REDACTED**]
Equity-settled share-based payment expenses[2]	2,470	4,398	1,897
Adjusted net profit/(loss) (non-IFRS measure)	16,323	(33,004)	67,088
Adjusted net profit/(loss) margin (non-IFRS measure)	5.0	(10.5)	7.5

Notes:

(1) [**REDACTED**] represent expenses incurred in connection with the [**REDACTED**].

(2) Equity-settled share-based payment expenses mainly represent the arrangement that we receive services from employees as consideration for our equity instruments. Equity-settled share-based payment expense is not expected to result in future cash payments.

Selected Items from the Consolidated Statements of Financial Position

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

	As of December 31		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Total current assets	380,441	231,290	1,051,926
Total non-current assets	621,051	904,651	1,075,331
Total assets	1,001,492	1,135,941	2,127,257
Total current liabilities	471,943	638,891	1,557,695
Total non-current liabilities	10,709	11,214	16,323
Total liabilities	482,652	650,105	1,574,018
Net current liabilities	(91,502)	(407,601)	(505,769)
Total equity	518,840	485,836	553,239

Summary of Combined Statements of Cash Flows

The following table sets forth selected cash flow statement information for the years indicated.

	Year Ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net cash flows (used in)/generated from operating activities	(4,211)	58,876	248,025
Net cash flows used in investing activities	(100,340)	(255,029)	(293,748)
Net cash flows (used in)/generated from financing activities	(2,046)	106,558	50,366
Net (decrease)/increase in cash and cash equivalents	**(106,597)**	**(89,595)**	**4,643**
Cash and cash equivalents at the beginning of the year	213,893	107,392	17,817
Effect of foreign exchange rate changes, net	96	20	(30)
Cash and cash equivalents at the end of the year	**107,392**	**17,817**	**22,430**

KEY FINANCIAL RATIOS

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

	As of/For the year ended December 31,		
	2023	2024	2025
Return on assets (%)[(1)]	1.5	(3.5)	3.6
Return on equity (%)[(2)]	2.7	(7.4)	11.5

Notes:

(1) Equals profit/(loss) for the year divided by the average of the opening and closing balance of total assets for that year and multiplied by 100%.

(2) Equals profit/(loss) for the year divided by the average of the opening and closing balance of total equity for that year and multiplied by 100%.

SUMMARY OF MAJOR RISK FACTORS

Our operations and the [**REDACTED**] involve certain risks and uncertainties, including (i) risks relating to our business and industry; (ii) risks relating to conducting business in China and other jurisdictions; and (iii) risks relating to the [**REDACTED**], which are set out in the section headed "Risk Factors" in this document. You should read that section in its entirety carefully before you decide to [**REDACTED**] in the [**REDACTED**]. Some of the major risks we face include, but are not limited to: (i) Our business performance depends on demand from downstream customers and their ability to commercialize their products. Any decline or volatility in such demand may materially and adversely affect our business, financial condition and results of operations; (ii) Rapid technological developments and evolving industry standards may render our products less competitive or obsolete and require significant investments to remain compliant; (iii) The industry in which we operate is highly competitive. If we fail to compete against other market players, our business, financial condition and results of operations may be materially and adversely affected; (iv) We are subject to the risk of concentration of customers during the Track Record Period; (v) We have incurred net losses, adjusted net losses (non-IFRS measure) and net operating cash outflows during the Track Record Period, and we may continue to incur net losses, adjusted net losses (non-IFRS measure) and net operating cash outflows in the future; and (vi) We recorded net current liabilities as of December 31, 2023, 2024 and 2025.

DIVIDENDS

No dividend was paid or declared by us or any of our subsidiaries since our incorporation.

We do not maintain a formal dividend policy or have a fixed dividend distribution ratio, and we may distribute dividends by way of cash or by other means that our Board considers appropriate. Any proposed distribution of dividends is subject to the discretion of our Board and the approval of our Shareholders. Pursuant to the Articles of Association, 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. We cannot assure you that we will be able to distribute dividends of any amount, or at all, in any year. The declaration and payment of dividends may also be limited by legal restrictions and by loan or other agreements that our Company and our subsidiaries have entered into or may enter into in the future. Under applicable PRC laws, dividends may be paid only out of distributable profits, which refer to after-tax profits less any recovery of accumulated losses and required allocations to statutory capital reserve funds. As advised by our PRC Legal Adviser, we cannot pay dividends to our Shareholders as there is no distributable profits in view of the accumulated losses. Furthermore, in the future, we may not have sufficient or any distributable profit to enable us to make dividend distributions to our Shareholders, including in years in which we are profitable. For details, see "Risk Factors — Risks Relating to our Business and Industry — We cannot assure you that we will declare and distribute any amount of dividends in the future." In addition, our ability to distribute dividends in the future also depends on whether we can receive dividends from our subsidiaries.

[**REDACTED**]

[**REDACTED**]

Our [**REDACTED**] mainly include (i) [**REDACTED**]-related expenses, such as [**REDACTED**] fees and [**REDACTED**], and (ii) non-[**REDACTED**]-related expenses, comprising professional fees paid to our legal advisers and Reporting Accountants for their services rendered in relation to the [**REDACTED**] and the [**REDACTED**], and other fees and expenses. Assuming full payment of the discretionary incentive fee, 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$[**REDACTED**], accounting for approximately of [**REDACTED**]% of our gross [**REDACTED**]. Among such estimated total [**REDACTED**], we expect to pay [**REDACTED**]-related expenses of HK$[**REDACTED**], professional fees for our legal advisers and Reporting Accountants of HK$[**REDACTED**] and other fees and expenses of HK$[**REDACTED**]. An estimated amount of HK$[**REDACTED**] for our [**REDACTED**], accounting for approximately [**REDACTED**]% of our gross [**REDACTED**], was or is expected to be expensed through the statement of profit or loss and the remaining amount of HK$[**REDACTED**] is expected to be recognized directly as a deduction from equity upon the [**REDACTED**]. We recognized [**REDACTED**] of RMB[**REDACTED**] and RMB[**REDACTED**] in 2025 in our consolidated statements of profit or loss and other comprehensive income and our consolidated statement of financial position, respectively.

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**], after deducting the [**REDACTED**] fees, [**REDACTED**] and estimated expenses payable by us in connection with the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the maximum [**REDACTED**] stated in this document) and assuming that the [**REDACTED**] is not exercised. In line with our strategies, we intend to use the net [**REDACTED**] from the [**REDACTED**] for the following purposes:

- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to expand our production and enhance our supply chain self-sufficiency over the next three years, thereby enabling us to capture opportunities arising from the rapid development of the downstream new energy industry, expanding the production capacity of our core conductive carbon materials and optimizing our nationwide production capacity layout.
- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for our R&D activities over the next three years to continuously strengthen our core technologies and enrich our product portfolio, thereby enhancing our long-term technological competitiveness and laying a solid foundation for our sustainable development.
- Approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used for working capital and general corporate purposes.

For details, see "Future Plans and Use of [**REDACTED**]."

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Since December 31, 2025 and up to the Latest Practicable Date, we continued to achieve strong business growth. Our Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position, indebtedness, mortgage, contingent liabilities, guarantees or prospects since December 31, 2025, being the end date of the years reported in the Accountants' Report set out in Appendix I to this document, and there is no event since December 31, 2025 that would materially affect the information shown in the Accountants' Report set out in Appendix I to this document.

[REDACTED]

[REDACTED]