

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OUR HISTORY

Overview

We are an electronic functional enhancement materials enterprise with established presence across acoustic enhancement materials, electronic ceramic materials, electronic adhesives and energy enhancement materials. Based on our profound insights of the industry development and technology evolution and leveraging our solid research and development capabilities and lean-management expertise, we have built three core technology platforms, namely the Inorganic Powder Technology Platform, the Polymer Materials Technology Platform and the Composite Materials Technology Platform. With the foundational support and synergistic effects of our proprietary core technology platforms, we have successfully developed four business units: acoustic enhancement materials, electronic ceramic materials, electronic adhesives and energy enhancement materials.

Our history traces back to March 2017, when our Company was established as a limited liability company under the laws of the PRC by a wholly-owned subsidiary of Zhengxin Dexu, our Controlling Shareholder. In October 2021, our Company was converted into a joint stock limited liability company. See “— Establishment and Development of the Company” for details.

Milestones

The following sets out a summary of our key development milestones.

Year	Milestones
2017	<p>Our Company was established in the PRC.</p> <p>Having recognized the opportunities for material innovation driven by the functional diversification of smartphones, our Company began exploring acoustic materials.</p>
2018	<p>We focused on the development of N'BASS Materials for the smartphone market.</p>
2019	<p>We began building capabilities in upstream raw material design and manufacturing.</p> <p>N'BASS Materials entered mass commercial supply.</p>
2020	<p>By working closely with end customers, N'BASS Materials were successively launched in the C and D series, and our Company's brand positioning as a core supplier of acoustic materials was established.</p> <p>We were jointly recognized as a National High-Tech Enterprise (高新技術企業) by the Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳), Department of Finance of Jiangsu Province (江蘇省財政廳), and Jiangsu Provincial Tax Service, State Taxation Administration (國家稅務總局江蘇省稅務局).</p>
2021	<p>We completed the introduction of strategic investors.</p> <p>We established the Shanghai Research and Development Center and built dedicated teams to explore electronic adhesives and diaphragms.</p>

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Year	Milestones
	We jointly established Zhongke Beisite with the Institute of Acoustics, Chinese Academy of Sciences, which served as a key supporting laboratory for acoustic testing, simulation, and solution development of our Company.
2022	<p>We achieved a breakthrough with core acoustic customers for our electronic adhesives products, formally completing the transition from laboratory samples to production at the scale of hundreds-of-kilograms.</p> <p>We were accredited as Specialized and Innovative “Little Giant” Enterprise (專精特新“小巨人”企業) by Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部).</p>
2023	<p>We officially established Shanghai Nexolar as our sub-brand for energy enhancement materials.</p> <p>We jointly established the Research and Development Center for Advanced Carbon-neutral Materials (碳中和先進材料聯合研發中心) with the School of Chemistry and Chemical Engineering of a leading science and engineering university in Shanghai, China to explore frontier materials and underlying technologies.</p>
2024	<p>We were recognized as the national-level “Green Factory” (國家層面綠色工廠) by the Ministry of Industry and Information Technology of the PRC.</p> <p>We successfully acquired and integrated Zhejiang AITEK.</p>
2025	<p>We achieved mass production of N'BASS powder morphology products jointly developed with end customers and enabled their application across multiple AI terminal devices.</p> <p>We ranked second in the global alumina ceramic market in LIB separating coating sector, according to Frost & Sullivan.</p> <p>We established an advanced packaging and computing power team and began exploring application opportunities for our core technology platforms in the AI era.</p>
2026	We were officially granted approval to establish a National Postdoctoral Scientific Research Base (國家級博士後科研工作站).

ESTABLISHMENT AND DEVELOPMENT OF THE COMPANY

A. Early Development of our Company

Our Company was established on March 14, 2017 with an initial registered capital of RMB30,000,000. At the time of its establishment, our Company was owned as to 100% by Sound Solutions International (Zhenjiang) Co., Ltd.* (奧音科技(鎮江)有限公司), which was then a wholly-owned subsidiary of Zhengxin Dexu.

Zhengxin Dexu is one of the investment vehicles of Loyal Valley Capital, which is an equity investment management firm founded by Mr. Lin Lijun. Zhengxin Dexu was established in the PRC as a limited liability company in November 2015, and has been controlled by Mr. Lin Lijun since its establishment. See “Relationship with Our Controlling Shareholders” for more information regarding our Controlling Shareholders.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

As part of its internal restructuring, on November 7, 2018, Zhengxin Dexu acquired all the equity interests in and became the direct shareholder of our Company. Upon completion of the equity transfer, our Company was owned as to 100% by Zhengxin Dexu directly. After a series of adjustments, the registered capital of our Company was reduced to RMB25,000,000 in November 2019, which had been fully paid in by Zhengxin Dexu as of then.

B. Capital Increases in 2020

From July 2020 to November 2020, our Company underwent capital increases, as a result of which the total registered share capital of our Company was increased by RMB8,881,578.93 from RMB25,000,000 to RMB33,881,578.93 with the additional registered share capital being subscribed by seven investors, details of which are set out as below. The consideration of such capital increases were fully settled as of January 29, 2021.

Shareholders	Registered capital subscribed for	Consideration
	(RMB)	(RMB)
Dr. Guo Mingbo (郭明波) ⁽¹⁾	1,315,789.47	25,000,000
Suzhou Juyuan Zhuxin Venture Fund, LLP* (蘇州聚源鑄芯創業投資合夥企業(有限合夥)) (“Zhuxin Fund”)	1,644,736.84	50,000,000
Shaoxing Yuexin Investment Partnership (Limited Partnership)* (紹興市越芯投資合夥企業(有限合夥)) (“Shaoxing Yuexin”)	745,614.03	22,666,666.67
Shaoxing Jinze Enterprise Management Co., Ltd.* (紹興錦澤企業管理有限公司) (“Shaoxing Jinze”)	813,157.89	24,720,000
Jiaying Jiagan Equity Investment Partnership (Limited Partnership)* (嘉興嘉瓏股權投資合夥企業(有限合夥)) (“Jiaying Jiagan”)	328,947.37	10,000,000
Gongqingcheng Muyu Investment Partnership (Limited Partnership)* (共青城木羽投資合夥企業(有限合夥)) (“Muyu Investment”)	3,704,385.96	112,613,333.33
Zhenjiang Demao Enterprise Management Consulting Partnership (Limited Partnership)* (鎮江德茂企業管理諮詢合夥企業(有限合夥)) (“Zhenjiang Demao”) ⁽¹⁾	328,947.37	10,000,000

Note:

- (1) The subscriptions of equity interests in our Company by Dr. Guo Mingbo and Zhenjiang Demao were made pursuant to share incentive schemes adopted by our Company.

C. Equity Transfers from September 2020 to May 2021

During the period from September 2020 to May 2021, (i) Muyu Investment transferred registered capital in the amount of RMB1,247,971.49 in our Company to Zhengxin Dexu at a total consideration of RMB37,938,333.33, which was determined based on arm’s length negotiation with reference to the historical investment cost of Muyu Investment; and (ii) Zhengxin Dexu transferred an aggregate of RMB5,407,499.98 of the registered capital of our Company to eight transferees as set out in the table below for a total consideration of RMB243,900,000. The consideration of the aforementioned equity transfers was fully settled as of May 31, 2021.

Transferees	Registered capital transferred	Consideration ⁽¹⁾
	(RMB)	(RMB)
Shaoxing Jinze	813,157.89	36,000,000

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Transferees	Registered capital transferred	Consideration ⁽¹⁾
	(RMB)	(RMB)
Jiaxing Jiacaan	338,815.79	15,000,000
Shaoxing Yuexin	203,289.47	9,000,000
Hubei Xiaomi Changjiang Industrial Fund Partnership (Limited Partnership)* (湖北小米長江產業基金合夥企業(有限合夥)) (“Xiaomi Changjiang”)	1,626,315.78	72,000,000
Yiwu Weihao Chuangxin Phase I Equity Investment Partnership (Limited Partnership)* (義烏韋豪創芯一期股權投資合夥企業(有限合夥)) (“Yiwu Weihao”)	677,631.58	30,000,000
Zhenjiang Chanfa Financial Holding Group Co., Ltd.* (鎮江產發金融控股集團有限公司) (“Zhenjiang Chanfa”)	223,618.42	9,900,000
AAC Optoelectronics Technology (Changzhou) Co., Ltd.* (瑞聲光電科技(常州)有限公司) (“Changzhou Optoelectronics”)	1,016,447.37	45,000,000
Suzhou Fenuh Qinhe Venture Capital Center (Limited Partnership)* (蘇州汾湖勤合創業投資中心(有限合夥)) (“Suzhou Fenuh”)	508,223.68	27,000,000

Note:

- (1) The consideration of such equity transfers was determined based on arm’s length negotiation taking into account, among others, the status of our Group’s business development at the time, the expected market value and prospects of our business, and the commercial consideration between the relevant parties. The increase in our Company’s valuation from the second half of 2020 to the first half of 2021 was mainly attributable to (i) the advancements of our Company’s technology which unlocked the potential for in-house production of key raw materials, indicating our stronger independent R&D capabilities, improved supply security and enhanced profitability, and (ii) favorable market conditions underpinned by a positive macroeconomic environment.

D. Conversion into Joint Stock Limited Liability Company in October 2021

On October 14, 2021, our Company was converted into a joint-stock company with limited liability and renamed as SSI New Material (Zhenjiang) Co., Ltd.* (鎮江貝斯特新材料股份有限公司).

According to the audit report prepared by an independent third party auditor, the appraised net asset value of our Company as of May 31, 2021 was RMB443,625,855.99, of which (i) RMB33,881,579 was credited as the registered share capital of our Company and was converted into 33,881,579 shares of our Company with a nominal value of RMB1.00 each, and (ii) the remaining RMB409,744,276.99 was credited as the capital reserve of our Company.

E. Capital Increase in November 2021

In November 2021, the registered share capital of our Company increased by RMB677,632.07 from RMB33,881,578.93 to RMB34,559,211, with the additional registered share capital being subscribed by Hangzhou Jiuzhou Shunchuang Equity Investment Partnership (Limited Partnership)* (杭州九州舜創股權投資合夥企業(有限合夥)) (“Jiuzhou Shunchuang”) at the consideration of RMB36,000,000, which was fully settled on November 30, 2021.

F. Share Transfers in 2025

From November to December 2025, Zhengxin Dexu transferred an aggregate of 7,262,815 shares with a nominal value of RMB1.00 each to six transferees as set out in the table below for a total consideration of RMB283,320,000, which was determined upon taking into account the status of our Group’s business development at the time and the commercial consideration between the relevant parties, and fully settled as of December 29, 2025. Details of such share transfers are set out as below.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Transferees	Shares transferred	Consideration (RMB)
Gongqingcheng Hechuang Mingzhu Venture Capital Partnership (Limited Partnership)* (共青城河床明珠創業投資合夥企業(有限合夥)) (“ Hechuang Mingzhu ”)	2,901,382	124,000,000
Jiangsu Nantong Danhe Tanggula Venture Capital Partnership (Limited Partnership)* (江蘇南通丹合唐古拉創業投資合夥企業(有限合夥)) (“ Danhe Tanggula ”)	725,346	31,000,000
Jiangsu Nantong Danhe Yucheng Venture Capital Partnership (Limited Partnership)* (江蘇南通丹合鉦成創業投資合夥企業(有限合夥)) (“ Danhe Yucheng ”)	1,211,561	51,780,000
Dr. Guo Mingbo (郭明波) ⁽¹⁾	1,382,368	32,000,000
Dongguan Qinhe Venture Capital Center (Limited Partnership)* (東莞勤合創業投資中心(有限合夥)) (“ Dongguan Qinhe ”)	350,974	15,000,000
Shaoxing Jinze	691,184	29,540,000

Note:

- (1) In December 2023, Dr. Guo Mingbo was granted with restricted share awards under the restricted share incentive scheme adopted by the Company in 2023 (the “**2023 Scheme**”), pursuant to which, he acquired approximately 6.63% equity interests in Zhengxin Dexu (equivalent to indirect ownership of approximately 4.00% of then total issued share capital of our Company) by way of subscription for additional registered capital of Zhengxin Dexu at a total consideration of RMB32,000,000. In order to enable Dr. Guo Mingbo to directly hold the Shares of the Company, the 2023 Scheme was modified in November 2025, and accordingly, Dr. Guo Mingbo reduced his shareholding in Zhengxin Dexu by divesting all his equity interests thereof, and Zhengxin Dexu transferred 1,382,368 shares of our Company with a nominal value of RMB1.00 each to Dr. Guo Mingbo. Dr. Guo Mingbo had not held any management position in Zhengxin Dexu and had no power to control the management decisions of Zhengxin Dexu, whether before or after the aforementioned share transfer in 2025.

G. Capital Increase in December 2025

On December 24, 2025, our Company entered into a capital increase agreement with Mr. Li Chengbin, the Chairman of our Board, and Shanghai Demao, pursuant to which Mr. Li Chengbin and Shanghai Demao agreed to subscribe for 1,259,971 shares and 179,996 shares of our Company with a nominal value of RMB1.00 each, representing 3.5% and 0.5% of the enlarged share capital of our Company, at the consideration of RMB31,500,000 and RMB4,500,000, respectively, which were fully settled as of December 25, 2025. See “Share Incentive Schemes” in this section for details of Shanghai Demao.

H. Share Subdivision

Pursuant to the Shareholders’ resolutions dated December 31, 2025, each share of our Company with a nominal value of RMB1.00 each was subdivided into ten Shares of our Company with a nominal value of RMB0.10 each, after which, the registered share capital of our Company shall be RMB35,999,178 divided into 359,991,780 Shares with a nominal value of RMB0.10 each.

As advised by our PRC Legal Advisers, all the necessary approvals in relation to the changes in the registered capital and shareholding of our Company described above have been obtained.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

CAPITALIZATION TABLE

The following table sets out the shareholding structure of our Company as of the Latest Practicable Date and upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised):

No.	Name of Shareholder	Number of Shares as at the Latest Practicable Date	Percentage of total number of Shares as at the Latest Practicable Date	Number of H Shares immediately after the [REDACTED]	Number of Domestic Unlisted Shares immediately after the [REDACTED]	Percentage of shareholding immediately after the [REDACTED]
1.	Zhengxin Dexu	135,776,570	37.72%	[REDACTED]	[REDACTED]	[REDACTED]
2.	Hechuang Mingzhu	29,013,820	8.06%	[REDACTED]	[REDACTED]	[REDACTED]
3.	Dr. Guo Mingbo	26,981,570	7.50%	[REDACTED]	[REDACTED]	[REDACTED]
4.	Muyu Investment	24,564,140	6.82%	[REDACTED]	[REDACTED]	[REDACTED]
5.	Shaoxing Jinze	23,175,000	6.44%	[REDACTED]	[REDACTED]	[REDACTED]
6.	Zhuxin Fund	16,447,370	4.57%	[REDACTED]	[REDACTED]	[REDACTED]
7.	Xiaomi Changjiang	16,263,160	4.52%	[REDACTED]	[REDACTED]	[REDACTED]
8.	Mr. Li Chengbin	12,599,710	3.50%	[REDACTED]	[REDACTED]	[REDACTED]
9.	Danhe Yucheng	12,115,610	3.37%	[REDACTED]	[REDACTED]	[REDACTED]
10.	Changzhou Optoelectronics	10,164,470	2.82%	[REDACTED]	[REDACTED]	[REDACTED]
11.	Shaoxing Yuexin	9,489,040	2.64%	[REDACTED]	[REDACTED]	[REDACTED]
12.	Danhe Tanggula	7,253,460	2.01%	[REDACTED]	[REDACTED]	[REDACTED]
13.	Yiwu Weihao	6,776,320	1.88%	[REDACTED]	[REDACTED]	[REDACTED]
14.	Jiuzhou Shunchuang	6,776,320	1.88%	[REDACTED]	[REDACTED]	[REDACTED]
15.	Jiaxing Jiacan	6,677,630	1.85%	[REDACTED]	[REDACTED]	[REDACTED]
16.	Suzhou Fenhu	5,082,240	1.41%	[REDACTED]	[REDACTED]	[REDACTED]
17.	Dongguan Qinhe	3,509,740	0.98%	[REDACTED]	[REDACTED]	[REDACTED]
18.	Zhenjiang Demao	3,289,470	0.91%	[REDACTED]	[REDACTED]	[REDACTED]
19.	Zhenjiang Chanfa	2,236,180	0.62%	[REDACTED]	[REDACTED]	[REDACTED]
20.	Shanghai Demao	1,799,960	0.50%	[REDACTED]	[REDACTED]	[REDACTED]
21.	Other Public H Shareholders	–	–	[REDACTED]	[REDACTED]	[REDACTED]
	Total	359,991,780	100.00%	[REDACTED]	[REDACTED]	100.00%

PREVIOUS SZE LISTING ATTEMPT

Our Company previously considered the possibility of seeking an initial public offering on the Shenzhen Stock Exchange in the PRC (“**SZE Listing Attempt**”). On October 28, 2021, our Company engaged Guotai Junan Securities Co., Ltd. (國泰君安證券股份有限公司) (“**Tutoring Company**”) to provide guidance and preliminary compliance advice regarding the requirements of the CSRC. On June 23, 2022, we received the Letter Regarding the Completion of Inspection and Acceptance Work for Tutoring Work from Jiangsu Bureau of the CSRC (中國證券監督管理委員會江蘇監管局) (the “**Completion of Inspection Letter**”). Pursuant to the Completion of Inspection Letter, Jiangsu Bureau of the CSRC confirmed that it finished the inspection and acceptance of the tutoring work in relation to the SZE Listing Attempt, and the Completion of Inspection Letter was valid until June 22, 2023. No formal listing application in relation to the SZE Listing Attempt has been filed by us, as we re-assessed our A-share listing preparation during the period from the second half of 2022 to the first half of 2023, taking into account then market conditions and our strategic considerations, as well as the uncertainties regarding the timetable of our Company’s A-share listing application process in light of the new listing standards of the ChiNext market of the Shenzhen Stock Exchange put into effect in the end of 2022, and decided not to proceed with the SZE Listing Attempt.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Our Directors believe that the [REDACTED] on the Stock Exchange can enable us to access the overseas [REDACTED] opportunities and [REDACTED] on the international [REDACTED].

To the best of the Directors’ knowledge and belief, they consider that (i) there are no matters relating to the SZE Listing Attempt or unresolved issues, enquiries or matters relating to the SZE Listing Attempt that may affect the suitability of the Company’s [REDACTED] on the Stock Exchange; (ii) there are no dispute or disagreement with the Tutoring Company; (iii) they are not aware of any other matters relating to the SZE Listing Attempt that need to be brought to the attention of the Stock Exchange and [REDACTED]; (iv) there are no matters relating to the SZE Listing Attempt that will have any material adverse impact on the Company’s [REDACTED] on the Stock Exchange.

Based on the Sole Sponsor’s due diligence work, nothing has come to the attention of the Sole Sponsor that would cause them to disagree with our Directors’ view disclosed above regarding our Company’s previous SZE Listing Attempt.

[REDACTED] INVESTMENTS

Our [REDACTED] Investments consist of several rounds of investments from the [REDACTED] Investors by way of transfer of equity interests and/or subscription of our additional registered share capital.

Principal Terms of the [REDACTED] Investments

The table below summarizes the principal terms of the [REDACTED] Investments:

Name of investor	Date of agreement (day.month.year)	Settlement date (day.month.year)	Total consideration ⁽¹⁾ (RMB)	Post-money valuation of our Company after the investment (RMB in millions)	Approximate cost per Share ⁽²⁾ (RMB)	Discount to the [REDACTED] ⁽³⁾
Shaoxing Yuexin	01.09.2020 and 29.09.2020	30.09.2020	22,666,666.67	1,030.0	3.04	[REDACTED]
Zhuxin Fund	01.09.2020	28.09.2020	50,000,000	1,030.0	3.04	[REDACTED]
Shaoxing Jinze	01.10.2020	22.10.2020	24,720,000	1,030.0	3.04	[REDACTED]
Jiaxing Jiaca	01.10.2020	26.10.2020	10,000,000	1,030.0	3.04	[REDACTED]
Muyu Investment	01.11.2020	29.01.2021	112,613,333.33	1,030.0	3.04	[REDACTED]
Shaoxing Jinze	01.11.2020	20.11.2020	36,000,000	1,500.0	4.43	[REDACTED]
Jiaxing Jiaca	29.10.2020	02.11.2020	15,000,000	1,500.0	4.43	[REDACTED]
Changzhou Optoelectronics	01.01.2021	28.01.2021	45,000,000	1,500.0	4.43	[REDACTED]
Shaoxing Yuexin	12.01.2021	30.09.2020	9,000,000	1,500.0	4.43	[REDACTED]
Xiaomi Changjiang	01.02.2021	08.02.2021	72,000,000	1,500.0	4.43	[REDACTED]
Yiwu Weihao	01.02.2021	26.02.2021	30,000,000	1,500.0	4.43	[REDACTED]
Zhenjiang Chanfa	01.02.2021	22.03.2021	9,900,000	1,500.0	4.43	[REDACTED]
Suzhou Fenhu	26.05.2021	31.05.2021	27,000,000	1,800.0	5.31	[REDACTED]
Jiuzhou Shunchuang	01.07.2021	30.11.2021	36,000,000	1,836.0	5.31	[REDACTED]
Hechuang Mingzhu	18.11.2025	24.11.2025	124,000,000	1,477.0	4.27	[REDACTED]
Danhe Yucheng	18.11.2025	29.12.2025	51,780,000	1,477.0	4.27	[REDACTED]
Danhe Tanggula	18.11.2025	08.12.2025	31,000,000	1,477.0	4.27	[REDACTED]
Shaoxing Jinze	18.11.2025	20.11.2025	29,540,000	1,477.0	4.27	[REDACTED]
Dongguan Qinhe	18.11.2025	26.11.2025	15,000,000	1,477.0	4.27	[REDACTED]

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Notes:

- (1) The basis of respective consideration was determined based on arm’s length negotiation taking into consideration our status of development at the time of investment, our increasing brand reputation and customer recognition at the time of investment, our business and industry prospects and the commercial consideration between the relevant parties at the time of transfers/capital increases.
- (2) As adjusted to reflect the share subdivision in December 2025.
- (3) The discount percentages are based on an [REDACTED] of HK\$[REDACTED], being the [REDACTED] of the [REDACTED] of the [REDACTED].

Special rights

Pursuant to the capital increase agreements, certain of the [REDACTED] Investors were entitled to certain special rights, such as directors nomination rights, information rights, co-sale rights and most favored nation provision. No redemption right was granted to the [REDACTED] Investors. All special rights granted to the [REDACTED] Investors have been terminated and/or will be terminated prior to the [REDACTED], in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

Lock-up period

Pursuant to the applicable PRC laws, all of our existing Shareholders (including the [REDACTED] Investors) are subject to a lock-up period of 12 months following the [REDACTED] pursuant to the PRC Company Law.

Use of proceeds from the [REDACTED] Investors’ investments

The proceeds we obtained from the [REDACTED] Investors (where applicable) were utilized in the aspects as approved by the Board, including, but not limited to, the growth and daily operation of our Company’s business as well as repayment of our debts. As at the Latest Practicable Date, we have utilized all the proceeds our Company received from relevant [REDACTED] Investors.

Strategic benefits of the [REDACTED] Investors to our Group

Our Directors are of the view that our Group could benefit from the [REDACTED] Investors’ commitment to our Company as their investments have fueled our expansion and development of our business and have demonstrated such investors’ confidence in the business operation of our Group and serves as an endorsement of our Company’s performance, strength and growth prospects. In addition, at the time of respective investment made by our [REDACTED] Investors, our Directors were of the view that our Group could benefit from the additional capital that would be contributed by these [REDACTED] Investors in our Company as well as their knowledge and/or experience.

Information about our Principal [REDACTED] Investors

Set forth below are details for each of our [REDACTED] Investors as of the Latest Practicable Date. To the best knowledge of the Company, save as disclosed below, each of the [REDACTED] Investors, together with their ultimate beneficial owners, is an independent third party.

Hechuang Mingzhu

Hechuang Mingzhu is a limited partnership established in the PRC and is principally engaged in industrial investment. The general partner of Hechuang Mingzhu is Shenzhen Hechuang Yucheng Asset Management Co., Ltd.* (深圳市河床玉成資產管理有限公司) (“**Shenzhen Hechuang**”), which holds approximately 0.08% of the partnership interests in Hechuang Mingzhu and is ultimately controlled by Mr. Li Bingshan (李冰山). Hechuang Mingzhu has 17 limited partners, among which, Nanning Ruizhi Entrepreneurship Investment Co., Ltd.* (南寧市瑞知創業投資有限

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

公司), a limited liability company ultimately controlled by Ms. Ye Huamei (葉華妹), holds approximately 47.58% of the partnership interests and none of the other limited partners holds 10% or more of the partnership interests in Hechuang Mingzhu.

Muyu Investment

Muyu Investment is a limited partnership established in the PRC and is principally engaged in industrial investment. The partnership interests of Muyu Investment are owned as to approximately 30.34% by Mr. Li Xiang (李翔) as its general partner and as to 69.66% in aggregate by 10 limited partners, among which, Rizhao Hechuang Haoyu Enterprise Management Consulting Partnership (Limited Partnership)* (日照河床皓玉企業管理諮詢合夥企業(有限合夥)), Mr. Xu Liaoran (徐燎燃) and Mr. Ye Yong (葉勇) hold approximately 26.78%, 22.97% and 10.71% partnership interests, respectively. None of the other limited partners holds 10% or more of the partnership interests in Muyu Investment.

Shaoxing Jinze

Shaoxing Jinze is a limited liability company established in the PRC and is principally engaged in enterprise management and enterprise management consulting. Shaoxing Jinze is wholly owned by Mr. Ruan Weixiang (阮偉祥), father of Ms. Yi Fan Sunny Ruan, our non-executive Director.

Zhuxin Fund

Zhuxin Fund is a limited partnership established in the PRC and is principally engaged in venture capital investment. The general partner of Zhuxin Fund is Suzhou Juyuan Xinxin Enterprise Management Consulting Partnership (Limited Partnership)* (蘇州聚源忻芯企業管理諮詢合夥企業(有限合夥)) (“**Juyuan Xinxin**”), owning approximately 1.07% partnership interests in Zhuxin Fund and the remaining 98.93% partnership interests in aggregate are owned by 11 limited partners, among which, China IC Capital (Ningbo) Co., Ltd.* (中芯晶圓股權投資(寧波)有限公司), CICC Qiyuan National Emerging Industry Venture Capital Guidance Fund (Limited Partnership)* (中金啟元國家新興產業創業投資引導基金(有限合夥)) and Suzhou Innovation Industry Development Guidance Fund (Limited Partnership)* (蘇州市創新產業發展引導基金(有限合夥)) hold approximately 19.42%, 14.56% and 14.56% partnership interests, respectively. None of the other limited partners holds 10% or more of the partnership interests in Zhuxin Fund. The general partner of Juyuan Xinxin is China Fortune-Tech Capital Co., Ltd.* (中芯聚源私募基金管理(上海)有限公司), which is owned as to 35% by Shanghai Xinqi Investment Center (Limited Partnership)* (上海芯齊投資中心(有限合夥)), whose (i) general partner is Hainan Xinsheng Information Service Center (Limited Partnership)* (海南新昇信息服務中心(有限合夥)) (previously known as Gongqingcheng Juchuang Investment Partnership (Limited Partnership)* (共青城聚創投資合夥企業(有限合夥))), holding approximately 0.5% partnership interests therein, which is in turn owned as to 28% by Mr. Gao Yonggang (高永崗) as its general partner and (ii) limited partner is Gongqingcheng Xingwei Investment Partnership (Limited Partnership)* (共青城興微投資合夥企業(有限合夥)), holding approximately 99.5% partnership interests therein, which is in turn owned as to 62% by Mr. Gao Yonggang (高永崗) as its general partner. None of the other shareholders of China Fortune-Tech Capital Co., Ltd. holds 30% or more of the equity interests therein.

Xiaomi Changjiang

Xiaomi Changjiang is a limited partnership established in the PRC and is principally engaged in equity investment. The partnership interests of Xiaomi Changjiang are owned as to approximately 0.08% by Hubei Xiaomi Yangtze River Industry Investment Fund Management Limited* (湖北小米長江產業投資基金管理有限公司) as its general partner, which is indirectly held as to 80% by Xiaomi Inc. (小米科技有限責任公司), a consolidated affiliated entity of Xiaomi Corporation. Xiaomi Corporation, a company listed on the Hong Kong Stock Exchange (Hong Kong dollars counter stock code: 1810; RMB counter stock code: 81810). Xiaomi Inc. also directly holds

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

approximately 16.67% of the partnership interests in Xiaomi Changjiang as a limited partner and indirectly holds approximately 2.83% of the partnership interests in Xiaomi Changjiang through its wholly-owned subsidiary, Tianjin Jinxing Venture Capital Co., Ltd.* (天津金星創業投資有限公司), as a limited partner. Xiaomi Changjiang has other 13 limited partners, among which, Zhuhai Xingge Capital Investment Co., Ltd.* (珠海興格資本投資有限公司), Hubei Xiaomi Yangtze River Industry Investment Fund Partners (Limited Partnership)* (湖北長江產業投資基金合夥企業(有限合夥)), Wuhan Optics Valley Industry Investment Co., Ltd.* (武漢光谷產業投資有限公司) and Zhuhai Gree Financial Investment Management Co., Ltd.* (珠海格力金融投資管理有限公司) hold approximately 17.50%, 16.67%, 16.67% and 12.04% partnership interests, respectively, and none of the other limited partners held 10% or more of the partnership interests in Xiaomi Changjiang.

Danhe Tanggula and Danhe Yucheng

Danhe Tanggula is a limited partnership established in the PRC and is principally engaged in equity investment. The general partner of Danhe Tanggula is Zhuhai Hengqin Danhe Capital Management Ltd.* (珠海橫琴丹合資本私募基金管理有限公司) (“**Danhe Capital**”), which holds approximately 0.03% of the partnership interests in Danhe Tanggula. Danhe Tanggula has eight limited partners, among which, Chongqing Xinyue Investment Group Co., Ltd.* (重慶新岳投資集團有限公司) (previously known as Chongqing Xinyue Xinyuan Enterprise Management Consulting Co., Ltd.* (重慶新岳昕源企業管理諮詢有限公司)) and Jiangsu Nantong Danhe Venture Capital Fund (Limited Partnership)* (江蘇南通丹合創業投資基金(有限合夥)) hold approximately 48.37% and 21.28% partnership interests, respectively, and none of the other limited partners holds 10% or more of the partnership interests in Danhe Tanggula. Danhe Capital is owned as to 35% by Mr. Deng Yanbo (鄧燕波), as to 30% by Shenzhen Shouyu Investment Co., Ltd.* (深圳市授羽投資有限公司) which is wholly owned by Mr. Chen Huiyong (陳惠勇), and as to 30% by Shenzhen Hechuang Asset Management Co., Ltd.* (深圳市河床資產管理有限公司) which is owned as to 55% by Mr. Li Bingshan (李冰山). None of the other shareholders of Danhe Capital holds 30% or more of the equity interests therein.

Danhe Yucheng is a limited partnership established in the PRC and is principally engaged in investment. The partnership interests of Danhe Yucheng are owned as to approximately 0.02% by Danhe Capital as its general partner. Danhe Yucheng has six limited partners, among which, Ms. Zhang Lanlan (張蘭蘭), Ms. Yao Liping (姚利萍), Shanghai Corun M&E Tech Co., Ltd.* (上海酷潤機電科技有限公司) and Mr. Xu Liaoran (徐燎燃) hold approximately 28.98%, 28.52%, 14.67% and 13.52% partnership interests, respectively, and none of the other limited partners holds 10% or more of the partnership interests in Danhe Yucheng.

Changzhou Optoelectronics

Changzhou Optoelectronics is a limited liability company established in the PRC and is principally engaged in research, development, and manufacturing of digital cameras and key components, as well as new electronic components. Changzhou Optoelectronics is an indirect wholly-owned subsidiary of AAC Technologies Holdings Inc. (瑞聲科技控股有限公司), a company listed on the Stock Exchange (stock code: 2018).

Shaoxing Yuexin and Jiaxing Jiacan

Shaoxing Yuexin is a limited partnership established in the PRC and is principally engaged in private equity investment, investment management, investment consulting and venture capital investment. The partnership interests of Shaoxing Yuexin are owned as to 1% by Hangzhou Fengxingxi Equity Investment Partnership (Limited Partnership)* (杭州楓行溪股權投資合夥企業(有限合夥)) (“**Hangzhou Fengxingxi**”) as its general partner. Shaoxing Yuexin has 13 limited partners, among which, Shaoxing Yuecheng District Integrated Circuit Industry Equity Investment Fund Partnership Enterprise (Limited Partnership)* (紹興市越城區集成電路產業股權投資基金合夥企業(有限合夥)) (“**Yuecheng Fund**”), Yangtze River Delta Collaborative Advantage Industry Equity Investment Partnership (Limited Partnership)* (長三角協同優勢產業股權投資合夥企業(有

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

限合夥)), Zhejiang Industry Fund Co., Ltd.* (浙江省產業基金有限公司) and Tianjin Jianfeng Equity Investment Partnership Enterprise (Limited Partnership)* (天津潤峰股權投資合夥企業(有限合夥)) hold 30%, 15%, 15% and 14% partnership interests, respectively, and none of the other limited partners holds 10% or more of the partnership interests in Shaoxing Yuexin. The general partner of Hangzhou Fengxingxi is Hangzhou Fortuna Private Equity Fund Management Co., Ltd.* (杭州楓華私募基金管理有限公司) (“**Fortuna Fund**”) holding 98% partnership interests therein, which is owned as to approximately 66.68% directly or indirectly by Ms. Huang Haiyan (黃海燕). None of the other shareholders of Fortuna Fund holds 30% or more of the equity interests therein.

Jiaxing Jiacan is a limited partnership established in the PRC and is principally engaged in equity investments and relevant consultation services. The partnership interests of Jiaxing Jiacan are owned as to approximately 0.66% by Fortuna Fund as its general partner, and as to 66.23% and 33.11% by Beijing Bayi Time and Space Investment Management Co., Ltd.* (北京八億時空投資管理有限公司) (“**Beijing Bayi**”) and Zhejiang Zhengkai Investment Group Co., Ltd.* (浙江正凱投資集團有限公司), respectively, as its limited partners. Beijing Bayi is a wholly owned subsidiary of Beijing Bayi Space LCD Technology Co., Ltd. (北京八億時空液晶科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688181).

Yiwu Weihao

Yiwu Weihao is a limited partnership established in the PRC and is principally engaged in equity investment. The partnership interests of Yiwu Weihao are owned as to approximately 1.67% by Shanghai Weihao Chuangxin Investment Management Co., Ltd.* (上海韋豪創芯投資管理有限公司) (“**Weihao Management**”) as its general partner. Yiwu Weihao has 14 limited partners, among which, Yiwu Yikong Equity Investment Co., Ltd.* (義烏市義控股權投資有限公司) (“**Yiwu Yikong**”) (previously known as Yiwu Finance Holding Co., Ltd.* (義烏市金融控股有限公司)) and Zhejiang Weier Equity Investment Co., Ltd.* (浙江韋爾股權投資有限公司) holds approximately 41.67% and 20.83% partnership interests, respectively, and none of the other limited partners holds 10% or more of the partnership interests. Yiwu Yikong was ultimately controlled by Yiwu Municipal People’s Government State-owned Assets Supervision and Administration Office (義烏市人民政府國有資產監督管理辦公室). Weihao Management is owned as to approximately 48.15% and 43.33% by Shanghai Yinjun Management Consulting Partnership (Limited Partnership)* (上海隱鑒管理諮詢合夥企業(有限合夥)) and Shanghai Ganzhong Management Consulting Partnership (Limited Partnership)* (上海淦眾管理諮詢合夥企業(有限合夥)), respectively, both of which are ultimately controlled by Mr. Zhou Siyuan (周恩遠). None of the other shareholders of Weihao Management holds 30% or more of the equity interests therein.

Jiuzhou Shunchuang

Jiuzhou Shunchuang is a limited partnership established in the PRC and is principally engaged in equity investment. The partnership interests of Jiuzhou Shunchuang are owned (i) as to approximately 0.20% by a general partner, Hangzhou Shunfu Equity Investment Partnership Enterprise (Limited Partnership)* (杭州舜富股權投資合夥企業(有限合夥)) (“**Hangzhou Shunfu**”) and (ii) as to approximately 99.80% by 11 limited partners, among which, Yuyao Shunxin Enterprise Management Partnership (Limited Partnership)* (余姚舜新企業管理合夥企業(有限合夥)), Anji Yidao Entrepreneurship Investment Partnership Enterprise (Limited Partnership)* (安吉以道創業投資合夥企業(有限合夥)), Anji Congfang Venture Capital Partnership Enterprise (Limited Partnership)* (安吉從方創業投資合夥企業(有限合夥)), Zhejiang Sunny Optics Co., Ltd.* (浙江舜宇光學有限公司) hold approximately 19.53%, 18.81%, 16.59% and 15.15% partnership interests, respectively, and none of the other limited partners hold 10% or more of the partnership interests. The general partner of Hangzhou Shunfu is Ningbo Meishan Bonded Port Area Shunyi Investment Management Co., Ltd.* (寧波梅山保稅港區舜翌投資管理有限公司), which is an indirect wholly owned subsidiary of Sunny Optical Technology (Group) Company Limited (舜宇光學科技(集團)有限公司), a company listed on the Stock Exchange (stock code: 2382).

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Suzhou Fenhu and Dongguan Qinhe

Suzhou Fenhu is a limited partnership established in the PRC and is principally engaged in venture capital investment. The partnership interests of Suzhou Fenhu are owned as to 1.25% by Suzhou Qinhe Qingshi Investment Management Partnership Enterprise (Limited Partnership)* (蘇州勤合清石投資管理合夥企業(有限合夥)) (“**Qinghe Qingshi**”) as its general partner, and as to 45.00%, 37.50%, 11.25% and 5.00% by Suzhou Fenhu Innovation Industry Investment Center (Limited Partnership)* (蘇州汾湖創新產業投資中心(有限合夥)) (“**Fenhu Investment**”), Shanghai Moqin Intelligent Technology Co., Ltd.* (上海摩勤智能技術有限公司) (“**Moqin Technology**”), Suzhou Qingshi Hengyuan Venture Capital Partnership (Limited Partnership)* (蘇州清石恒源創業投資合夥企業(有限合夥)) (“**Qingshi Hengyuan**”) and Suzhou Wuyun Shuixiang Venture Capital Center (Limited Partnership) (蘇州吳韻水鄉創業投資中心(有限合夥)) (“**Wuyun Shuixiang**”), respectively, as its limited partners. The general partner of Qinghe Qingshi was Suzhou Qingfen Capital Management Co., Ltd.* (蘇州清汾資本管理有限公司) (“**Qingfen Capital**”), which was owned (i) as to 65% by Qingshi Asset Management (Shanghai) Co., Ltd.* (清石資產管理(上海)有限公司) (“**Qingshi Asset Management**”) which is in turn ultimately controlled by Wu Weiping (吳偉萍), and (ii) as to 35% by Suzhou Fentou Capital Management Co., Ltd.* (蘇州汾投資資本管理有限公司) which is in turn ultimately owned as to 70% by Jiangsu Province Fenhu High-Tech Industrial Development Zone Administrative Committee (江蘇省汾湖高新技術產業開發區管理委員會) and as to 30% by State-owned Assets Supervision and Administration Office of Suzhou Wujiang District People’s Government (蘇州市吳江區人民政府國有資產監督管理辦公室). Qingshi Hengyuan is controlled by Qingshi Asset Management (Shanghai) Co., Ltd.* (清石資產管理(上海)有限公司) as its general partner, which holds 65% of the equity interests in Qingfen Capital. Each of Fenhu Investment and Wuyun Shuixiang is controlled by Qingfen Capital as general partner. Moqin Technology is a wholly owned subsidiary of Huaqin Co., Ltd.* (華勤技術股份有限公司) (“**Huaqin Technology**”), a company listed on the Shanghai Stock Exchange (stock code: 603296) and the Stock Exchange (stock code: 3296).

Dongguan Qinhe is a limited partnership established in the PRC and principally engaged in venture capital investment. The general partner of Dongguan Qinhe is Dongguan Qinhe Qingshi Equity Investment Partnership (Limited Partnership)* (東莞勤合清石股權投資合夥企業(有限合夥)), which holds 1.0% of the partnership interests in Dongguan Qinhe. The partnership interests of Dongguan Qinhe Qingshi Equity Investment Partnership (Limited Partnership) are owned as to 45.0% by Moqin Technology which is wholly owned by Huaqin Technology as its limited partner, as to 35.0% by Mr. Feng Xiaoyong (馮小勇) as its limited partner and as to 20.0% by Qingshi Asset Management as its general partner, which is ultimately controlled by Ms. Wu Weiping (吳偉萍). Dongguan Qinhe has five limited partners, among which, Moqin Technology holds 49.0% of the partnership interests, Dongguan Emerging Strategic Industry Investment Partnership (Limited Partnership)* (東莞市新興戰略性產業投資合夥企業(有限合夥)), which is ultimately controlled by Dongguan Municipal People’s Government State-owned Assets Supervision and Administration Commission (東莞市人民政府國有資產監督管理委員會), holds 30.0% of the partnership interests, Nanjing Pukou Zhisi Integrated Circuit Industry Fund Partnership (Limited Partnership)* (南京浦口智思集成電路產業基金合夥企業(有限合夥)) holds 10.0% of the partnership interests, and none of the other limited partners holds 10% or more partnership interests in Dongguan Qinhe.

Zhenjiang Chanfa

Zhenjiang Chanfa is a company established in the PRC and principally engaged in equity investment. Zhenjiang Chanfa is owned as to 98.46% by Jiangsu Hanrui Investment Holding Co., Ltd.* (江蘇瀚瑞投資控股有限公司) and as to 1.54% by Zhenjiang Economic and Technological Development Zone Investment Holding Group Co., Ltd.* (鎮江經濟技術開發區投資控股集團有限公司), both of which are ultimately controlled by Zhenjiang Municipal People’s Government State-owned Assets Supervision and Administration Commission (鎮江市人民政府國有資產監督管理委員會).

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Compliance with [REDACTED] Investment Guidance

On the basis that (i) the considerations for the [REDACTED] Investments were settled at least 28 clear days before the date of the [REDACTED] or at least 120 clear days before the [REDACTED]; (ii) the termination of the special rights granted to the [REDACTED] Investors as disclosed in “— Special Rights” above, the Sole Sponsor confirms that the [REDACTED] Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

[REDACTED]

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

[REDACTED]

SHARE INCENTIVE SCHEMES

In recognition of the contributions of our employees and to incentivize them to further promote our development, Zhenjiang Demao and Shanghai Demao were established in the PRC as our employee share incentive platforms.

As of the Latest Practicable Date, Zhenjiang Demao were owned as to 52.00% by Dr. Guo Mingbo, our executive Director as its general partner; and the remaining 48.00% partnership interests were held by ten limited partners, which comprised (i) Mr. Ma Yuanhong, a vice president of our Company, holding 10.00% partnership interests therein, (ii) Mr. Zhang Lei, a vice president of our Company, holding 10.00% partnership interests therein, and (iii) seven other employees and one former employee of our Group holding in aggregate 28.00% partnership interests therein.

As at the Latest Practicable Date, the general partner of Shanghai Demao was Shanghai Huicheng Juzhi Technology Development Co., Ltd.* (上海匯成聚智科技發展有限公司) (“**Shanghai Huicheng**”), which was owned as to 50.00% and 50.00% by Mr. Li Chengbin, our chairman of the Board, and Dr. Guo Mingbo, our executive Director and chief executive officer, respectively. The partnership interests of Shanghai Demao were owned (i) as to 30.00% by Ms. Dong Fangjie, a vice president, chief financial officer, the Board secretary and joint company secretary of our Company, (ii) as to 18.00% by Mr. Ma Yuanhong, a vice president of our Company, (iii) as to 18.00% by Mr. Zhang Lei, a vice president of our Company, and (iv) as to 34.00% by two other employees of our Group.

For details of our share incentive schemes, see “Statutory and General Information—D. Share Incentive Schemes” in Appendix IV to this document.

OUR PRINCIPAL SUBSIDIARIES

The following subsidiaries of our Group had made material contribution to our results of operations or have key strategic value to our Group during the Track Record Period and up to the Latest Practicable Date.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Name of Subsidiary	Principal business activities	Date and place of establishment	Shareholdings held by our Company
Shanghai Runshi Technology Co., Ltd.* (上海潤勢科技有限公司) (“ Shanghai Runshi ”) . .	Research and development	April 28, 2019, the PRC	100% held by our Company
Zhongke Beisite (Suzhou) Electronic Material Technology Co., Ltd.* (中科貝斯特(蘇州)電子材料科技有限公司) (“ Zhongke Beisite ”) . . .	Research and development, design and sales of acoustic solutions	August 16, 2021, the PRC	95% held by our Company
Zhejiang AITEK New Material Co., Ltd.* (浙江愛科新材料有限公司) (“ Zhejiang AITEK ”) . .	Research and development, production and sales of electronic ceramic materials	August 6, 2018, the PRC	55.36% held by our Company
Shanghai Nexolar New Material Co., Ltd.* (上海納科秀新材料有限公司) (“ Shanghai Nexolar ”)	Research and development and sales of energy enhancement materials	December 26, 2022, the PRC	72.50% held by our Company and 7.50% held by Yangzhou Detai
SSI New Materials (HongKong) Co., Limited (貝斯特新材料(香港)有限公司) (“ SSI New Materials HK ”) . .	Overseas sales	March 27, 2024, Hong Kong	100% held by our Company
Shanghai Yuyang New Energy Technology Co., Ltd.* (上海禹陽新能源科技有限公司) (“ Shanghai Yuyang ”) .	Procurement and sales of energy enhancement materials	December 22, 2015, the PRC	100% held by Shanghai Runshi

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

Acquisition of Zhejiang AITEK

Zhejiang AITEK is a limited liability company established in the PRC in August 2018 and is principally engaged in research, development, production and sales of electronic ceramic materials, including coating materials for lithium-ion battery (“**LIB**”) separators and cathode additives. Given the positive outlook of the market of electronic ceramic materials sector and to leverage the complementary R&D strengths to achieve synergies, our Company entered into a capital increase agreement with Zhejiang AITEK and its then shareholders on December 31, 2024, pursuant to which, we acquired 50.0% of the equity interests in Zhejiang AITEK by subscription for the increased registered capital of Zhejiang AITEK in the amount of RMB28,000,000, at a consideration of RMB30,000,000, with RMB2,000,000 credited to capital reserve of Zhejiang AITEK. Upon completion of such acquisition on December 31, 2024, Zhejiang AITEK became a subsidiary of our Company.

Subsequently on February 28, 2025, our Company entered into equity transfer agreements with Mr. Cai Xiaoming (蔡曉鳴) and Mr. Zhou Haidong (周海東), each being an independent third party and a key employee of Zhejiang AITEK, pursuant to which, Mr. Cai Xiaoming and Mr. Zhou Haidong agreed to transfer in aggregate approximately 5.36% of the equity interests in Zhejiang AITEK for a total consideration of RMB6,000,000. Furthermore, our Company agreed to pay RMB3,000,000 in aggregate to Mr. Cai Xiaoming and Mr. Zhou Haidong in the event that Zhejiang

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

AITEK’s 2025 audited net profit (excluding non-recurring gains and losses) exceeded RMB10,000,000 as an incentive to two individuals to achieve the performance target. Upon completion of the above acquisitions of equity interests in Zhejiang AITEK on May 29, 2025, we held approximately 55.36% of the equity interests in Zhejiang AITEK.

The consideration for the above acquisitions of equity interests in Zhejiang AITEK were determined after arms’ length negotiations between the parties with reference to, among others, (i) the fair value of Zhejiang AITEK, and (ii) the business prospects of Zhejiang AITEK. As of the Latest Practicable Date, our Group had already paid all the consideration for the acquisition of Zhejiang AITEK and held approximately 55.36% of the equity interests in Zhejiang AITEK.

The market of electronic ceramic materials is characterized by increasing demand driven by downstream sectors such as new energy, semiconductors, and data centers. According to Frost & Sullivan, the global core electronic ceramic powder market is expected to reach RMB53.5 billion in 2030, with a CAGR of 19.8% from 2025 to 2030, and the global market size of LIB separator ceramic coating materials is expected to reach RMB7.8 billion in 2030, reflecting a CAGR of 24.9% from 2025 to 2030. Our acoustic enhancement materials and electronic ceramic materials of Zhejiang AITEK share common technologies in their manufacturing processes, such as powder synthesis and ultra-fine powder processing. We believe that the acquisition of Zhejiang AITEK enables our Group to capture growth opportunities in the electronic ceramic materials market, while laying a foundation for expansion into other high-growth fields, taking into account the following considerations: (i) the favourable market prospects driven by increasing demand of ceramic coating materials for LIB separator in new energy vehicle and energy storage industry; (ii) the technological synergies from applying our strong capabilities in inorganic powder synthesis technologies to empower Zhejiang AITEK’s technological innovation enabling it to meet technological iteration demands in the electronic ceramic materials sector, while also benefiting from Zhejiang AITEK’s expertise in electronic ceramic materials to support our product innovation and facilitate the expansion of functional enhancement materials to other high-growth fields such as advanced packaging, computing power materials and other semiconductor-related sectors; (iii) the synergies derived from leveraging our standardized operational and management systems to enhance Zhejiang AITEK’s overall operational efficiency; and (iv) Zhejiang AITEK’s established customer base in the LIB separator industry facilitating our entry into the relevant market.

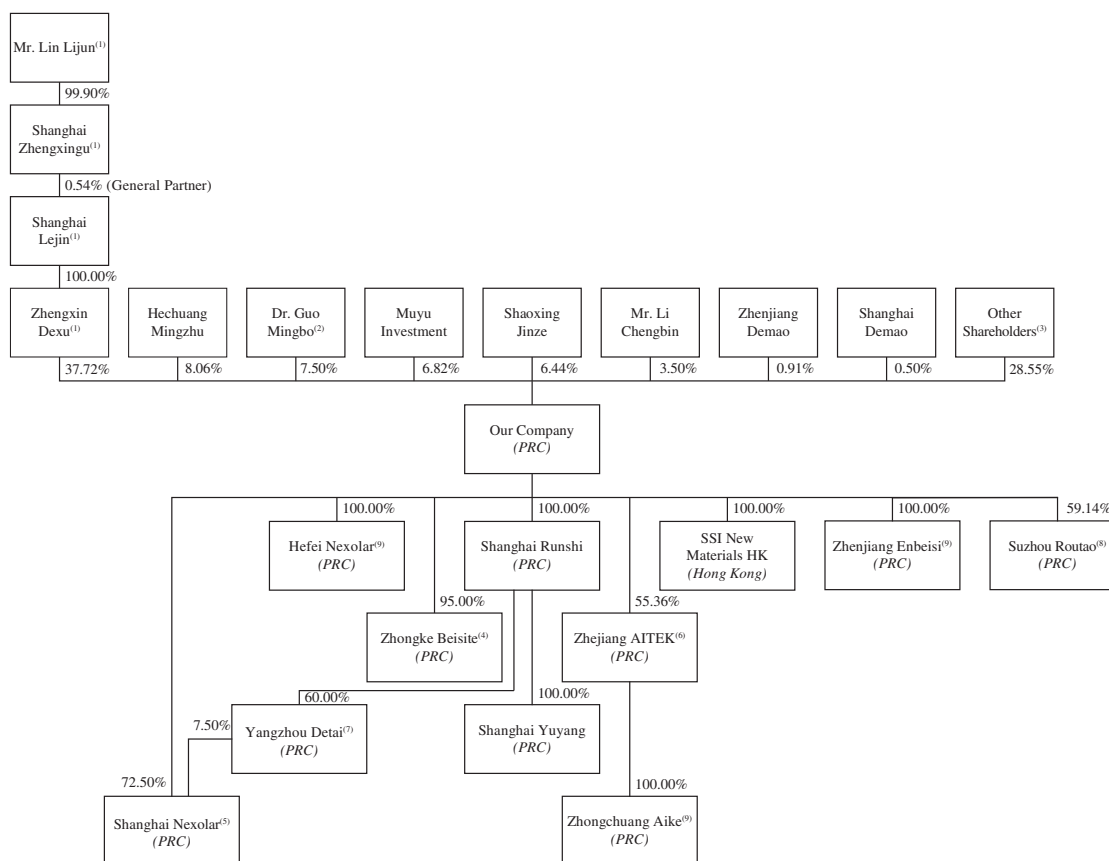
Save as disclosed above, we had no material acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date. We did not conduct any acquisition during the Track Record Period which would require disclosure under Rule 4.05A of the Listing Rules.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

CORPORATE STRUCTURE OF THE COMPANY

Corporate Structure Immediately Before the [REDACTED]

The following chart illustrates the shareholding structure and corporate structure of our Group as at the Latest Practicable Date:



Notes:

- (1) As at the Latest Practicable Date, Zhengxin Dexu was owned as to 100.00% by Shanghai Lejin, the partnership interest of which was held as to approximately 0.54% by Shanghai Zhengxingu as its general partner. As of the Latest Practicable Date, Shanghai Lejin had 25 limited partners, among which, (i) Hangzhou Longshan Chemical Co., Ltd.* (杭州龍山化工有限公司), Shanghai Baomin Investment Management Co., Ltd.* (上海寶璿投資管理有限公司) and Shanghai Tantong Investment Partnership (Limited Partnership)* (上海檀桐投資合夥企業(有限合夥)) held approximately 20.12%, 18.73% and 10.14% of the partnership interest of Shanghai Lejin, respectively, and none of the other limited partners held 10% or more of the partnership interest therein; and (ii) Shanghai Tantong Investment Partnership (Limited Partnership)* (上海檀桐投資合夥企業(有限合夥)), Shanghai Zhengxingu Industrial Co., Ltd.* (上海正心谷實業有限公司), Zhuhai Hengqin Xugu Investment Management Partnership (Limited Partnership)* (珠海橫琴旭谷投資管理合夥企業(有限合夥)) and Zhuhai Hengqin Xuyao Investment Management Partnership (Limited Partnership)* (珠海橫琴旭瑤投資管理合夥企業(有限合夥)), which held approximately 10.14%, 2.30%, 1.35% and 2.69% of the partnership interest of Shanghai Lejin, respectively, and approximately 16.48% in aggregate, were directly or indirectly controlled by Shanghai Zhengxingu and/or Mr. Lin Lijun. All the limited partners of Shanghai Lejin are passive investors and none of which holds 30% or more of the partnership interest therein, and each of the limited partners of Shanghai Lejin has authorised the general partner, namely Shanghai Zhengxingu, to make decisions and execute matters on their behalf over the partnership's affairs. Shanghai Zhengxingu is owned as to 99.90% by Mr. Lin Lijun and 0.10% by Mr. Zhao Yongsheng (趙永生), an independent third party.

Mr. Lin Lijun, the founder of Loyal Valley Capital, has been serving as the executive director and general manager of Shanghai Zhengxingu since its establishment in late 2015. Prior to that, he served as the general manager of China Universal Asset Management Co., Ltd. (匯添富基金管理股份有限公司) from its establishment till May 2015. Mr. Lin served as a non-executive director in the following companies: Shanghai Junshi Biosciences Co., Ltd. (stock code: 1877.HK) from June 2018 to December 2022; Wenzhou Kangning Hospital Co., Ltd. (stock code: 2120.HK) from June 2017 to April 2021; InnoCare Pharma Limited (stock code: 9969.HK) from September 2019 to March 2021; and Akeso, Inc. (stock code: 9926.HK) from November 2019 to August 2020. Mr. Lin also served as an independent

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

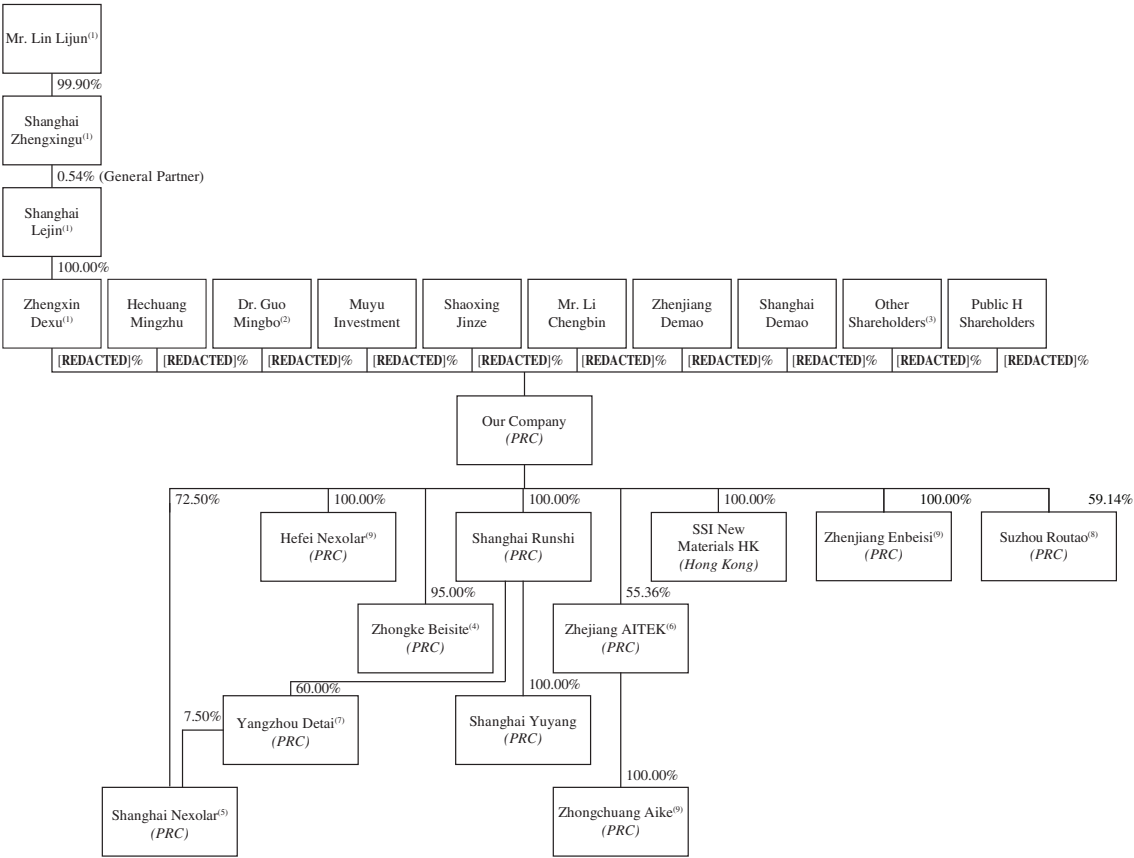
non-executive director or independent director (as applicable) in the following companies: Luoxin Pharmaceuticals Group Stock Co., Ltd. (stock code: 002793.SZ) from April 2020 to May 2021; Shanghai Xinhua Media Co., Ltd (stock code: 600825.SH) from September 2017 to October 2020; Yintech Investment Holdings Limited (NASDAQ: YIN) from April 2016 to September 2020; Shanghai XNG Holdings Limited (stock code: 3666.HK) from March 2016 to June 2019; Yunfeng Financial Group Limited (stock code: 0376.HK) from November 2015 to March 2019; and Shanghai Chengtou Holding Co., Ltd. (stock code: 600649.SH) from June 2014 to March 2017. From August 1997 to July 2001, Mr. Lin worked at the Shanghai Stock Exchange, where he successively served as an assistant to the office director and as an assistant to the director of the listing department. Mr. Lin Lijun obtained his master’s degree in world economy from Fudan University in June 1997 and his master’s degree in business administration from Harvard University in June 2003.

- (2) Represents 26,981,570 Shares held by Dr. Guo Mingbo, including 13,823,680 Shares underlying the restricted share awards granted to Dr. Guo Mingbo under the 2023 Scheme. Such 13,823,680 Shares represent approximately 3.84% of the total issued share capital of the Company as of the Latest Practicable Date, and approximately [REDACTED]% of the total issued share capital of the Company immediately upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised), and will vest upon the earlier of (i) December 31, 2030, or (ii) our Company completes its [REDACTED].
- (3) See “– [REDACTED] Investments” and “– Capitalization Table” in this section for details.
- (4) The remaining 5.00% equity interests in Zhongke Beisite were owned by Zhongke Shengchuang (Suzhou) Enterprise Incubation Management Co., Ltd.* (中科聲創(蘇州)企業孵化管理有限公司), the equity interests of which were owned as to 92% by Mr. Song Zhechao (宋哲超) and as to 8% by Ms. Xiao Yao (肖瑤), each being an independent third party.
- (5) The remaining 20.00% equity interests in Shanghai Nexolar were owned by Yangzhou Youhai Investment Partnership (Limited Partnership)* (揚州佑海投資合夥企業(有限合夥)), the partnership interests of which were owned as to 1% by Ms. Wu Xiaohuan (吳曉寰) as general partner and as to 99% by Mr. Yang Dong (楊東) as limited partner, each being an independent third party.
- (6) The remaining 44.64% equity interests in Zhejiang AITEK were owned as to 23.43% by Nanjing Guochen Chemical Co., Ltd.* (南京國晨化工有限公司), as to 5.46% by Mr. Liang Huayu (梁華玉) (director of Zhejiang AITEK), and four other individuals (namely, Mr. Cai Xiaoming (蔡曉鳴), Ms. Zheng Haimin (鄭海敏), Mr. Zhang Zhifeng (張志峰) and Ms. Yang Yingxia (楊影夏)), each being an independent third party and holding less than 10% of the equity interests therein. Nanjing Guochen Chemical Co., Ltd. is owned as to 88% by Mr. Liang Huayu (梁華玉) and as to 12% by Ms. He Yuexiang (賀越湘).
- (7) Yangzhou Detai Investment Partnership (Limited Partnership)* (揚州德泰投資合夥企業(有限合夥)) (“**Yangzhou Detai**”) is a limited partnership established in the PRC. The general partner of Yangzhou Detai is Shanghai Runshi. The remaining 40% partnership interest of Yangzhou Detai was held by Mr. Yu Zhigang (喻志剛) as its limited partner.
- (8) The remaining 40.86% equity interests in Suzhou Advanced Flexible Ceramics Co., Ltd. (蘇州柔陶新材料有限公司) (“**Suzhou Routao**”) were held by Mr. Wang Yuejiang (王躍江).
- (9) Each of Hefei Nexolar New Material Co., Ltd.* (合肥納科秀新材料有限公司) (“**Hefei Nexolar**”), Zhenjiang Enbeisi New Material Co., Ltd.* (鎮江恩貝斯新材料有限公司) (“**Zhenjiang Enbeisi**”) and Zhongchuang Aike New Material (Zhejiang) Co., Ltd.* (中創愛科新材料(浙江)有限公司) (“**Zhongchuang Aike**”) is a limited liability company established in the PRC.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Corporate Structure Immediately Following the Completion of the [REDACTED]

The following chart illustrates the shareholding structure and corporate structure of our Group immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and no changes in the following shareholdings since the Latest Practicable Date):



Note: Please refer to the notes (1)-(9) to the paragraph headed “Corporate Structure Immediately Before the [REDACTED]” above for more information.