SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to ***[REDACTED]*** *in the* ***[REDACTED]****.*

There are risks associated with any ***[REDACTED]****. Some of the particular risks in investing in the* ***[REDACTED]*** *are set out in "Risk Factors." You should read that section carefully before you decide to invest in the* ***[REDACTED]****.*

OVERVIEW

We are an electrolytic copper foil solutions provider in China, specializing in the design, research and development, production, and sales of high-performance[(i)] electrolytic copper foil. During the Track Record Period, we generated revenue primarily from the sales of lithium battery copper foil products and electronic circuit copper foil products. In light of the upward trend of and the strong demand from our downstream sectors, such as AI and high-performance computing, we are strategically focusing on our business of electronic circuit copper foil products, such as reverse-treated-foil ("**RTF**") and hyper-very-low-profile ("**HVLP**") products, which is expected to be a key growth driver of our future business. We ranked as the tenth-largest electrolytic copper foil producer in the world by sales volume in 2025, with a market share of approximately 2.3%, according to Frost & Sullivan.

We leverage our technological foundation and industrial expertise to deliver customized solutions along with tailored products that address the evolving needs of various downstream customers operating in a wide array of application scenarios and industries. Our technological capabilities enable us to offer essential core materials that support the advancement of the new energy and electronic information industries. We supply lithium battery copper foils, which are essential components in various types of lithium batteries included in new energy vehicle ("**NEV**"), energy storage system ("**ESS**"), and consumer electronics, as well as advanced electronic circuit copper foils, which are critical for manufacturing printed circuit board ("**PCB**") and copper-clad laminate ("**CCL**") used in a wide array of markets including AI and high-performance computing, 5G/6G communications, consumer and automotive electronics, and commercial aerospace. In addition, we supply RTF and HVLP products, targeting at AI and high-performance computing industry, to several leading domestic PCB and CCL manufacturers, and have sent sample products of novel anode current collectors specifically used for solid-state and solid-liquid batteries to globally leading battery manufacturers.

We have established a foundation rooted in high-quality and stable customer relationships, a core asset that validates our market position and directly reinforces the significant customer barrier in our industry. This is further solidified by strategic investments from the leading global battery manufacturer, BYD, and the fund invested by CATL. These endorsements are a powerful testament to our technological capabilities and value, creating an alignment of interests with key industry leaders that is exceptionally difficult for competitors to replicate.

Guided by our goal to create value for customers, we focus on enhancing our core competitiveness through research and development, product quality, service responsiveness, and cost efficiency. This integrated approach enables us to transition beyond transactional supplier relationships into collaborative partnerships. By engaging early in our customers' development cycles and understanding their technical roadmaps, we participate in joint development efforts to deliver customized, high-value products. These collaborations foster long-term relationships with industry-leading customers, contributing to demand visibility, supporting product co-development, and strengthening our competitive market position. As of

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(i) *Lithium battery copper foil products that meet any one of the following criteria: thickness <6μm, tensile strength ≥400MPa, or elongation ≥10%, according to Frost & Sullivan. High-performance products may be phased out over time, driven by our continuous internal technological advancements and evolving industry standards.*

the Latest Practicable Date, we had established long-term collaborative partnerships with seven of the world's top 10 lithium battery manufacturers, including four Chinese companies and three Korean companies.

Our achievements have been recognized through multiple industry awards and official accreditations, reflecting our technical leadership and innovative capabilities. In 2025, we were designated as a National Specialized and New Key "Little Giant" Enterprise (國家級專精特新重點小巨人企業) by the Ministry of Industry and Information Technology (工業和信息化部) of the PRC. We also received the Gaogong Lithium Battery Industry Innovation Award (高工鋰電行業創新獎) in the same year, an authoritative industry endorsement of our technological achievements within the lithium battery supply chain. In 2024, we were recognized as a "Potential Unicorn Enterprise" (潛在獨角獸企業) by the Jiangxi Provincial Department of Science and Technology (江西省科技廳), highlighting our high-growth potential in the new energy materials sector. Additionally, we have actively participated in drafting the national industry standard "Electrolytic Copper Foil for Lithium Batteries" (《鋰離子電池用電解銅箔》), issued by the Ministry of Industry and Information Technology of the PRC, contributing to the establishment of technical norms and promoting standardized development within the industry. Various awards granted by globally leading battery manufacturers, such as the 2025 Technological Innovation Award by CATL and the 2025 Quality Excellence Award by EVE Energy, also demonstrate our superb technological capabilities and high-quality products. See "Business — Awards and Recognition" for details.

OUR BUSINESS MODEL

Our business model is characterized by a collaborative and customized approach. We typically engage with customers from the initial stages of their product development cycle, working closely to designing and developing tailored products that meet specific technical specifications and end-application parameters. This deep integration establishes our role as a critical partner through customers' product life cycle, from research and development to mass production. We have developed a diverse product portfolio that serves high-growth applications in AI and high-performance computing, NEV, ESS, consumer and automotive electronics, 5G/6G communications, and commercial aerospace. Our operations are built upon two distinct product pillars, each targeting critical and rapidly expanding technology sectors.

Lithium Battery Copper Foil

Our lithium battery copper foil is a critical functional component that serves as the anode current collector. Its performance characteristics, including areal density uniformity, tensile strength, and elongation, directly influence key battery performance metrics such as energy density, cycle life, and safety. We operate within the rapidly expanding global lithium battery value chain, which is primarily driven by NEV, ESS and consumer electronics sectors. According to Frost & Sullivan, China is the world's largest market for lithium batteries, accounting for over 60% of global shipments in 2025, and is projected to continue to experience significant growth from 2026 to 2030, supported by national policy and accelerating downstream adoption. The Chinese lithium battery copper foil market is expected to experience robust growth in tandem, with sales volume projected to increase from 1,260.1 kilotons in 2026 to 2,543.1 kilotons in 2030, representing a CAGR of 19.2%, according to the same source. Our products are specifically designed to serve the battery applications of the above-mentioned core downstream sectors.

Our core products consist of double-sided shiny copper foils with thicknesses ranging from 4μm to 10μm. We supply standard 6μm-10μm foils, which provide reliable performance for mainstream applications. Our focus is on the high-growth segment of high-performance copper foils, which is experiencing exceptional demand in China, as sales volume of high-performance lithium battery copper foil are projected to surge from 469.0 kilotons in 2026 to 2,184.5 kilotons in 2030, representing a

CAGR of 46.9%, according to Frost & Sullivan. Our offerings within this segment include ultra-thin 3μm–5μm foils engineered to maximize battery energy density, and customized 6μm-10μm high-performance foils designed for demanding environments requiring high safety and long service life.

To align with the evolution of battery technology, we are proactively developing next-generation materials to capitalize on future market trends. Our development pipeline includes new coated current collector for sodium-ion batteries and, in collaboration with a leading industry customer, novel multi-metal anode current collector materials for solid-state batteries. The development of the multi-metal material has progressed through laboratory-scale trials. Based on positive results from initial pilot testing and subsequent cell validation, we built a dedicated pilot production line in June 2026 for the continuous R&D and iteration of the multi-metal material, positioning us to address the emerging solid-state battery market.

Electronic Circuit Copper Foil

Our electronic circuit copper foil is a foundational material for manufacturing CCL and PCB, serving as the essential medium for signal transmission and power conduction. This product serves the expansive global PCB market, the market value of which is projected to grow from RMB685.6 billion in 2026 to RMB1,088.0 billion in 2030, representing a CAGR of 12.2%, according to Frost & Sullivan. The China PCB market, which accounted for approximately 54.3% of the global PCB market in 2025, is expected to expand from RMB358.2 billion to RMB492.6 billion over the same period at a CAGR of 8.3%, according to the same source. Our products are integral to a broad array of applications across high-growth sectors, including AI and high-performance computing, 5G/6G communications infrastructure, commercial aerospace, automotive electronics, and industrial control systems.

We offer a complete portfolio of electronic circuit copper foils engineered to meet the specific performance requirements of diverse application scenarios. Our product suite includes high-temperature elongation ("**HTE**") foil, with thicknesses ranging from 10μm to 70μm, which provides excellent thermal stability required for demanding multi-layer PCB applications. We also supply low profile ("**LP**") foil, designed for use in flexible circuits found in wearable and compact electronics, characterized by low surface roughness to minimize signal loss. Our advanced high-frequency high speed products consist of RTF and HVLP foil series. These products are specifically engineered to address critical signal integrity challenges in cutting-edge, high-speed applications, targeting the rapidly growing segment for AI and high-performance computing PCBs and 5G/6G communication network. In China, the size of AI and computing PCBs market is projected to grow from a market size of RMB54.1 billion in 2026 to RMB157.2 billion in 2030, representing a CAGR of 30.6%, according to Frost & Sullivan.

We have established a strong commercial position in the electronic circuit copper foil market, supported by supply of RTF and HVLP series products to several leading domestic CCL and PCB manufacturers. To capture future opportunities driven by AI and high-performance computing applications and next-generation 5G/6G communication network, we maintain a dedicated research and development program. This program focuses on advancing our product portfolio and has established technical reserves for subsequent generations of high-frequency, high-speed foils. This strategic approach consolidates our current market position while building a foundation for continued growth.

OUR COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and differentiated us from our competitors.

- A comprehensive and integrated product portfolio, underpinned by technical expertise that combines mature mass-production systems with forward-looking research and development.

- A solid research and development foundation and refined production processes through nearly a decade of focused operation in the electrolytic copper foil industry.

- A resilient customer network by securing positions within the supply chains of numerous leading global technology companies and collaborative approaches to innovation with our leading customers.

- Leading scale production capacity with highly automated manufacturing system and complete production lines, including equipment selection and process layout tailored to our specific technical needs.

- A highly experienced and dynamic management team with deep expertise in the new energy and electrolytic copper foil industries, which integrates extensive industry knowledge with strong operational leadership.

See "Business — Our Strengths" for details.

OUR BUSINESS STRATEGIES

We intend to further entrench our competitive strengths and implement the following strategies in pursuit of our vision.

- Continuously strengthen our research and development capabilities to enhance our products' competitive advantage.

- Strengthen delivery capabilities through manufacturing capacity expansion and manufacturing system upgrades.

- Expand overseas markets and promote global business development.

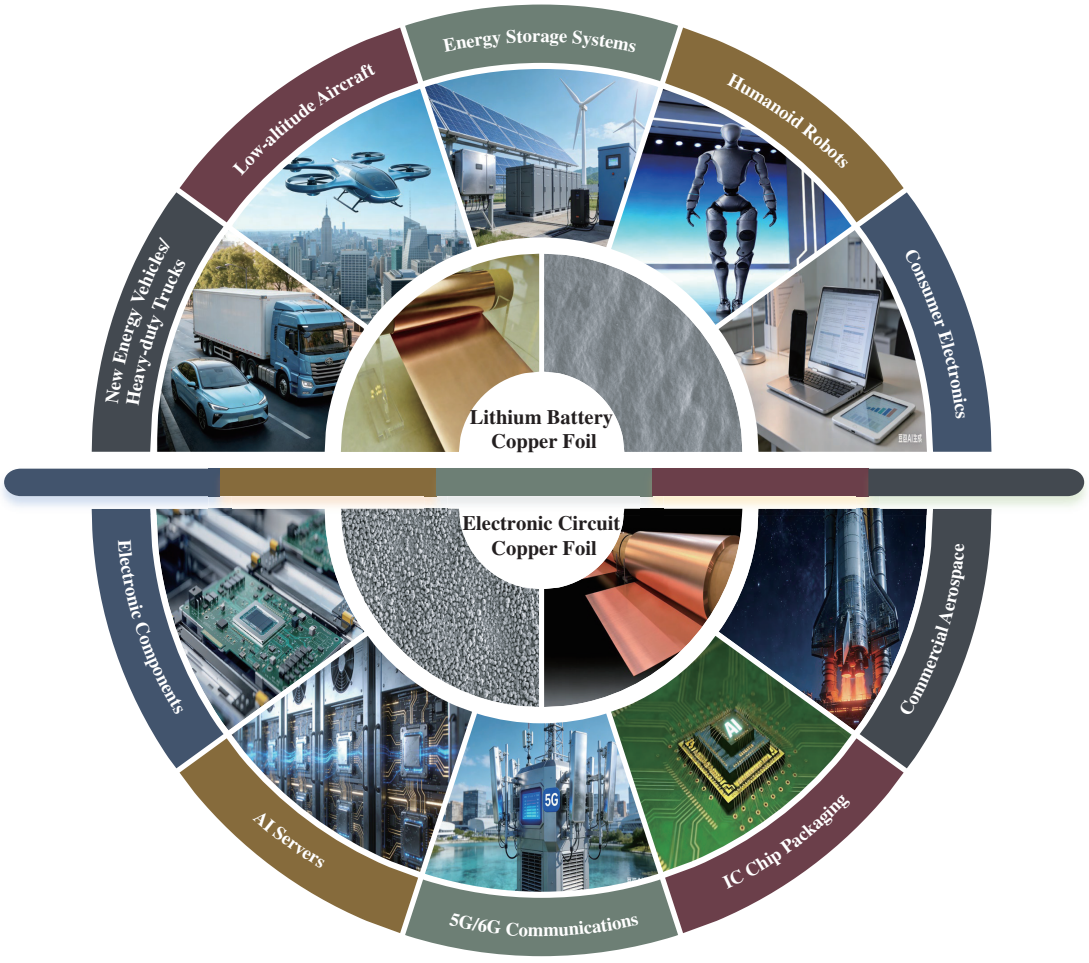
- Cultivate a professional, high-caliber workforce.

- Explore strategic collaborations and potential mergers and acquisitions opportunities.

See "Business — Our Strategies" for details.

OUR SOLUTIONS AND PRODUCT OFFERINGS

We are a leading electrolytic copper foil solutions provider in China, specializing in the design, research and development, production, and sales of electrolytic copper foil. Our product portfolio consists of two core categories: (i) standard and high-performance lithium battery copper foil, which serves as the essential anode current collector in lithium batteries; and (ii) electronic circuit copper foil, which is used in the production of PCB and CCL. Our revenue generated from the sales of lithium battery copper foil products accounted for 89.1%, 88.8%, 87.8%, 86.9% and 89.3% of our total revenue in 2023, 2024 and 2025 and the six months ended June 30, 2025 and 2026, respectively, while our revenue generated from the sales of electronic circuit copper foil products accounted for 10.2%, 10.9%, 11.4%, 12.8% and 8.2% of our total revenue in the same periods, respectively.



Lithium Battery Copper Foil

We specialize in design, research and development, production, and sales of advanced lithium battery copper foil, which serves as the essential anode current collector in lithium batteries. Our focus is on high-performance current collectors for lithium battery anodes. We offer a customizable range of copper foils with thicknesses spanning from 3μm to 10μm, covering various tensile strength grades from standard to ultra-high strength. Our products are competitive in key indicators such as tensile strength, elongation, and areal density uniformity, making them suitable for the diverse demands of power batteries, ESS, and consumer electronics batteries.

We have established a full lifecycle, high-standard quality management system from initial product concept to mass production, complemented by a mature and complete technical standard framework. This system ensures product quality while balancing cost and time efficiency. We implement a stringent verification process to confirm that our lithium battery copper foils meet all designed specifications.

Electronic Circuit Copper Foil

In the electronic circuit copper foil segment, we develop, manufacture and sell high-grade electrolytic copper foil used in the production of PCBs and CCLs. Our electronic circuit copper foil products are primarily supplied to established industry leaders, including publicly listed and/or leading PCB manufacturers and CCL producers, who typically incorporate our copper foil into their high-

performance circuit boards and electronic components. In terms of application, our products can be applied in various downstream scenarios, including AI and high-performance computing, 5G/6G communication, automotive electronics, and data centers, according to the differentiated requirements of downstream customers.

A key competitive advantage of our electronic circuit copper foil products is our proprietary surface treatment technology and additive formulation systems. While sharing similar electrochemical principles with our lithium battery copper foil production, the technical focus for electronic circuit copper foil emphasizes ultra-low-profile surfaces, high peel strength, and excellent electrical properties suitable for high-frequency, high speed applications. Through continuous innovation and close collaboration with our key customers, we have built a resilient and diversified product portfolio that aligns with global megatrends in electrification, connectivity, AI and digitalization.

See "Business — Our Solutions and Product Offerings" for details of our solutions and major products.

RESEARCH AND DEVELOPMENT

Our competitiveness and market positioning are fundamentally dependent on our ability to consistently develop and commercialize innovative, high-performance products that meet these stringent and evolving requirements. To this end, we rely on our research and development to establish and strengthen our market position.

Our Technologies

Our technologies enable us to develop high-performance copper foil, differentiating us from our competitors. As of the Latest Practicable Date, we have accumulated 101 patents and a substantial portfolio of in-house know-how and trade secrets, forming a solid technological barrier that supports our competitive position. We have successfully commercialized a series of high-value products, including ultra-high-strength, high-elongation ultra-thin lithium battery copper foils and electronic circuit copper foils related to AI and high-performance computing, such as RTF, HVLP and carrier copper foil, among others. Moreover, we have completed the research and development and production readiness of key innovations such as new coated current collector for sodium-ion batteries and have advanced several innovation projects to pilot-scale production such as novel multi-metal anode current collectors for solid-state battery systems.

Our Research and Development Platforms

We have two primary research and development facilities, the Midas Sci-lab and the Hephaestus Tech-lab, serving as the engine of our research and development. We have established a comprehensive research and development process that spans fundamental material science, proprietary additive formulas, rigorous process optimization, and pilot-scale production. Our Midas Sci-lab was established with the stated mission of advancing industry evolution through innovative foil materials. The laboratory closely monitors technological trends in the AI and high-performance computing and new energy industries, and is committed to developing frontier products with broad application potential, such as RTF, HVLP and carrier copper foil, among others. Our Hephaestus Tech-lab is dedicated to the ongoing development and iterative improvement of lithium-ion battery copper foil products and related manufacturing processes. The laboratory's core positioning is focused on the lithium battery copper foil sector and on application scenarios for downstream battery manufacturers.

Our Collaboration with Customers and Research Institutes

To solidify our market position and secure sustainable growth, we have established deep and strategic relationships with major downstream customers. These relationships are formalized through comprehensive framework agreements and long-term supply contracts, which encompass not only product supply but also collaborative development, demand alignment, and capacity planning.

A hallmark of our customer engagement model is the close integration of joint technical development with forward-looking demand planning. We work alongside key customers from the early stages of their product roadmaps, co-developing customized products that address specific application challenges. This collaborative approach not only enhances product performance but also optimizes delivery efficiency and ensures supply chain stability. In certain agreements, we have committed to dedicated capacity allocation, priority supply terms, and pricing advantages, reflecting mutual trust and strategic alignment with our leading customers. These long-term, structured partnerships provide us with enhanced demand visibility, support continuous product iteration, and reinforce our role as a critical and embedded supplier within our customers' advanced technology ecosystems.

In addition to our robust in-house product development, we actively pursue collaborative relationships with leading academic institutions, including Harbin Institute of Technology, Nanchang University and Jiangxi University of Science and Technology, to broaden our access to innovative technologies and accelerate our development pipeline.

See "Business — Research and Development" for details regarding our technologies, research and development facilities, and our collaboration with customers and research institutes.

OUR CUSTOMERS AND SUPPLIERS

Our Customers

Our customer base primarily comprises (i) leading lithium battery manufacturers for applications in NEV, ESS, and consumer electronics; and (ii) major PCB and CCL producers serving the AI and high-performance computing, communications, and consumer and automotive electronics sectors. Our revenue from our five largest customers in each period during the Track Record Period amounted to RMB2,712.3 million, RMB2,804.2 million, RMB3,499.5 million and RMB2,803.3 million, respectively, accounting for 85.8%, 87.3%, 83.1% and 82.4% of our total revenue in the same periods, respectively. Our revenue from our largest customer in each period during the Track Record Period amounted to RMB1,533.2 million, RMB1,997.4 million, RMB2,475.8 million and RMB1,870.0 million, respectively, accounting for 48.5%, 62.2%, 58.8% and 54.9% of our total revenue in the same periods, respectively.

Our Suppliers

Our supplier selection process is governed by stringent criteria designed to ensure the superior quality and reliability of our raw materials. Our agreements with suppliers typically grant us the right to return or exchange materials that fail to meet the specifications outlined in our internal quality standards or accompanying quality documentation upon delivery and inspection. This system, supported by our quality control team, ensures that non-conforming materials are prevented from entering our production and dispensing processes.

Our supplier base primarily comprises suppliers of copper wire, other raw materials, machinery, as well as electricity providers. Our purchases from our five largest suppliers in each period during the Track Record Period were RMB2,384.8 million, RMB2,474.8 million, RMB2,104.6 million and RMB2,395.8 million, respectively, representing 94.9%, 89.9%, 54.6% and 61.7% of our total purchase amount in the same periods, respectively. Our purchase from our largest supplier in each period during

the Track Record Period was RMB632.6 million, RMB684.8 million, RMB549.9 million and RMB1,060.6 million, respectively, representing 25.2%, 24.9%, 14.3% and 27.3% of our total purchase amount in the same periods, respectively.

OUR RELATIONSHIP WITH CUSTOMER A

During each period of the Track Record Period, Customer A was our single largest customer, the revenue from which accounted for 48.5%, 62.2%, 58.8% and 54.9% of our total revenue in 2023, 2024, 2025 and the six months ended June 30, 2026, respectively. Our Directors consider that, although the revenue from Customer A was relatively concentrated during the Track Record Period, our business model is still sustainable, because (i) our relationship with Customer A is unlikely to materially deteriorate or terminate; and (ii) with the rapid expansion of our production capacity, we are continuously exploring new opportunities to further diversify our customer composition. Concurrent with our successful engagement of new customers, our Directors believe that it is unlikely that there will be a material adverse change in or termination of our relationship with Customer A for the following reasons: (i) Customer A's dominant market leadership; (ii) mutual benefits with Customer A; (iii) customer diversification and ability to develop new customers; and (iv) costs and barriers for replacing copper foil suppliers.

See "Business — Customers — Our Relationship with Customer A" and "Risk Factors — We have a high concentration of customers" for details.

OVERLAPPING CUSTOMERS AND SUPPLIERS

During the Track Record Period, some of our customers were also our suppliers of raw materials and consumables. According to Frost & Sullivan, it is common in the industry for battery manufacturers to sell copper and equipment according to their production plan and inventory level, and for copper wire suppliers to purchase copper foil scrap from copper foil producers for recycling purpose. Negotiations of the terms of our sales to and purchases from these overlapping customers and suppliers were conducted on an individual basis and the sales and purchases were neither inter-connected nor inter-conditional with each other. Our Directors confirmed that all of our sales to and purchases from these overlapping customers and suppliers were conducted in the ordinary course of business under normal commercial terms and on arm's length basis.

See "Business — Overlapping Customers and Suppliers" for details.

PRICING

Our pricing capability is fundamental to maintaining stable financial performance and profitability. We operate on an established "copper price plus processing fee" model, which represents the industry standard for electrolytic copper foil sales. This mechanism is designed to pass price fluctuations of raw materials through to customers, insulating our gross profit from copper price volatility. In each period comprising the Track Record Period, we were able to pass on over 99.0% of our costs of copper to our customers. While this mechanism protects us from copper price volatility, our gross profit margin remains sensitive to the level of processing fees that we can charge. The pricing of the processing fee initiates with a detailed technical and commercial assessment of customer requirements, factoring in specific product parameters, such as thickness, tensile strength, and elongation rate, as well as projected volumes and intended applications. We subsequently perform a granular calculation of the associated processing costs, incorporating direct manufacturing expenses, labor, auxiliary materials, and an allocated portion of research and development expenditures. The derived processing fee is then calibrated to reflect market conditions and product sophistication, with premium rates applied to advanced offerings such as ultra-thin high strength lithium battery foils.

For example, along with the increased copper price in 2024, the costs of our lithium battery copper foil products in 2024 were higher than those in 2023. Although we had been able to pass on the increased costs of copper to our customers, however, as there was an oversupply in the market in 2024, we were not able to charge competitive processing fees, resulting in a decrease in our selling prices. As a result, the decreased processing fee/selling prices led to the decreases in our profitability and margin from 2023 to 2024.

Additionally, final terms may be influenced by strategic considerations, including the nature and duration of customer partnerships and competitive dynamics. This comprehensive pricing framework is subject to regular internal review to ensure continued competitiveness, alignment with cost structures, and support of our strategic commercial objectives.

MARKETING AND PROMOTION

As of the Latest Practicable Date, we had established a distinguished market position under our corporate brand "Tongbo Technology," which has become synonymous with technological innovation and product excellence within the high-performance electrolytic copper foil sector. Our reputation is based upon the consistent delivery of superior performance products and our validated position as an accredited supplier to multiple global industry leaders.

We maintain a highly focused business development strategy centered on direct technical and commercial engagement with major customers across the lithium battery and PCB industries. Our commercial growth is primarily driven by our established reputation for technological leadership, product reliability, and scalable, unwavering supply chain dependability, rather than through broad marketing initiatives. This is substantiated by our successful, long-term partnerships with numerous leading industry participants.

RISK FACTORS

Our business faces risks including those set out in the section headed "Risk Factors." As different investors may have different interpretations and criteria when determining the significance of a risk, you should read the "Risk Factors" section in its entirety before you decide to invest in our **[REDACTED]**.

Some of the major risks that we face include: (i) our business and financial performance are subject to the market and cyclical risks of the electrolytic copper foil industry, as well as the industries of our downstream customers; (ii) our business and financial performance are subject to significant competitive and cyclical pressures inherent in the electrolytic copper foil industry; (iii) we have a high concentration of customers; (iv) we had net cash outflows from operating activities in 2024, 2025 and the six months ended June 30, 2026. If we continue to have negative operating cash flows in the future, our liquidity and financial condition may be materially and adversely affected; (v) our profitability may be materially and adversely affected by intense price competition and our inability to maintain sustainable profit margins; (vi) our success depends on our ability to successfully innovate and adapt to technological evolution in downstream markets. The outcome of our research and development activities are inherently uncertain, which could impair our product competitiveness and profitability; and (vii) we are exposed to fluctuations in processing fees and other operational costs, which may have a material and adverse impact on our profitability.

INTELLECTUAL PROPERTY

Our principal intellectual properties include patents, patented trade secrets, confidential know-how, trade marks, and domain names. As of the Latest Practicable Date, we had 101 granted patents, seven registered trade marks, and two registered domain names, which were material to our business. See "Appendix IV – Statutory and General Information – Further information about our Group" for more details of our material intellectual property rights.

We rely on a combination of intellectual property right protection laws in the Chinese mainland, confidentiality procedures, contractual provisions and strict internal procedures to protect our intellectual properties. Our legal department closely monitors our intellectual properties, ensuring that all necessary application, renewal or filing for such intellectual properties have been timely made to competent authorities, or that any third-party intellectual properties have been reasonably circumvented.

See "Research and Development — Our Technologies" for details regarding our core intellectual properties.

OUR CONTROLLING SHAREHOLDERS

Pursuant to the Concert Party Agreements, Mr. Li Xianyang and Mr. Li Siyang (for themselves and on behalf of entities controlled by them) agreed that they shall act in concert with respect to, *inter alia*, the right to propose resolutions at general meetings, voting rights and other matters which are subject to the approval in general meetings of our Company, for the period since the dates of the Concert Party Agreements and upon the expiration of the first 36 months' period from the date of the public **[REDACTED]** of the Shares. In light of the above, Mr. Li Xianyang, Mr. Li Siyang and Zhuhai Xinyan, a limited partnership controlled by Mr. Li Siyang, are collectively entitled to exercise voting rights of approximately 71.1% of the total issued share capital of our Company as of the Latest Practicable Date, and are considered as a group of Controlling Shareholders.

Immediately upon completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), Mr. Li Xianyang, Mr. Li Siyang and Zhuhai Xinyan will be collectively entitled to exercise voting rights underlying approximately **[REDACTED]**% of the total issued share capital of our Company, and hence they will remain as a group of Controlling Shareholders. See "Relationship with our Controlling Shareholders" for details.

[REDACTED] INVESTMENTS

Our **[REDACTED]** Investments include BYD Equity Transfer, Series A Financing, Series A+ Equity Transfer and Series B Financing. We raised a total of approximately RMB476.7 million through Series A Financing and Series B Financing. We did not receive any proceeds from BYD Equity Transfer and Series A+ Equity Transfer.

Pursuant to the PRC Company Law, all the existing Shareholders (including the **[REDACTED]** Investors) are subject to a one-year lock-up period from the **[REDACTED]**. Our **[REDACTED]** Investors consist of listed companies, private equity funds, government-led funds and private investors, some with specific focus on lithium battery, printed circuit board and electrolytic copper foil sectors. See "History, Development and Corporate Structure — Corporate Development of our Company – **[REDACTED]** Investments" for details.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this document:

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

	Years ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
			RMB'000		
				(Unaudited)	
Revenue	**3,162,995**	**3,211,673**	**4,212,496**	**1,802,293**	**3,403,272**
Cost of sales	(2,951,445)	(3,111,890)	(3,971,193)	(1,720,650)	(3,127,116)
Gross profit	**211,550**	**99,783**	**241,303**	**81,643**	**276,156**
Other income and gains	74,470	122,116	77,850	26,694	46,153
Selling and marketing expenses	(21,722)	(13,884)	(17,261)	(7,035)	(9,892)
Administrative expenses	(69,280)	(60,834)	(65,063)	(19,641)	(31,775)
Research and development expenses	(53,825)	(46,823)	(49,406)	(21,538)	(36,278)
Reversal of impairment losses/(impairment losses) on financial assets, net	1,573	(5,508)	5,137	2,101	4,797
Other expenses	(21,049)	(11,896)	(20,375)	(9,936)	(12,764)
Finance costs	(48,515)	(61,604)	(68,365)	(39,570)	(47,780)
Profit before tax	**73,202**	**21,350**	**103,820**	**12,718**	**188,617**
Income tax (expense)/credit	(10,145)	(770)	(9,986)	562	(23,699)
Profit and total comprehensive income for the year/period	**63,057**	**20,580**	**93,834**	**13,280**	**164,918**
Profit attributable to:					
Owners of the parent	63,085	20,581	91,780	13,279	156,237
Non-controlling interests	(28)	(1)	2,054	1	8,681
	63,057	20,580	93,834	13,280	164,918

Revenue

During the Track Record Period, our revenue was primarily generated through the sales of different types of copper foil products, i.e. the lithium battery copper foil and the electronic circuit copper foil. To a lesser extent, we also generated a small portion of revenue through the sales of copper foil scrap during the Track Record Period. Our revenue generated from the sales of copper foil accounted for 99.3%, 99.7% , 99.2%, 99.7% and 97.5% of our total revenue in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively, and our revenue generated from the sales of lithium battery copper foil accounted for 89.1%, 88.8%, 87.8%, 86.9% and 89.3% of our total revenue in the same periods, respectively.

The following table sets forth the breakdown of our revenue by product in absolute amounts and as percentages of our total revenue for the periods indicated:

	Years ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
					RMB'000, except for percentage					
							(Unaudited)			
Copper foil										
– Lithium battery copper foil	2,816,472	89.1	2,851,739	88.8	3,700,905	87.8	1,566,084	86.9	3,040,091	89.3
– Electronic circuit copper foil	323,118	10.2	351,186	10.9	478,769	11.4	231,116	12.8	280,061	8.2
Sub-total	3,139,590	99.3	3,202,925	99.7	4,179,674	99.2	1,797,200	99.7	3,320,152	97.5
Others[(i)]	23,405	0.7	8,748	0.3	32,822	0.8	5,093	0.3	83,120	2.5
Total	**3,162,995**	**100.0%**	**3,211,673**	**100.0%**	**4,212,496**	**100.0%**	**1,802,293**	**100.0%**	**3,403,272**	**100.0%**

Note:

(i) Represented primarily sales of copper foil scrap.

Our total revenue remained relatively stable at RMB3,211.7 million in 2024, as compared to RMB3,163.0 million in 2023. Our total revenue increased by 31.2% from RMB3,211.7 million in 2024 to RMB4,212.5 million in 2025, and further by 88.8% from RMB1,802.3 million in the six months ended June 30, 2025 to RMB3,403.3 million in the six months ended June 30, 2026, primarily due to our increased sales of lithium battery copper foil products, as a result of the strong market demand in the lithium battery industry, such as the power and energy storage sectors.

The following table sets forth the breakdown of our revenue generated from the sales of lithium battery copper foil by type of products for the periods indicated:

	Years ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000, except for as a percentage of total revenue						*(Unaudited)*			
Lithium battery copper foil										
Standard	2,577,146	81.5	971,080	30.2	813,333	19.3	374,595	20.8	368,772	10.8
High-performance	239,326	7.6	1,880,659	58.6	2,887,572	68.5	1,191,489	66.1	2,671,319	78.5
Total	**2,816,472**	**89.1%**	**2,851,739**	**88.8%**	**3,700,905**	**87.8%**	**1,566,084**	**86.9%**	**3,040,091**	**89.3%**

Sales of high-performance lithium battery copper foil products accounted for an increasing portion of our total sales during the Track Record Period, reflecting our efforts to strategically expand our high-performance products business which has higher selling prices and margins.

The following table sets forth the price range and sales volume of our electrolytic copper foil products for the periods indicated:

	Years ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Average selling price *(RMB/kg)*	Sales volume *(Ton)*	Average selling price *(RMB/kg)*	Sales volume *(Ton)*	Average selling price *(RMB/kg)*	Sales volume *(Ton)*	Average selling price *(RMB/kg)*	Sales volume *(Ton)*	Average selling price *(RMB/kg)*	Sales volume *(Ton)*
Lithium Battery copper foil										
– Standard	81.8	31,492.4	78.3	12,409.5	85.9	9,468.1	83.9	4,462.5	104.7	3,522.0
– High-performance	87.4	2,739	83.2	22,598.5	87.8	32,872.3	84.2	14,158.5	107.1	24,947.0
Sub-total	82.3	34,231.4	81.5	35,008.0	87.4	42,340.4	84.1	18,621.0	106.8	28,469.0
Electronic circuit copper foil	74.8	4,317.6	78.7	4,465.4	83.5	5,733.3	81.2	2,846.2	104.2	2,686.7
Total		**38,549.0**		**39,473.4**		**48,073.7**		**21,467.2**		**31,155.7**

During the Track Record Period, the average selling prices of our high-performance lithium battery copper foil products were higher than those of our standard lithium battery copper foil products, as our high-performance products can charge higher processing fees due to its technological advancement. In addition, sales volume of high-performance lithium battery copper foil products accounted for an increasing portion of our total sales during the Track Record Period, reflecting our efforts to strategically expand our high-performance products business which has higher selling prices and margins. The average selling price of our lithium battery copper foil products in 2024 was lower than those in 2023 and 2025, as a result of the temporary oversupply in the lithium battery copper foil market in 2024 that led to a decrease in our processing fees. The average selling price and sales volume of our lithium battery copper foil products increased significantly from the six months ended June 30, 2025 to the six months ended June 30, 2026, as a result of the extremely high demand from our downstream industries. The increasing trend of the average selling price of our electronic circuit copper foil products enabled this business segment to turn from loss-making position to profit-making position, and our electronic circuit copper foil business is expected to further improve its profitability in 2026.

We sell our copper foil products primarily in the Chinese mainland. During the Track Record Period, we also sold products to overseas customers. The following table sets forth the breakdown of our revenue by geographical markets in absolute amounts and as percentages of our total revenue for the periods indicated:

	Years ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000, except for percentage						*(Unaudited)*			
Geographical markets										
Chinese mainland	3,162,995	100.0	3,208,196	99.9	4,211,858	100.0	1,801,983	100.0	3,403,182	100.0
Overseas	–	–	3,477	0.1	638	0.0	310	0.0[1]	90	0.0[1]
Total	**3,162,995**	**100.0%**	**3,211,673**	**100.0%**	**4,212,496**	**100.0%**	**1,802,293**	**100.0%**	**3,403,272**	**100.0%**

Note:

(i) Less than 0.1%

Government Grants and Subsidies

During the Track Record Period, government grants and subsidies were important to our business operations, cash flow and results of operations. Our government grants and subsidies consisted primarily of additional VAT credit for advanced manufacturing, electricity subsidies, research and development projects, industrial subsidy, and fixed assets investments. Most of these government grants and subsidies were given on a one-off basis and at the discretion of the local governments. The government grants and subsidies we received were also uncertain and subject to criteria and procedures stipulated by the local governments, such as the completion of the specified milestones of certain fixed assets investment.

Our government grants and subsidies increased from RMB57.1 million in 2023 to RMB109.3 million in 2024, primarily due to the additional VAT credit for advanced manufacturing and electricity subsidies. Our government grants and subsidies decreased from RMB109.3 million in 2024 to and RMB62.0 million in 2025, primarily due to the cessation of the electricity subsidy. Our government grants and subsidies increased from RMB17.7 million in the six months ended June 30, 2025 to RMB39.7 million in the six months ended June 30, 2026, primarily due to receipt of additional VAT credit for advanced manufacturing companies and one-off industrial development grants for Sichuan Tongbo.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales. Our gross profit margin represents our gross profit divided by our revenue, expressed as a percentage. The following table sets forth a breakdown of our gross profit and gross profit margin by product for the periods indicated:

	Years ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Gross profit *(RMB'000)*	Gross profit margin *(%)*	Gross profit *(RMB'000)*	Gross profit margin *(%)*	Gross profit *(RMB'000)*	Gross profit margin *(%)*	Gross profit *(RMB'000)*	Gross profit margin *(%)*	Gross profit *(RMB'000)*	Gross profit margin *(%)*
							(Unaudited)			
Copper foil										
– Lithium battery copper foil	224,217	8.0	109,475	3.8	238,203	6.4	80,438	5.1	256,994	8.5
– Electronic circuit copper foil	(9,532)	(3.0)	(9,643)	(2.7)	3,794	0.8	1,825	0.8	17,359	6.2
Sub-total	214,685	6.8	99,832	3.1	241,997	5.8	82,263	4.6	274,353	8.3
Others	(3,135)	(13.4)	(49)	(0.6)	(694)	(2.1)	(620)	(12.2)	1,803	2.2
Total	**211,550**	**6.7%**	**99,783**	**3.1%**	**241,303**	**5.7%**	**81,643**	**4.5%**	**276,156**	**8.1%**

As we adopt a "copper price plus processing fee" pricing model, our gross profit is primarily driven by the processing fee, which is influenced by factors such as market conditions and our technological capabilities. Our gross profit margin is calculated by dividing gross profit by revenue and is therefore affected by both the processing fee and the price of copper. However, because fluctuations in copper prices can generally be passed on to our customers, the processing fee is the key determinant of our gross profit margin. In addition, as sales of lithium battery copper foil accounted for the largest portion of our total sales during each period of the Track Record Period, the gross profit and gross profit margin of lithium battery copper foil have a significant impact on our overall gross profit and overall gross profit margin.

Our business of electronic circuit copper foil was loss-making in 2023 and 2024, primarily due to the slowdown in market growth in the downstream industries. It is common for electronic circuit copper foil manufacturers to record losses in 2023 and 2024 as a result of such market slowdown, according to Frost & Sullivan. During such market slowdown period, we strategically and temporarily changed our focus to our business of lithium battery copper foil which continued to maintain robust market demand, while maintaining a necessary level of the production of electronic circuit copper foil to retain long-term, stable business relationships with important customers, such as those in the PCB and CCL industries. As a result, the production scale of our electronic circuit copper foil business was insufficient to achieve economies of scale. Although we adopted "copper price plus processing fee" pricing model for this business segment, as our cost of sales (such as manufacturing costs) remained at levels that exceeded the processing fees we were able to charge, we recorded losses in this business segment in 2023 and 2024. Benefiting from the strong market demand from the downstream industries, in particular the AI PCB related sectors, the gross profit of our electronic circuit copper turned positive in 2025, and increased significantly from RMB1.8 million in the six months ended June 30, 2025 to RMB17.4 million in the six months ended June 30, 2026. We will continue to closely monitor market conditions and intend to scale up our electronic circuit copper foil business in the AI and high-performance computing and 5G/6G communications industries when market demand improves.

Our gross profit decreased from RMB211.6 million in 2023 to RMB99.8 million in 2024, and our gross profit margin decreased from 6.7% in 2023 to 3.1% in 2024. The decreases in both our gross profit and gross profit margin were primarily due to the decreases in the gross profit and gross profit margin of our lithium battery copper foil products, the sales of which constituted the largest portion of our total revenue, as a result of the temporary oversupply in the lithium battery copper foil market, resulting in a decrease in our processing fees. Our gross profit increased significantly from RMB99.8 million in 2024 to RMB241.3 million in 2025 and further from RMB81.6 million in the six months ended June 30, 2025 to RMB276.2 million in the six months ended June 30, 2026, and our gross profit margin increased from 3.1% in 2024 to 5.7% in 2025 and further from 4.5% in the six months ended June 30, 2025 to 8.1% in the six months ended June 30, 2026. The increases in both our gross profit and gross profit margin were primarily due to the increases in the gross profit and gross profit margin of our lithium battery copper foil products, the sales of which constituted the largest portion of our total revenue, as a result of (i) the increasing, robust demand in the lithium battery copper foil market, resulting in the increases in our sales volume and bargaining power to charge higher processing fees, as the case may be, and (ii) more sales of our high-performance lithium battery copper foil products.

The following table sets forth the breakdown of our gross profit and gross profit margins generated from the sales of lithium battery copper foil by type of products for the years indicated:

	Years ended December 31,						Six months ended June 30,			
	2023		2024		2025		2025		2026	
	Gross profit (RMB'000)	*Gross profit margin (%)*	*Gross profit (RMB'000)*	*Gross profit margin (%)*	*Gross profit (RMB'000)*	*Gross profit margin (%)*	*Gross profit (RMB'000)*	*Gross profit margin (%)*	*Gross profit (RMB'000)*	*Gross profit margin (%)*
Lithium battery copper foil										
Standard	218,478	8.4	14,834	1.5	41,504	5.1	13,354	3.6	25,206	6.8
High-performance	5,739	1.0	94,641	5.0	196,699	6.8	67,084	5.6	231,788	8.7
Total	**224,217**	**8.0%**	**109,475**	**3.8%**	**238,203**	**6.4%**	**80,438**	**5.1%**	**256,994**	**8.5%**

Gross profits and gross profit margins of our high-performance lithium battery copper foil products increased significantly during the Track Record Period, accounting for an increasing portion of our total gross profits during the Track Record Period. This reflected our efforts to strategically expand our high-performance products business and the strong market demand for high-performance copper foil products. Our standard lithium battery copper foil products recorded a low gross profit margin in 2024, primarily due to the low processing fee we charged in 2024 as a result of the temporary oversupply of the lithium battery copper foil market in 2024. We recorded a relatively low gross profit margin for our high-performance lithium battery copper foil products in 2023, primarily because when we started our high-performance product business in 2023, we made a large amount of upfront investments and our manufacturing technology was not mature enough back then. The gross profit margins of our high-

performance lithium battery copper foil products increased significantly from 2023 to 2024, primarily due to the economies of scales achieved for the production of our high-performance products; while the increases from 2024 to 2025 and from the six months ended June 30, 2025 to the six months ended June 30, 2026 were primarily due to the higher processing fees we charged reflecting the technological advancement of these high-performance products.

Summary of Consolidated Statements of Financial Position

	As of December 31,			As of June 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total non-current assets	1,455,443	1,077,793	1,244,487	1,794,719
Total current assets	1,917,439	3,109,538	3,593,552	4,570,272
Total current liabilities	1,583,847	2,563,846	2,972,011	3,946,308
Net current assets	**333,592**	**545,692**	**621,541**	**623,964**
Total assets less current liabilities	**1,789,035**	**1,623,485**	**1,866,028**	**2,418,683**
Total non-current liabilities	455,287	248,669	286,749	590,486
Net assets	**1,333,748**	**1,374,816**	**1,579,279**	**1,828,197**

See "Financial Information — Discussion of Certain Key Items of Consolidated Statements of Financial Position" for the details of our balance sheet items.

Net Current Assets

We recorded net current assets of RMB333.6 million, RMB545.7 million, RMB621.5 million, RMB624.0 million and RMB700.5 million as of December 31, 2023, 2024, 2025, June 30, 2026 and July 31, 2026, respectively.

For more details regarding our net current assets positions, see "Financial Information — Net Current Assets."

Net Assets

Our net assets increased from RMB1,333.7 million as of December 31, 2023 to RMB1,374.8 million as of December 31, 2024, as a result of (i) our net profit of RMB20.6 million generated in 2024 and (ii) equity-settled share-based payment expense of RMB20.5 million recorded in 2024. Our net assets further increased from RMB1,374.8 million as of December 31, 2024 to RMB1,579.3 million as of December 31, 2025, as a result of (i) our net profit of RMB93.8 million generated in 2025, (ii) equity-settled share-based payment expense of RMB5.6 million recorded in 2025, and (iii) capital contribution from non-controlling shareholders of RMB105.0 million in 2025. Our net assets increased from RMB1,579.3 million as of December 31, 2025 to RMB1,828.2 million as of June 30, 2026, as a result of (i) our net profit of RMB164.9 million generated in the six months ended June 30, 2026, and (ii) capital contribution from non-controlling shareholders of RMB84.0 million in the six months ended June 30, 2026.

See "Financial Information — Period to Period Comparison of Results of Operations" for details regarding the fluctuations of our net profit during the Track Record Period.

Summary of Consolidated Statements of Cash Flow

	Years ended December 31,			Six months ended June 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Net cash flows from/(used in) operating activities	106,167	(715,438)	(416,010)	(141,595)	(934,712)
Net cash flows used in investing activities	(17,476)	(46,270)	(10,156)	(121,716)	(359,097)
Net cash flows (used in)/from financing activities	(96,665)	649,033	725,187	358,325	1,608,856
Net (decrease)/increase in cash and cash equivalents	(7,974)	(112,675)	299,021	95,014	315,047
Cash and cash equivalents at beginning of year/period	227,720	219,746	107,078	107,078	406,196
Cash and cash equivalents at end of year/period	**219,746**	**107,078**	**406,196**	**202,093**	**721,232**

Our net cash flows used in operating activities in 2024, 2025 and the six months ended June 30, 2026 was primarily due to (i) our business nature – we used cash to purchase copper, while we received bank acceptance notes from certain customers for sales of our products and (ii) the cash received from our discounted bills where the related bills were not derecognized were classified in cash flows from financing activities. See Note 31 to the Accountants' Report in Appendix I to this document for details. It is an industry norm for copper foil manufacturers to record net cash outflow as a result of the inherent business nature as explained above, according to Frost & Sullivan.

See "Financial Information — Liquidity and Capital Resources" for details regarding our cash flow.

Key Financial Ratios

The following table sets forth certain of our key financial ratios as of the dates and for the periods indicated:

	Years ended December 31,			Six months ended June 30,
	2023	2024	2025	2026
		%		
Profitability ratio				
Gross profit margin[(1)]	6.7	3.1	5.7	8.1
Net profit margin[(2)]	2.0	0.6	2.2	4.8
Return on equity[(3)]	4.9	1.5	6.4	N/A
Return on assets[(4)]	1.8	0.5	2.1	N/A

	As of December 31,			As of June 30,
	2023	2024	2025	2026
Liquidity ratios				
Current ratio[(5)]	1.2	1.2	1.2	1.2
Quick ratio[(6)]	1.0	1.0	1.0	0.9
Capital adequacy ratio				
Net debt to capitalization ratio (%)[(7)]	56.4	65.5	64.5	68.3

Notes:

(1) Gross profit margin is calculated based on gross profit divided by revenue and multiplied by 100%.
(2) Net profit margin is calculated based on profit for the period divided by revenue and multiplied by 100%.
(3) Return on equity is calculated based on profit for the year divided by the arithmetic mean of the opening and closing balances of total equity and multiplied by 100%.
(4) Return on assets is calculated based on profit for the year divided by the arithmetic mean of the opening and closing balances of total assets and multiplied by 100%.
(5) Current ratio is calculated based on total current assets divided by total current liabilities as of the end of the corresponding period.
(6) Quick ratio is calculated based on total current assets less inventories divided by total current liabilities as of the end of the corresponding period.
(7) Net debt to capitalization ratio is calculated based on our net debt as of the end of each period divided by our total capital plus net debt as of the same date. Net debt is the sum of our interest-bearing bank and other borrowings, trade and bills payables, other payables and accruals and lease liabilities, less cash and cash equivalents. Total capital equals equity attributable to the owners of the parent.

COMPETITION

The electrolytic copper foil industry in China is highly competitive and fragmented, and we expect the industry to consolidate in the future. We primarily compete with other large-scale copper foil manufacturers. We believe the key competitive factors in our markets include research and development capability and technological innovation, product performance, mass production capacity, customer service and support, and corporate reputation.

To differentiate ourselves from competitors, we have remained committed to enhancing product quality and advancing technological innovation through close collaboration with our major customers. This cooperative approach strengthens our research and development capabilities and accelerates our innovation cycle, while also equipping us with the unique ability to respond to the evolving requirements of key customers. Leveraging our leading expertise in product quality, we continue to introduce innovations in copper foil manufacturing and deliver differentiated, high-safety products, attributes that strengthen our competitive position in the marketplace.

COMPLIANCE AND LEGAL PROCEEDINGS

We are committed to maintaining the highest standards of compliance with the laws and regulations applicable to our business. During the Track Record Period and up to the Latest Practicable Date, we were not involved in any non-compliance incidents that are systemic or have a material adverse effect on our business, financial condition or results of operations.

During the Track Record Period and up to the Latest Practicable Date, we were not involved in any litigation, arbitration or administrative proceedings that could have a material and adverse effect on our business, financial condition or results of operations. As of the Latest Practicable Date, our Directors were not involved in any actual or threatened material claims or litigation. However, we may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of business. For the potential impact of legal or administrative proceedings on us, see "Risk Factors — Risks Relating to Our Business and Industry — If we become subject to litigation, legal or contractual disputes, governmental investigations, arbitration or administrative proceedings, our management's attention may be diverted and we may incur substantial costs and liabilities."

APPLICATION FOR [REDACTED] ON THE [REDACTED]

We have applied to the **[REDACTED]** of the Stock Exchange under **[REDACTED]** of the Listing Rules for the granting of the **[REDACTED]** of, and permission to **[REDACTED]** in, our H Shares to be issued pursuant to the **[REDACTED]** and the H Shares to be **[REDACTED]** from the **[REDACTED]** on the basis that, among other things, we satisfy the market capitalization/revenue test under Rule **[REDACTED]** of the

Listing Rules with reference to (i) our revenue of approximately RMB4,212.5 million (equivalent to approximately HK$4,864.9 million) for the year ended December 31, 2025, which exceeds HK$500 million; and (ii) our expected **[REDACTED]** at the time of **[REDACTED]**, which, based on **[REDACTED]** of the indicative **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, exceeds HK$4 billion as required under Rule **[REDACTED]** of the Listing Rules.

[REDACTED] STATISTICS

The following table is based on the assumptions that (i) the **[REDACTED]** has been completed and **[REDACTED]** H Shares are issued pursuant to the **[REDACTED]**; and (ii) the **[REDACTED]** is not exercised.

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

Notes:

*(1) The calculation of market **[REDACTED]** is based on **[REDACTED]** Shares expected to be in issue immediately after completion of the **[REDACTED]**, assuming the **[REDACTED]** is not exercised.*

*(2) Unaudited **[REDACTED]** adjusted consolidated net tangible assets per Share is calculated after making adjustments referred to "Appendix II – Unaudited **[REDACTED]** Financial Information" in this document. No adjustment has been made to reflect any trading result or other transactions of the Group entered into subsequent to June 30, 2026.*

[REDACTED]

Our **[REDACTED]** primarily include **[REDACTED]**, professional fees paid to legal advisers, the Reporting Accountants and other professional parties for their services rendered in relation to the **[REDACTED]** and the **[REDACTED]**. The estimated total **[REDACTED]** for the **[REDACTED]** are approximately RMB**[REDACTED]** million (comprising RMB**[REDACTED]** million **[REDACTED]** expenses, RMB**[REDACTED]** million fees and expenses of legal advisors and accountants, RMB**[REDACTED]** million **[REDACTED]** fees and RMB**[REDACTED]** million other fees and expenses), representing approximately **[REDACTED]**% of the gross **[REDACTED]**, based on the **[REDACTED]** of our indicative **[REDACTED]** for the **[REDACTED]** and assuming that the **[REDACTED]** is not exercised. During the Track Record Period, we incurred **[REDACTED]** of RMB**[REDACTED]** million, of which RMB**[REDACTED]** million was recognized in our statements of profit or loss for the year ended December 31, 2025 and the six months ended June 30, 2026, and RMB**[REDACTED]** million to be accounted for as a deduction from equity upon the **[REDACTED]**. Subsequent to the Track Record Period, we expect to incur **[REDACTED]** of RMB**[REDACTED]** million prior to and upon completion of the **[REDACTED]**, of which RMB**[REDACTED]** million is expected to be recognized as expenses in our statements of profit or loss, and RMB**[REDACTED]** million is expected to be accounted for as a deduction from equity upon the **[REDACTED]**. The **[REDACTED]** to be incurred subsequent to the Track Record Period consist of (i) **[REDACTED]**-related expenses of RMB**[REDACTED]** million; and (ii) non-**[REDACTED]**-related expenses of RMB**[REDACTED]** million, including (a) fees payable to our legal advisors and Reporting Accountants of RMB**[REDACTED]** million; (b) **[REDACTED]** fees of RMB**[REDACTED]** million and (c) other fees and expenses of RMB**[REDACTED]** million. The **[REDACTED]** above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

DIVIDENDS

We are incorporated under the laws of the PRC. Any dividends we pay will be at the discretion of our Directors and will depend on our future operations and earnings, capital requirements and surplus, general financial condition, contractual restriction and other factors which our Directors consider relevant. Our shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. We do not currently have a formal dividend policy.

Under the applicable PRC laws and regulations, a PRC incorporated company is required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, to contribute to certain statutory reserve funds until the aggregate amount contributed to such funds reaches 50% of its registered capital. The company may pay dividends out of after-tax profits after making up for accumulated losses and contributing to statutory reserve funds as mentioned above. As advised by our PRC Legal Advisors, our PRC companies cannot pay dividends if such companies are in an accumulated loss position.

We paid dividends of RMB11.6 million, nil, nil and nil in 2023, 2024, 2025 and the six months ended June 30, 2026. For further details, see note 12 to the Accountants' Report in Appendix I to this document. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Subject to our constitutional documents, our Directors are entitled to propose dividend distributions to the shareholders' meeting, which shall have the final discretion to determine whether to implement such distributions. We cannot assure you that our Company will be able to declare dividends of any amount each year or in any year.

FUTURE PLANS AND USE OF [REDACTED]

We estimate that we will receive net **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]** million, after deducting **[REDACTED]** commissions, fees and estimated expenses payable by us in connection with the **[REDACTED]**, and assuming an **[REDACTED]** of HK$**[REDACTED]** per Share.

We currently intend to apply these net **[REDACTED]** for the following purposes:

- Approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used to expand our production capacity. This investment is a core component of our growth strategy, designed to fortify our back-end infrastructure to support the growth of our expanding business operations, ensuring high quality, efficient, and compliant production capabilities;

- Approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for continuous investment in our research and development activities to advance our technologies. This investment is aimed at improving our research and development capability to satisfy emerging industry trends and specific customer requirements; and

- Approximately **[REDACTED]**%, or HK$**[REDACTED]** million, will be used for working capital and other general corporate purposes.

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

RECENT DEVELOPMENT

Our smart and automated manufacturing plant in Sichuan Province, with an initial annual designed capacity of approximately 20,000 tons, commenced operations in August 2026 and is expected to reach full production capacity in the fourth quarter of 2026.

In addition, we have entered into an investment agreement for the construction of an additional production facility for our electronic circuit copper foil products used for AI PCB in Jiangxi Province, with an initial annual designed capacity of 20,000 tons, which is expected to be commissioned in 2027. Moreover, we have supplied certain RTF and HVLP products to several leading domestic PCB and CCL manufacturers, which are expected to be a key growth driver of our future business.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, as of the Latest Practicable Date, (i) there had been no material adverse change in our financial or trading position, indebtedness, mortgage, contingent liabilities, guarantees, prospects, the industry where we operate, our market or regulatory environment to which we are subject since June 30, 2026, being the date of the latest consolidated financial position of our Group as set out in the Accountants' Report in Appendix I to this document; and (ii) there has been no event since June 30, 2026 that would materially affect the information shown in the Accountants' Report in Appendix I to this document.