OVERVIEW

Who We Are

We are an IC substrate provider powered by intelligent manufacturing, focused on the R&D, manufacture and sale of FCBGA, FCCSP, WBCSP and module substrates. Our mission is to advance technology, promote environmental sustainability, and benefit humanity. Our vision is to develop the advanced IC substrate industry and become a global industry leader.

An IC substrate is a specialized, high-density interconnection platform used in semiconductor packaging, serving as a critical carrier that provides electrical connectivity, mechanical support and thermal management between the silicon die and the printed circuit board. According to Frost & Sullivan, measured by 2025 revenue, we ranked third among IC substrate manufacturers located in Chinese Mainland, up from sixth in 2023, and third among Chinese Mainland manufacturers of each of FCBGA and FCCSP substrates. Among the top 20 global IC substrate suppliers by IC substrate revenue in 2025, we ranked first in terms of revenue CAGR from 2023 to 2025. Our revenue increased rapidly from RMB1,182.9 million in 2023 to RMB2,055.5 million in 2024 and RMB2,828.6 million in 2025, representing a CAGR of 54.6%. Our revenue further increased to RMB923.9 million in the three months ended March 31, 2026, representing a 70.9% growth from the same period in 2025.

As a technology leader in the IC substrate industry, we strategically focus on FCBGA substrates as our future growth driver, and our main products include FCCSP, WBCSP and module substrates. In 2025, our full-load designed capacity[1] reached 3,360 thousand panels for FCBGA substrates in Shenzhen site, as well as 2,419 thousand panels for FCCSP, WBCSP and module substrates in Qinhuangdao site.

The following chart sets out our key business achievements:

Industry Status

No. 3
Ranking of IC Substrate Manufacturers in Chinese Mainland
(In terms of revenue in 2025)

No. 3
Ranking of FCBGA Substrate Manufacturers in Chinese Mainland
(In terms of revenue in 2025)

No. 3
Ranking of FCCSP Substrate Manufacturers in Chinese Mainland
(In terms of revenue in 2025)

No. 1
Ranking of top 20 Global IC Substrate Suppliers
(In terms of revenue growth CAGR)

Global Customer Base

Top 5
Global OSAT companies

3 of World's Top 5
semiconductor memory chip providers

World-renowned
IC design and IDM companies

Technical Specifications

First in Chinese Mainland to achieve mass production of IC substrates for Chiplet packaging of **11 or more chips** within a single package

FCBGA
- **26**-layer, **9/12 µm** line width/spacing mass production capability
- **First** in Chinese Mainland to pass certification for FCBGA substrates supporting **2nm** chips

FCCSP
- ETS **7/10 µm** and mSAP **12/16 µm** line width/spacing mass production capability
- **First** in Chinese Mainland to achieve mass production for FCCSP substrates supporting **3nm** smartphone SoC chips

Growth Trend

54.6%
CAGR of Revenue Growth

174.6%
CAGR of revenue from FCBGA substrates

FCBGA substrates revenue share increased from **10.8%** in 2023 **to 40.2%** in 2026Q1

Smart Factory

One of first to deploy the semiconductor-grade SECS protocol among IC substrate providers globally

Largest FCBGA factory in Chinese Mainland[(1)]

Automation rate of core processes exceeds **95%**

Note: All industry rankings contained in the chart above are according to Frost & Sullivan.

(1) Based on actual-installed capacity in 2025, according to Frost & Sullivan.

(2) All CAGRs are calculated based on the period from 2023 to 2025.

1 Based on bottleneck stage in the production process. For FCBGA products, we view the circuit build-up (ABF build-up) stage as the bottleneck and for FCCSP, WBCSP and module products, we view surface treatment output as the bottleneck. Full-load designed capacity represents the designed maximum capacity of the factory, calculated based on the total amount of equipment that can be placed within the overall factory layout. Production time is calculated on the basis of 28 full production days per month after routine maintenance during the period.

Our Market Opportunities

Increasing demand for computing power in the AI era is elevating the importance of IC substrates, which enable high-speed signal transmission and effective heat dissipation to support stable, high-performance chip operation. According to Frost & Sullivan, from 2025 to 2030, the global IC substrate market is expected to reach US$30.3 billion, representing a CAGR of 15.3%. FCBGA substrate is expected to be the fastest-growing segment within the IC substrate market. From 2025 to 2030, the global market for FCBGA substrates is expected to reach US$19.2 billion, representing a CAGR of 19.7%. In addition, the global FCBGA demand-supply ratio is expected to rise from 94.7% in 2025 to 104.7% in 2026, surpassing 100% to enter a state of supply shortage, with supply shortage gap continuing to widen thereafter and reaching 125.6% in 2030. Offshore markets (i.e., markets outside of the Chinese Mainland) account for a substantial majority of global demand for FCBGA substrates and have exhibited faster growth than the Chinese Mainland. According to Frost & Sullivan, the FCBGA substrate offshore market reached US$6.4 billion in 2025, representing approximately 82% of the global FCBGA substrate market, and is expected to grow at a CAGR of 20.9% from 2025 to 2030, significantly outpacing the 13.3% CAGR projected for the Chinese Mainland over the same period. As an emerging leader in the IC substrate industry in the Chinese Mainland with a strategic focus on FCBGA substrates, we believe that we are well-positioned to capture these significant market opportunities.

OUR PRODUCTS

Our main products are IC substrates. IC substrate is a specialized, high-density interconnection platform used in semiconductor packaging, serving as a critical carrier that provides electrical connectivity, mechanical support and thermal management between the silicon die and the printed circuit board. IC substrates typically require fine circuitry and multi-layer structures to meet customers' requirements for electrical performance, signal integrity, and thermal management. During the Track Record Period, our IC substrates include FCBGA, FCCSP, WBCSP and module substrates. The following table sets forth a breakdown of our revenue by product type 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)			
IC Substrates										
FCBGA	128,187	10.8	538,359	26.2	966,610	34.2	181,411	33.6	371,534	40.2
FCCSP	690,680	58.4	1,024,964	49.9	1,102,155	39.0	234,867	43.5	310,718	33.6
WBCSP and module	296,509	25.1	398,612	19.4	606,974	21.5	98,547	18.2	183,048	19.8
Sale of scrap materials and Others(1)	67,486	5.7	93,587	4.5	152,883	5.3	25,701	4.7	58,589	6.4
Total	**1,182,862**	**100.0**	**2,055,522**	**100.0**	**2,828,622**	**100.0**	**540,526**	**100.0**	**923,889**	**100.0**

Note:

(1) Others primarily include revenue from rental income.

Applications of Our Products

Our IC substrates can be categorized by application into smart device, AI and HPC, memory, automotive and robotics, and network communications. The following table sets forth a breakdown of 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*	*(%)*
							(Unaudited)			
IC Substrates										
Smart Device	809,909	68.5	1,232,480	60.0	1,362,350	48.2	273,742	50.6	401,321	43.4
AI and HPC	26,894	2.3	361,052	17.6	716,217	25.3	130,200	24.1	300,904	32.6
Memory(1)	175,309	14.8	194,897	9.5	352,205	12.5	60,357	11.2	102,628	11.1
Automotive and Robotics	22,203	1.9	89,039	4.3	79,235	2.8	7,158	1.3	36,728	4.0
Network Communications	81,061	6.9	84,467	4.1	165,732	5.9	43,368	8.0	23,719	2.6
Sale of scrap materials and Others(2)	67,486	5.6	93,587	4.5	152,883	5.3	25,701	4.8	58,589	6.3
Total	**1,182,862**	**100.0**	**2,055,522**	**100.0**	**2,828,622**	**100.0**	**540,526**	**100.0**	**923,889**	**100.0**

Notes:

(1) Memory is presented separately as it is utilized across application areas other than those set forth in this table.

(2) Others primarily include revenue from rental income.

OUR STRENGTHS

We believe that the following strengths contribute to our success: (i) emerging leader in the IC substrate industry in Chinese Mainland with value proposition attracting global industry-leading customers; (ii) rapid capacity ramp-up to capture the global AI opportunity and expand our leading AI customer base; (iii) continuous R&D, technology enhancement, and IC substrate upgrades to build strong technical barriers; (iv) world-class intelligent manufacturing capabilities adopting SECS communications protocol; (v) stable and resilient supply chain, efficient delivery capabilities, and consistent product quality; and (vi) experienced management team and innovation-driven corporate culture supporting sustained growth.

OUR STRATEGIES

We are implementing the following strategies: (i) broaden our global leading customer base; (ii) rapidly ramp up capacity and continue to enhance intelligent manufacturing; (iii) continue to focus on R&D in IC substrates, accelerate technology iteration and strengthen our market leadership; and (iv) continue to attract talent and build a stable international team.

RESEARCH AND DEVELOPMENT AND TECHNOLOGY

Our commitment to research and development is critical to our long-term growth. As of the Latest Practicable Date, our R&D team comprised 626 employees. Our R&D team possesses industry experience in IC substrate technology, product innovation, materials science and advanced manufacturing processes. Our core technologies enable us to develop and customize high-performance IC substrates to meet our customers' evolving requirements across different application scenarios. We promote innovation in product design, material application, process technology and equipment selection to enhance product quality. See "Business — Research and Development" for more details.

SALES AND MARKETING

During the Track Record Period, we primarily sell our products through direct sales, such as direct orders from OSAT, IC design and IDM companies. During the Track Record Period, our products were sold in both domestic and international markets. The following table sets forth our revenue by sales region during the Track Record Period:

	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*	*(%)*
Chinese Mainland	429,529	36.3	1,049,891	51.1	1,603,052	56.7	309,324	57.2	526,084	56.9
Offshore										
Chinese Taiwan	714,385	60.4	912,342	44.4	1,079,432	38.2	211,121	39.1	340,200	36.8
Others[(1)]	38,948	3.3	93,289	4.5	146,138	5.1	20,081	3.7	57,605	6.3
Total	**1,182,862**	**100.0**	**2,055,522**	**100.0**	**2,828,622**	**100.0**	**540,526**	**100.0**	**923,889**	**100.0**

Note:

(1) Others primarily include South Korea, Singapore and United States.

OUR PRODUCTION

Since we incorporated substantial capacity expansion headroom in our initial plant design, our utilization rates measured as a percentage of our full-load designed capacity tend to be low during the first few years after commencement of operations. We install equipment in our production facilities in stages, and we plan our actual production on a monthly basis based on the forecasted demand of our customers and the anticipated market trends. We continuously monitor our production planning based on the rolling forecasts of customer orders. The following table sets forth our production capacity, actual output and utilization rate for the periods indicated:

	Year ended December 31,						Three months ended March 31,	
	2023		2024		2025		2026	
	Panels[4] (thousands)	*% of (A)*	*Panels[4] (thousands)*	*% of (A)*	*Panels[4] (thousands)*	*% of (A)*	*Panels[4] (thousands)*	*% of (A)*
Shenzhen Plant 1								
(A) Full-load designed capacity[1][2]	3,360	100.0%	3,360	100.0%	3,360	100.0%	840	100.0%
(B) Actual-installed capacity[1][3]	856	25.5%	1,050	31.3%	1,050	31.3%	302	36.0%
(C) Actual output[1]	116	3.5%	446	13.3%	727	21.6%	280	33.3%
Qinhuangdao Plant 1								
(A) Full-load designed capacity[1][2]	1,411	100.0%	1,411	100.0%	1,411	100.0%	353	100.0%
(B) Actual-installed capacity[1][3]	1,243	88.1%	1,263	89.5%	1,324	93.8%	344	97.5%
(C) Actual output[1]	927	65.7%	972	68.9%	1,200	85.0%	339	96.0%
Qinhuangdao Plant 2								
(A) Full-load designed capacity[1][2]	1,008	100.0%	1,008	100.0%	1,008	100.0%	252	100.0%
(B) Actual-installed capacity[1][3]	425	42.2%	492	48.8%	640	63.5%	180	71.4%
(C) Actual output[1]	221	21.9%	357	35.4%	526	52.2%	166	65.9%

Notes:

(1) Based on bottleneck stage in the production process. For FCBGA products, we view the circuit build-up (ABF build-up) stage as the bottleneck and for FCCSP, WBCSP and module products, we view surface treatment output as the bottleneck.

(2) Full-load designed capacity represents the designed maximum capacity of the factory, calculated based on the total amount of equipment that can be placed within the overall factory layout. Production time is calculated on the basis of 28 full production days per month after routine maintenance during the period.

(3) Actual installed capacity represents the factory's actual maximum capacity during the period, calculated based on the total amount of equipment actually installed at the factory during the period. Production time is calculated on the basis of 28 full production days per month after routine maintenance during the period, adjusted for annual shutdowns and line stoppages based on actual operational conditions.

(4) Production volume is measured in working panels, which is the standard unit used in production. Prior to shipment, panels are cut to customer-specified sizes.

We intend to further increase our overall production capacity progressively to satisfy market demand by expanding our existing production facilities and constructing new production facilities. See "Business — Production" for more details.

CUSTOMERS AND SUPPLIERS

During the Track Record Period, our customers primarily consisted of OSAT, IC design and IDM companies. In 2023, 2024, 2025 and the three months ended March 31, 2026, our revenue generated from our five largest customers was RMB962.6 million, RMB1,668.2 million, RMB2,165.9 million, and RMB628.8 million, representing 81.4%, 81.2%, 76.6% and 68.1% of our total revenue, respectively. In addition, revenues generated from our largest customer accounted for 37.8%, 38.6%, 36.4% and 29.0% of our total revenues in the same periods, respectively. Except for Retained Zhen Ding Group, all of our five largest customers during the Track Record Period were Independent Third Parties. See "Business — Our Customers" for more details.

During the Track Record Period, purchases from our five largest suppliers were RMB299.1 million, RMB408.2 million, RMB712.0 million, and RMB275.3 million, representing 35.0%, 34.9%, 41.7%, and 46.6% of our total purchases in 2023, 2024, 2025 and three months ended March 31, 2026, respectively. In addition, purchases from our largest supplier accounted for 11.5%, 10.4%, 16.6% and 20.6% of our total purchases in the same periods, respectively. All of our five largest suppliers were Independent Third Parties during the Track Record Period. 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 during the Track Record Period. Additionally, we did not experience any material disputes with our suppliers during the Track Record Period. See "Business — Our Suppliers — Our Major Suppliers" for more details.

COMPETITION

We operate in a competitive and technology-intensive industry, where customers demand more advanced and higher-reliability IC substrates. According to Frost & Sullivan, the IC substrate market in Chinese Mainland is relatively concentrated and competitive, with the top three manufacturers accounting for 37.9% of the market in 2025. FCBGA substrates exhibit a higher level of industry concentration, with the top three FCBGA substrate manufacturers in Chinese Mainland collectively accounting for 58.7% of the market share. The global IC substrate market is also relatively concentrated and competitive, with the top three manufacturers accounting for 37.4% of the market in 2025.

We compete with other Chinese Mainland IC substrate manufacturers mainly on technology and process requirements and technical experiences. We compete in the international market mainly based on our scale-up capability, technology and process requirements, customer qualification and relationships, supply chain management, experienced technical and management teams and intelligent manufacturing capabilities. See "Industry Overview" for more details.

BUSINESS SUSTAINABILITY AND PROFITABILITY

We operate in a rapidly growing AI market where the production capacity often limits the growth potential of a company in the supply chain. Against this backdrop, we strategically anticipated the future needs for capacity, and incorporated substantial capacity expansion headroom in our initial plant design, coupled with a phased equipment installation approach to quickly ramp-up our capacity when our actual orders grow. Due to this strategy, we incurred substantial upfront capital expenditure and thus depreciation expenses while our revenue was still relatively small. This resulted in a gross loss of RMB504.5 million in 2023 and RMB105.5 million in 2024, and net losses of RMB753.1 million, RMB405.1 million and RMB328.7 million in 2023, 2024 and 2025, respectively.

This strategy contributed to our success in grasping the opportunity of AI market growth during the Track Record Period. Our total revenue increased rapidly from RMB1,182.9 million in 2023 to RMB2,055.5 million in 2024 and RMB2,828.6 million in 2025, representing a CAGR of 54.6%. Our revenue increased to RMB923.9 million in the three months ended March 31, 2026, representing a 70.9% growth from the same period in 2025. Revenue from products for AI and HPC applications surged from RMB26.9 million in 2023 to RMB716.2 million in 2025, representing a CAGR of 416.1%. Given the substantial lead time for constructing new production plants, this upfront investment strategy gave us substantial competitive advantage against our major competitors. According to Frost & Sullivan, measured by 2025 revenue, we ranked third among IC substrate manufacturers located in Chinese Mainland, up from sixth in 2023. Among the top 20 global IC substrate suppliers by IC substrate revenue in 2025, we ranked first in terms of revenue CAGR from 2023 to 2025.

As our capacity utilization improved over time, we achieved a clear inflection point, turning to gross profit of RMB100.1 million in 2025, and we had net profit of RMB50.1 million for the three months ended March 31, 2026. We expect to continue to benefit from our substantial upfront capital expenditures to achieve sustainable growth with positive gross margin. See "Business — Business Sustainability and Profitability" for more details.

RISK FACTORS

We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control. These risks include, among others, the following: (i) our products are widely used by customers of various industries and sectors. Supply-demand dynamics and other macro-economic factors that affect these industries and sectors where our products are used may in turn impact our business, financial condition and results of operations; (ii) we face intense competition and expect competition to increase in the future. If we fail to compete effectively, our revenue growth and results of operations will be materially and adversely affected; (iii) if we are unable to appropriately address the technological development and advancement in the industries and sectors where our products are used, our business, financial condition and results of operations could be materially and adversely affected; (iv) we operate in a highly cyclical industry which can suffer from periodic downturns; (v) supply chain shortages and interruptions, fluctuations in prices and our relationship with suppliers could adversely affect our results of operations; (vi) geopolitical tensions and volatile global economic conditions may put downward pressure on demand for our products and services, as well as our business, financial condition, and results of operations; (vii) we have been and intend to continue investing significantly in R&D activities, and the development cycles of our products can be long, which may adversely affect our profitability and operating cash flow and may not generate the results we expect to achieve; (viii) we may be subject to the risks associated with international trade restrictions, including sanctions and export controls, and our reputation, business, results of operations and financial condition could be adversely affected. See "Risk Factors" for more details.

SUMMARY OF HISTORICAL AND FINANCIAL INFORMATION

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

Summary of Consolidated Statements of Profit or Loss

The following table sets out key items of our consolidated statements of profit or loss 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*	*(%)*
Revenue	**1,182,862**	**100.0**	**2,055,522**	**100.0**	**2,828,622**	**100.0**	**540,526**	**100.0**	**923,889**	**100.0**
Cost of sales	(1,687,407)	(142.7)	(2,160,992)	(105.1)	(2,728,559)	(96.5)	(574,231)	(106.2)	(777,290)	(84.1)
Gross (loss)/profit	(504,545)	(42.7)	(105,470)	(5.1)	100,063	3.5	(33,705)	(6.2)	146,599	15.9
Selling and marketing expenses	(21,460)	(1.8)	(30,927)	(1.5)	(28,222)	(1.0)	(6,536)	(1.2)	(6,836)	(0.7)
General and administrative expenses	(95,142)	(8.0)	(99,103)	(4.8)	(104,311)	(3.7)	(27,697)	(5.1)	(24,248)	(2.6)
Research and development expenses	(123,389)	(10.4)	(153,814)	(7.5)	(155,821)	(5.5)	(36,820)	(6.8)	(39,217)	(4.2)
Net (provision for)/reversal of impairment losses on financial assets	(501)	0.0	(798)	0.0	(596)	0.0	245	0.0	(321)	0.0
Other income	18,183	1.5	32,006	1.6	18,315	0.6	5,610	1.0	15,137	1.6
Other gains/(losses) — net	30,383	2.6	29,259	1.4	21,895	0.8	(3,698)	(0.7)	(12,971)	(1.4)
Operating (loss)/profit	(696,471)	(58.9)	(328,847)	(16.0)	(148,677)	(5.3)	(102,601)	(19.0)	78,143	8.5
Finance income	12,626	1.1	8,997	0.4	7,582	0.3	2,198	0.4	1,261	0.1
Finance costs	(155,790)	(13.2)	(206,513)	(10.0)	(210,204)	(7.4)	(56,348)	(10.4)	(23,027)	(2.5)
Finance costs — net	(143,164)	(12.1)	(197,516)	(9.6)	(202,622)	(7.2)	(54,150)	(10.0)	(21,766)	(2.4)
(Loss)/profit before income tax	(839,635)	(71.0)	(526,363)	(25.6)	(351,299)	(12.4)	(156,751)	(29.0)	56,377	6.1
Income tax credit/(expense)	86,538	7.3	121,291	5.9	22,630	0.8	35,201	6.5	(6,264)	(0.7)
(Loss)/profit for the year/period	**(753,097)**	**(63.7)**	**(405,072)**	**(19.7)**	**(328,669)**	**(11.6)**	**(121,550)**	**(22.5)**	**50,113**	**5.4**

Non-IFRS Measures

The following table sets forth a reconciliation of our EBITDA (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) to loss for the period in respect of 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*
(Loss)/profit for the period	(753,097)	(405,072)	(328,669)	(121,550)	50,113
Adjusted:					
Income tax (credit)/expense	(86,538)	(121,291)	(22,630)	(35,201)	6,264
Finance costs - net	143,164	197,516	202,622	54,150	21,766
Depreciation of property, plant and equipment	543,545	665,597	742,157	178,353	197,118
Depreciation of right-of-use assets	3,209	4,423	8,437	1,947	2,244
Amortization of intangible assets	25,572	30,649	25,918	6,973	2,887
EBITDA (non-IFRS measure)	**(124,145)**	**371,822**	**627,835**	**84,672**	**280,392**
Adjusted:					
Share-based compensation expenses	5,534	7,510	10,572	1,861	2,769
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Adjusted EBITDA (non-IFRS measure)	**(118,611)**	**379,332**	**638,407**	**86,533**	**285,796**

Gross Loss/Profit and Gross Profit Margin

The following table sets forth a breakdown of our gross loss/profit and gross margin for the periods indicated:

	Year ended December 31,						Three months ended March 31,			
	2023		2024		2025		2025		2026	
	Gross (loss)/profit	Gross Margin	Gross (loss)/profit	Gross Margin	Gross (loss)/profit	Gross Margin	Gross (loss)/profit	Gross Margin	Gross (loss)/profit	Gross Margin
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(Unaudited)*	*(%)*	*RMB'000*	*(%)*
IC Substrates										
FCBGA	(409,322)	(319.3)	(143,188)	(26.6)	(74,351)	(7.7)	(48,895)	(27.0)	27,715	7.5
FCCSP	(30,703)	(4.4)	159,414	15.6	229,057	20.8	39,458	16.8	112,055	36.1
WBCSP and module	(65,393)	(22.1)	(122,845)	(30.8)	(56,962)	(9.4)	(24,807)	(25.2)	6,227	3.4
Sale of scrap materials and Others[(1)]	873	1.3	1,149	1.2	2,319	1.5	539	2.1	602	1.0
Total	**(504,545)**	**(42.7)**	**(105,470)**	**(5.1)**	**100,063**	**3.5**	**(33,705)**	**(6.2)**	**146,599**	**15.9**

Note:

(1) We generate revenue from sales of scrap materials, with the corresponding cost of sales equal to such revenue. Accordingly, no gross profit is recognized from scrap material sales. Others primarily include revenue from rental income. The current status gross profit and gross margin of this line item mainly reflect those from rental income.

See "Financial Information — Principal Components of Consolidated Statements of Profit or Loss — Gross Loss/Profit and Gross Margin" for more details.

Summary of Consolidated Statements of Financial Positions

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

	As of December 31,			As of March 31,	As of May 31,
	2023	2024	2025	2026	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*
Current assets					
Inventories	221,835	323,665	515,329	654,571	716,028
Trade receivables	348,065	579,118	798,693	883,824	1,057,784
Prepayments, other receivables and other assets	107,660	85,280	71,563	53,384	69,202
Term bank deposit with initial terms over three months	—	22,000	—	—	—
Cash and cash equivalents	408,386	660,113	298,199	492,416	1,320,300
Total current assets	**1,085,946**	**1,670,176**	**1,683,784**	**2,084,195**	**3,163,314**
Current liabilities					
Borrowings	1,121,823	2,590,424	2,510,265	2,735,705	2,916,844
Trade and other payables	1,421,657	1,224,972	1,167,010	1,167,287	1,149,675
Contract liabilities	7,639	25,239	23,907	29,570	100,082
Income tax payable	—	3,877	6,212	9,855	4,003
Lease liabilities-current	443	350	99	24	—
Total current liabilities	**2,551,562**	**3,844,862**	**3,707,493**	**3,942,441**	**4,170,604**
Net current liabilities	**(1,465,616)**	**(2,174,686)**	**(2,023,709)**	**(1,858,246)**	**(1,007,290)**

See "Financial Information — Selected Balance Sheet Items — Net Current Liabilities" for more details.

Summary of Consolidated Statements of Cash Flows

The following table sets forth selected 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* *(Unaudited)*	*RMB'000*
Net cash generated from operating activities	570,083	144,603	194,793	82,765	120,024
Net cash used in investing activities	(2,661,408)	(1,055,561)	(428,055)	(206,699)	(127,678)
Net cash generated from/(used in) financing activities	2,228,731	1,161,029	(124,801)	86,055	205,094
Net increase/(decrease) in cash and cash equivalents	137,406	250,071	(358,063)	(37,879)	197,440
Cash and cash equivalents at beginning of the period	269,226	408,386	660,113	660,113	298,199
Foreign exchange impact on cash and cash equivalents	1,754	1,656	(3,851)	(517)	(3,223)
Cash and cash equivalents at end of the period	408,386	660,113	298,199	621,717	492,416

See "Financial Information — Liquidity and Capital Resources — Cash Flow Analysis" for more details.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for the periods indicated:

	Year ended December 31,			Three months ended March 31,
	2023	2024	2025	2026
Revenue growth[(1)]	N/A	73.8%	37.6%	70.9%
Net profit/(loss) margin	(63.7)%	(19.7)%	(11.6)%	5.4%
EBITDA margin (non-IFRS measure)[(2)]	(10.5)%	18.1%	22.2%	30.3%
Adjusted EBITDA margin (non-IFRS measure)[(3)]	(10.0)%	18.5%	22.6%	30.9%

Notes:

(1) The revenue growth for the three months ended March 31, 2026 was calculated by comparing revenue for the three months ended March 31, 2025 and 2026.

(2) Calculated by dividing EBITDA (non-IFRS measure) by revenue for the period multiplied by 100%. See "Financial Information — Summary of our Consolidated Statements of Profit or Loss — Non-IFRS Measures."

(3) Calculated by dividing adjusted EBITDA (non-IFRS measure) by revenue for the period multiplied by 100%. See "Financial Information — Summary of our Consolidated Statements of Profit or Loss — Non-IFRS Measures."

USE OF [REDACTED]

We estimate the [REDACTED] from the [REDACTED], after deducting the estimated [REDACTED] and other fees and expenses paid and payable by us in connection with the [REDACTED], will be approximately HK$[REDACTED], assuming an [REDACTED] of HK$[REDACTED] per [REDACTED] (being the mid-point of the [REDACTED] range of HK$[REDACTED] to HK$[REDACTED] per [REDACTED]) and that the [REDACTED] is not exercised.

We currently intend to use the [REDACTED] from the [REDACTED] for the purposes and in the amounts as follows:

(1) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) will be used to expand our FCBGA production capacity. The [REDACTED] to be used to expand our FCBGA capacity will be applied as follows:

  (i) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) will be used for the construction of production facilities and related electrical and mechanical installations. In particular,

    (A) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) for the construction of production facilities.

    (B) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) for the related electrical and mechanical installations;

  (ii) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) will be used for the purchase of equipment used in the FCBGA production process. In particular,

    (A) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) for the purchase of equipment for the inner-layer traces and drilling stages.

    (B) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) for the purchase of equipment for the outer-layer traces stage. In particular,

      (I) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) for the purchase of laser drilling equipment.

      (II) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) for the purchase of equipment used in the outer-layer trace formation and electroplating processes. In particular,

        (a) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) for the purchase of equipment used for the expansion and automation of outer-layer trace production.

        (b) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) for the purchase of equipment used for the outer-layer trace electroplating process.

    (C) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) for the purchase of equipment for the solder mask.

    (D) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) for the purchase of equipment for the sawing and inspection stage.

(2) approximately [REDACTED] of the [REDACTED] (or HK$[REDACTED]) will be used for working capital and general corporate purposes.

See "Future Plans and Use of [REDACTED]" for more details.

DIVIDENDS AND DIVIDEND POLICY

No dividends have been paid or declared by our Company during the Track Record Period. We currently expect to retain all future earnings for use in the operation and expansion of our business, and do not have any dividend policy to declare or pay any dividends in the foreseeable future. The declaration and payment of any dividends in the future will be determined by the Board and subject to our Articles of Association, applicable PRC Company Law, approval by our Shareholders and will depend on a number of factors, including our results of operations, financial conditions, cash requirements and availability, and other factors as the Board may deem relevant at such time. As confirmed by our PRC Legal Advisors, any future after-tax profits that we make will have to be applied to make up for our historically accumulated losses in accordance with the PRC laws, after which we will be obliged to allocate 10% of our after-tax profits to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for, and (ii) we have allocated sufficient after-tax profits to our statutory common reserve fund as described above.

OUR CONTROLLING SHAREHOLDERS

Immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised), Zhen Ding, through its subsidiaries, namely, Monterey Park, Coppertone, Mayco, Pacific Fair and Avary Holding, will directly and indirectly control [REDACTED]% of the total issued share capital of our Company. Accordingly, Zhen Ding, Monterey Park, Coppertone, Mayco, Pacific Fair and Avary Holding constitute our group of Controlling Shareholders. See "History, Development and Corporate Structure — Our Corporate Structure" and "Relationship with Our Controlling Shareholders" for more details of our corporate structure and the shareholding of our Controlling Shareholders.

We are principally engaged in the research and development, production and sales of IC substrates. On the other hand, the Retained Zhen Ding Group is principally engaged in (i) the research and development, production and sales of printed circuit board products and the offering of related integrated solutions spanning the research and development, design, manufacturing and sale of printed circuit board products; (ii) the production of IC substrates for our Group as an OEM; and (iii) other non-principal businesses that do not compete with our principal business, such as environmental protection and energy conservation services. After the [REDACTED], except for the exclusive supply arrangement between our Group and Brai Technology as set out in the Non-Competition Undertaking, the Retained Zhen Ding Group will not engage in any business which competes or is likely to compete with our business.

During the Track Record Period, we had entered into a number of transactions with the Retained Zhen Ding Group, which (except for those set out in the "Connected Transactions") we expect to cease prior to the [REDACTED]. In 2023, 2024, 2025 and the three months ended March 31, 2026, revenue generated from our sales to Retained Zhen Ding Group amounted to RMB279.3 million, RMB1.5 million, RMB69.0 million and RMB46.8 million, respectively, representing 23.6%, 0.1%, 2.4% and 5.1% of our total revenue for the respective years or period. During the same periods, our procurement from the Retained Zhen Ding Group amounted to RMB96.8 million, RMB94.6 million, RMB97.4 million and RMB25.6 million in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, representing 3.4%, 5.0%, 4.1% and 3.3% of our total purchase in the respective years or period. See "Relationship with our Controlling Shareholders — Independence from our Controlling Shareholders — Operational Independence" for more details.

We have entered into, and are expected to continue after the [REDACTED], certain transactions which would constitute continuing connected transactions of our Company under the Listing Rules upon the [REDACTED]. Details of such continuing connected transactions and the waivers are set out in "Connected Transactions".

[REDACTED]

[REDACTED] represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] will be HK$[REDACTED], representing [REDACTED] of the [REDACTED] from the [REDACTED]) (being the mid-point of the [REDACTED] of HK$[REDACTED] to HK$[REDACTED] per [REDACTED]), assuming no [REDACTED] are [REDACTED] pursuant to the [REDACTED]. The [REDACTED] consist of (1) [REDACTED], of approximately HK$[REDACTED]; and (2) [REDACTED] expenses of approximately HK$[REDACTED], comprising (i) fees and expenses of the Sole Sponsor, legal advisors and reporting accountant of approximately HK$[REDACTED], and (ii) other fees and expenses of approximately HK$[REDACTED]. Among the total [REDACTED], approximately HK$[REDACTED] is expected to be charged to our consolidated statements of comprehensive income, and approximately HK$[REDACTED] is expected to be accounted for as a deduction from equity upon the [REDACTED]. We incurred HK$[REDACTED] of [REDACTED] during the Track Record Period and the remaining HK$[REDACTED] of [REDACTED] shall be incurred after the Track Record Period. The [REDACTED] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

[REDACTED]

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Subsequent to the Track Record Period and up to the Latest Practicable Date, we are expanding production capacity and constructing the production facilities in our Shenzhen site for FCBGA substrates. See "Business — Our Growth Strategies" and "Future Plans and Use of [REDACTED]" for more details. In addition, we repaid our loans from our related parties in an aggregate amount of RMB1,407.8 million on June 12, 2026.

Our Directors confirm that as of 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 March 31, 2026, the end of the period reported on the Accountant's Report included in Appendix I to this Document; and there has been no event since March 31, 2026 which would materially affect the information presented in the Accountant's Report set out in Appendix I to this Document.