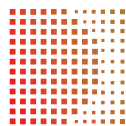


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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Delton Technology (Guangzhou), Inc., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser, transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



DELTON

Delton Technology (Guangzhou) Inc.

廣州廣合科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1989)

- (1) PROPOSED ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS;**
- (2) CONNECTED TRANSACTION IN RELATION TO POSSIBLE SUBSCRIPTION FOR A SHARE CONVERTIBLE CORPORATE BONDS BY CONNECTED PERSONS;**
- (3) RESOLUTION ON APPOINTMENT OF A SPECIAL AUDIT INSTITUTION FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS;**
- (4) RESOLUTION ON INVESTING IN THE CONSTRUCTION OF DELTON TECHNOLOGY DONGGUAN SMART MANUFACTURING HEADQUARTERS PROJECT* (廣合科技東莞智造總部項目) AND ENTERING INTO THE INVESTMENT AGREEMENT;**
- (5) RESOLUTION ON INCREASING THE QUOTA FOR FOREIGN EXCHANGE HEDGING BUSINESS;**
- (6) RESOLUTION ON THE APPLICATION FOR COMPREHENSIVE CREDIT FACILITIES FROM BANKS BY THE COMPANY AND ITS SUBSIDIARIES AND THE PROVISION OF GUARANTEES TO SUBSIDIARIES;**
- (7) GRANTING A GENERAL MANDATE TO THE BOARD TO ISSUE H SHARES;**
- (8) GRANTING A GENERAL MANDATE TO THE BOARD TO REPURCHASE SHARES;**
- AND**
- (9) NOTICE OF THE 2026 SECOND EGM**

**Independent Financial Advisor to Independent Board Committee and
Independent Shareholders**

MESSIS 大有融資

Capitalized terms used in this cover page shall have the same meanings as defined in this circular.

The Company will convene and hold the EGM at the Conference Room of Delton Technology (Guangzhou) Inc., No.22 Baoying South Road, Bonded Zone, Guangzhou, at 3:00 p.m. on September 24, 2026, the notice of which is set out on pages EGM-1 to EGM-4 of this circular.

If you intend to attend the EGM by proxy, you are required to duly complete the accompanying proxy form according to the instructions printed thereon and return the same not less than 24 hours before the time fixed for the holding of the EGM or any adjournment thereof (as the case may be) (i.e., 3:00 p.m. on September 23, 2026 (or other date in the event of any adjournment thereof)). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM.

References to times and dates in this circular are to Hong Kong local times and dates.

September 7, 2026

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“A Shares”	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are traded in Renminbi and listed on the Shenzhen Stock Exchange
“A Shareholder(s)”	holder(s) of A Share(s) of the Company
“A Share Convertible Corporate Bonds” or “A Share Convertible Bonds” or “Convertible Bonds”	the convertible corporate bonds with an amount not exceeding RMB3.6 billion (RMB3.6 billion inclusive) that can be converted into new A Shares proposed to be issued by the Company in the PRC
“A Share Convertible Corporate Bondholder(s)” or “Bondholder(s)”	holder(s) of the A Share Convertible Corporate Bonds
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors of the Company
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Company” or “We”	Delton Technology (Guangzhou) Inc. (廣州廣合科技股份有限公司), a company established under the laws of the PRC on June 17, 2002, which was converted into a joint stock limited company on June 22, 2020, and whose A shares are listed on the Shenzhen Stock Exchange (stock code: 001389) and H shares are listed on the Stock Exchange (stock code: 1989)
“Company Law”	the Company Law of the People’s Republic of China, as amended from time to time
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Connected Shareholders”	the Controlling Shareholders Group, Ms. Zeng Hong and Guangxie Investment

DEFINITIONS

“connected transaction(s)”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholder”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholders Group”	including Mr. Xiao Hongxing, Ms. Liu Jinchan, Zhenyun Investment, Guangsheng Investment and Guangcai Investment
“Close associate”	has the meaning ascribed thereto under the Listing Rules
“Conversion Price”	the price of new A Shares to be issued upon the conversion of the A Share Convertible Corporate Bonds, subject to adjustment from time to time
“CSRC”	China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held for the purposes of approving, among other things, the proposed Issuance of A Share Convertible Corporate Bonds, the Possible Subscription, the proposed appointment of a special audit institution for the Issuance of A Share Convertible Corporate Bonds to Non-Specific Investors, matters related to investing in the construction of Delton Technology Dongguan Smart Manufacturing Headquarters Project* (廣合科技東莞智造總部項目) and entering into the Investment Agreement, the proposed increase in the quota for foreign exchange hedging business, the proposed application for comprehensive credit facilities from banks by the Company and its subsidiaries and the provision of guarantees to subsidiaries; the proposed granting a General Mandate to the Board to Issue H Shares and the proposed Granting a General Mandate to the Board to repurchase Shares
“Group”	the Company and its subsidiaries
“Guangcai Investment”	Shenzhen Guangcai Investment Partnership (Limited Partnership) (深圳廣財投資企業(有限合夥)), a limited partnership established under the laws of the PRC on November 16, 2016, and a member of the Controlling Shareholders Group of the Company

DEFINITIONS

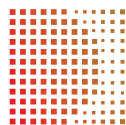
“Guangsheng Investment”	Shenzhen Guangsheng Investment Partnership (Limited Partnership) (深圳廣生投資企業(有限合夥)), a limited partnership established under the laws of the PRC on November 16, 2016, and a member of the Controlling Shareholders Group of the Company
“Guangxie Investment”	Ruichang Guangxie Investment Enterprise (Limited Partnership) (瑞昌廣諧創業投資企業(有限合夥)) (formerly known as Shenzhen Guangxie Investment Partnership (Limited Partnership) (深圳廣諧投資企業(有限合夥))), a limited partnership established under the laws of the PRC on November 11, 2016
“H Share(s)”	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, and overseas listed foreign shares which are traded in Hong Kong dollars and listed on the Stock Exchange
“H Shareholder(s)”	holder(s) of H Shares
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	a board committee comprising Ms. Chen Limei, Dr. Shi Ling and Ms. Zhang Jin, the independent non-executive Directors, which has been established to advise the Independent Shareholders in respect of the Possible Subscription
“Independent Shareholders”	any Shareholder(s) of the Company who is/are not required to abstain from voting at the EGM for the connected transactions as contemplated under the Issuance of Convertible Corporate Bonds
“Independent Third Party(ies)”	person(s) who, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are not a connected person of the Company pursuant to the Listing Rules
“Investment Agreement”	the investment agreement proposed to be entered into by the Company with (i) the Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone; and (ii) the People’s Government of Machong Town, Dongguan

DEFINITIONS

“Issuance of A Share Convertible Corporate Bonds” or “Issuance”	the proposal for the issuance of A Share Convertible Corporate Bonds to non-specific investors in the PRC with a total amount not exceeding RMB3.6 billion (RMB3.6 billion inclusive) of the Company
“Land”	the land parcel described in the section headed “Potential Investment” of this circular, which is located in Dongguan Waterfront Science and Technology Industrial Zone, with a total site area of approximately 290,000 square meters, offered for sale through the tender, auction and listing-for-sale process
“Latest Practicable Date”	September 3, 2026, being the last practicable date prior to the printing of this circular on which certain information contained herein was determined
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time
“Offering Document”	the Offering Document on Issuance of A Share Convertible Corporate Bonds to non-specific investors by Delton Technology (Guangzhou) Inc. (廣州廣合科技股份有限公司向不特定對象發行A股可轉換公司債券募集說明書)
“Possible Subscription”	the possible exercise of the pre-emptive rights by the Connected Shareholders to subscribe for A Share Convertible Corporate Bonds under the proposed Issuance of A Share Convertible Corporate Bonds
“Potential Investment”	the proposed investment in the Project by the Company
“PRC”	the People’s Republic of China, which for the purpose of this circular only, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Project”	the project proposed to be invested in and constructed as the Delton Technology Dongguan Smart Manufacturing Headquarters in Machong Town, Dongguan Waterfront Characteristic Economic Zone

DEFINITIONS

“Proposed Mandate”	a mandate proposed to be granted by the Shareholders to the Board at the EGM to proceed with the Investment Agreement in relation to the Potential Investment
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	shareholder(s) of the Company
“Shenzhen Stock Exchange”	Shenzhen Stock Exchange of the PRC
“Subsidiary”	has the meaning ascribed thereto under the Listing Rules
“Tender, auction and listing-for-sale process”	the public tender, auction and listing-for-sale of the Land held and offered by the Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone
“Zhenyun Investment”	Guangzhou Zhenyun Investment Co., Ltd. (廣州臻蘊投資有限公司), a limited liability company established under the laws of the PRC on December 5, 2016, and a member of the Controlling Shareholders Group of the Company
“%”	per cent



DELTON

Delton Technology (Guangzhou) Inc.

廣州廣合科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1989)

Executive Directors:

Mr. Xiao Hongxing
Ms. Zeng Hong
Mr. Peng Jinghui

Non-executive Director:

Ms. Liu Jinchan

Independent non-executive Directors:

Ms. Chen Limei
Ms. Zhang Jin
Dr. Shi Ling

Registered Office:

No.22 Baoying South Road
Bonded Zone, Guangzhou
PRC

*Headquarters and Principal Place of
Business in the PRC:*

No.22 Baoying South Road
Bonded Zone, Guangzhou
PRC

*Principal Place of Business
in Hong Kong:*

Room 1928, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

September 7, 2026

To the Shareholders,

Dear Sir or Madam,

- (1) PROPOSED ISSUANCE OF A SHARE CONVERTIBLE
CORPORATE BONDS TO NON-SPECIFIC INVESTORS;
(2) CONNECTED TRANSACTION IN RELATION TO
POSSIBLE SUBSCRIPTION FOR A SHARE CONVERTIBLE
CORPORATE BONDS BY CONNECTED PERSONS;
(3) RESOLUTION ON APPOINTMENT OF A SPECIAL AUDIT
INSTITUTION FOR THE ISSUANCE OF A SHARE CONVERTIBLE
CORPORATE BONDS TO NON-SPECIFIC INVESTORS;
(4) RESOLUTION ON INVESTING IN THE CONSTRUCTION OF
DELTON TECHNOLOGY DONGGUAN SMART MANUFACTURING
HEADQUARTERS PROJECT* (廣合科技東莞智造總部項目) AND
ENTERING INTO THE INVESTMENT AGREEMENT;
(5) RESOLUTION ON INCREASING THE QUOTA FOR
FOREIGN EXCHANGE HEDGING BUSINESS;
(6) RESOLUTION ON THE APPLICATION FOR
COMPREHENSIVE CREDIT FACILITIES FROM BANKS BY
THE COMPANY AND ITS SUBSIDIARIES AND THE PROVISION OF
GUARANTEES TO SUBSIDIARIES;
(7) GRANTING A GENERAL MANDATE TO
THE BOARD TO ISSUE H SHARES;
(8) GRANTING A GENERAL MANDATE TO THE BOARD TO
REPURCHASE SHARES;
AND
(9) NOTICE OF THE 2026 SECOND EGM**

LETTER FROM THE BOARD

I. INTRODUCTION

The EGM of the Company will be held at the Conference Room of Delton Technology (Guangzhou) Inc., No.22 Baoying South Road, Bonded Zone, Guangzhou on September 24, 2026 at 3:00 p.m., the notice of which is set out on pages EGM-1 to EGM-4 of this circular.

References are made to the Company's announcement dated June 22, 2026, regarding the Proposed Issuance of A Share Convertible Corporate Bonds to non-specific investors and the connected transaction in relation to Possible Subscription for A Share Convertible Corporate Bonds by connected persons, the overseas regulatory announcement of the Company dated September 7, 2026, regarding the Resolution on Appointment of a Special Audit Institution for the Issuance of A Share Convertible Corporate Bonds to Non-Specific Investors, the announcement dated June 22, 2026, regarding the Proposed Mandate in relation to Potential Investment, and the overseas regulatory announcement dated August 7, 2026 regarding, among other things, the adjustments to the proposed scheme for the Issuance of A Share Convertible Corporate Bonds to non-specific investors and the provision of guarantee facilities in connection with applications for comprehensive credit facilities.

The purpose of this circular is to provide you with details of the EGM; and to give you information on the matters to be considered and approved by way of ordinary resolutions or special resolutions, as the case may be, at the EGM, together with all such other information as is reasonably necessary to enable you to make an informed decision on whether to vote for or against the relevant resolutions. Details of the resolutions and the related matters are set out in Sections II to VIII of the Letter from the Board.

II. PROPOSED ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS AND CONNECTED TRANSACTION IN RELATION TO POSSIBLE SUBSCRIPTION FOR A SHARE CONVERTIBLE CORPORATE BONDS BY CONNECTED PERSONS

1. Proposed Issuance of A Share Convertible Corporate Bonds

Pursuant to the Company Law, the Securities Law, the Measures for the Administration of Registration of Securities Issuance by Listed Companies and other relevant laws, regulations and normative documents, the Board has conducted a thorough review of the eligibility and conditions of the Company for the proposed Issuance of A Share Convertible Corporate Bonds to non-specific investors. The Board is of the view that the Company meets all the relevant requirements set out in the current laws, regulations and normative documents governing the issue of A Share Convertible Corporate Bonds to non-specific investors, and is qualified for such issue.

The Company intends to apply to the Shenzhen Stock Exchange for the Issuance of A Share Convertible Corporate Bonds to non-specific investors in the PRC with a total amount not exceeding RMB3.6 billion (RMB3.6 billion inclusive). The proposed Issuance of A Share Convertible Corporate Bonds, shall be subject to the approval of the Independent Shareholders at the EGM, the review and approval

LETTER FROM THE BOARD

of the Shenzhen Stock Exchange and the registration approval by the CSRC. For the avoidance of doubt, the proposed Issuance shall not form the subject of any agreement to such issue within six months from the Company's listing.

Details of the Issuance of A Share Convertible Corporate Bonds are as follows:

(1) *Type of securities to be issued*

The type of the securities to be issued is convertible corporate bonds which are to be issued to non-specific investors and can be converted into A Shares. The A Share Convertible Corporate Bonds and the A Shares to be converted will be listed on the main board of the Shenzhen Stock Exchange.

(2) *Size of the Issuance*

According to the requirements of relevant laws, regulations and regulatory documents and based on the financial position and investment plan of the Company, the total amount of proceeds raised from the proposed Issuance of A Share Convertible Corporate Bonds will not exceed RMB3.6 billion (RMB3.6 billion inclusive). The actual amount of proceeds raised shall be determined by the Board (or its authorized persons) as authorized by the EGM and shall be subject to the maximum limit above.

(3) *Par value and issue price*

Pursuant to Article 16 of the Measures for the Administration of the Issuance of Securities by Listed Companies (CSRC Order No. 163) (《上市公司證券發行管理辦法》(中國證監會令第163號)), convertible corporate bonds shall have a nominal value of RMB100 each. Accordingly, as the Company does not intend to issue the A Share Convertible Corporate Bonds at a price below par, the A Share Convertible Corporate Bonds under the Issuance will be issued at par with a nominal value of RMB100 each, consistent with the prevailing market practice for convertible corporate bonds issued in the PRC.

Save as disclosed, to the best of the Directors' knowledge, information and belief, there are no other regulatory requirements in both PRC and Hong Kong governing the minimum issue price.

(4) *Term of the bonds*

The term of the A Share Convertible Corporate Bonds under the Issuance will be six years from the date of the Issuance.

LETTER FROM THE BOARD

(5) Coupon rate, final interest rate and actual amount of proceeds to be raised

The coupon rate, final interest rate and actual amount of proceeds to be raised shall be determined at the time of the Issuance with reference to the mechanism as described in the following paragraph. The Board is of the view that it would neither be practicable nor consistent with market practice, and retaining such flexibility is in the interests of the Company and the Shareholders as a whole, considering the factors below:

- (a) the proposed Issuance remains subject to, among other things, the approval of the Shareholders at the EGM, the review and approval of the Shenzhen Stock Exchange and the registration approval by the CSRC, and accordingly the timing of the Issuance is not yet certain;
- (b) in accordance with the market-based pricing principle under applicable PRC rules and market practice, the coupon rate and the final interest rate must reflect the market interest rates, investor demand and other market conditions prevailing at the time of the actual Issuance, and are therefore customarily determined before the launch of the Issuance through negotiation between the issuer and the sponsor (the lead underwriter); and
- (c) the actual amount of the proceeds that shall not exceed RMB3.6 billion may only be adjusted downwards having regard to the regulatory requirements applicable at the time of the Issuance, the actual funding needs of the Company and the then market conditions. In any event that the actual amount of the proceeds shall be increased to above RMB3.6 billion, the Company would seek further approval from the Shareholders and obtain the required approval(s) from the Shenzhen Stock Exchange and the Hong Kong Stock Exchange as appropriate.

The method for determination of coupon rate of the A Share Convertible Corporate Bonds under the Issuance and the final interest rate for each of the interest accrual years shall be determined by the Board or its authorized persons as authorized by the EGM, after the Proposed Issuance has passed the review and approval of the Shenzhen Stock Exchange and the registration with the CSRC has been completed, and prior to the launch of the Issuance, through negotiation with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the actual conditions of the Company prior to the Issuance.

The finalised issue size and coupon rate will be disclosed in the Offering Document and the relevant announcement(s) to be published prior to the subscription date. The exact timing is subject to the progress of the regulatory review and registration process, and the Company will publish further announcement(s) as and when appropriate in accordance with the Listing Rules.

LETTER FROM THE BOARD

In the event of any adjustment to the bank deposit interest rate before the completion of the Issuance of A Share Convertible Corporate Bonds, the coupon rate shall be adjusted accordingly by the Board or its authorized persons as authorized by the EGM.

(6) *Term and method of interest payment*

The interest of the A Share Convertible Corporate Bonds under the Issuance shall be paid on an annual basis. When the A Share Convertible Corporate Bonds mature, the principal of the outstanding A Share Convertible Corporate Bonds shall be repaid together with the interest accrued for the previous year.

A. *Calculation of annual interest*

Accrued interest for interest accrual year (the “**Annual Interest**”) refers to the accrued interest to an A Share Convertible Corporate Bondholder in each year on each anniversary of the date of the Issuance of A Share Convertible Corporate Bonds, which is calculated based on the aggregate nominal value of the A Share Convertible Corporate Bonds held by the holder.

The formula for calculating the Annual Interest is as follows:

$$I = B \times i$$

In which, I: denotes the amount of the Annual Interest;

B: denotes the aggregate nominal value of the A Share Convertible Corporate Bonds under the Issuance held by an A Share Convertible Corporate Bondholder as at the record date for interest payment in that interest accrual year (“**that year**” or “**each year**”); and

i: denotes the coupon rate of the A Share Convertible Corporate Bonds under the Issuance of that year.

B. *Method of interest payment*

- 1) Interest of the A Share Convertible Corporate Bonds under the Issuance shall be paid on an annual basis, accruing from the date of the Issuance of A Share Convertible Corporate Bonds.

LETTER FROM THE BOARD

- 2) Interest payment date: the interest payment date is each anniversary date of the date of the Issuance of A Share Convertible Corporate Bonds. If such date falls on a statutory holiday or rest day, the interest payment date shall be postponed to the first business day immediately thereafter, provided that no additional interest will be accrued during the period of postponement. The period between an interest payment date and the immediately following interest payment date shall be an interest accrual year. Matters in relation to interest and the ownership of share dividends in the year of conversion shall be determined by the Board or its authorized persons according to relevant laws, regulations and provisions of the Shenzhen Stock Exchange.
- 3) Record date for interest payment: the record date for interest payment in each year shall be the last trading day preceding the interest payment date. The Company shall pay the accrued interest in that year within five trading days from the interest payment date. The Company shall not pay any interest for that year and subsequent interest for accrual years to the Bondholders who have applied to convert their A Share Convertible Corporate Bonds into A Shares on or before the record date for interest payment.
- 4) The Company will, within five trading days after the maturity date of the A Share Convertible Corporate Bonds under the Issuance, repay all outstanding principal amounts of such bonds that have not been converted into A shares upon maturity, together with the accrued interest for the final year.
- 5) The taxes payable on the interest income of A Share Convertible Corporate Bondholders under the Issuance shall be borne by such Bondholder.

(7) Conversion period

The conversion period of the A Share Convertible Corporate Bonds under the Issuance shall commence on the first trading day immediately following the expiry of the six-month period from the date of completion of the Issuance of A Share Convertible Corporate Bonds, and end on the maturity date of the A Share Convertible Corporate Bonds.

LETTER FROM THE BOARD

(8) *Determination and adjustment of the Conversion Price*

A. *Basis for determining the initial Conversion Price*

The initial Conversion Price of the A Share Convertible Corporate Bonds under the Issuance shall not be lower than the average trading price of A Shares for the 20 trading days immediately preceding the date of publication of the Offering Document and the average trading price of A Shares on the immediately preceding trading day. The specific initial Conversion Price shall be determined by the Board or its authorized persons as authorized by the EGM through negotiation with the sponsor (the lead underwriter) based on the market conditions prior to the Issuance.

The conversion of the A Share Convertible Corporate Bonds at the initial Conversion Price, whether on an individual or aggregate basis, will not result in a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of 25% or more.

In the event that the A Share price was adjusted due to ex-right and ex-dividend during such 20 trading days, the average trading price of A Shares on the trading days prior to the adjustment shall be calculated based on the price after such ex-right and ex-dividend.

The average trading price of A Shares for the immediately preceding 20 trading days = total trading amount of A Shares for the immediately preceding 20 trading days/total trading volume of A Shares for such 20 trading days.

The average trading price of A Shares for the immediately preceding trading day = total trading amount of A Shares for the immediately preceding trading day/total trading volume of A Shares for such trading day.

B. *Method of adjustments and calculation formula to the Conversion Price*

The Conversion Price will be adjusted according to the following formula (rounded off to two decimal places) upon the Issuance in case of changes in the Shares due to certain events, such as distribution of bonus Shares, conversion or increase of share capital, issuance of new Shares (excluding any increase in the share capital as a result of conversion of the A Share Convertible Corporate Bonds under the Issuance) or rights issue or distribution of cash dividends:

Distribution of bonus Shares or conversion or increase of share capital: $P_1 = P_0 / (1 + n)$;

Issuance of new Shares or rights issue: $P_1 = (P_0 + A \times k) / (1 + k)$;

The two events above occurring concurrently: $P_1 = (P_0 + A \times k) / (1 + n + k)$;

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Distribution of cash dividends: $P_1 = P_0 - D$;

The three events above occurring concurrently: $P_1 = (P_0 - D + A \times k) / (1 + n + k)$

In which, P_1 : denotes the adjusted Conversion Price;

P_0 : denotes the Conversion Price before adjustment;

n : denotes the rate of distribution of bonus Share or conversion or increase of share capital;

A : denotes the price of issuance of new Shares or rights issue;

k : denotes the rate of issuance of new Shares or rights issue; and

D : denotes the cash dividend per Share.

Upon occurrence of any of the abovementioned events, the Company shall adjust the Conversion Price based on the order of occurrence, and publish an announcement in relation to the adjustment of the Conversion Price on the media qualified for information disclosure of listed companies. Such announcement shall indicate the date of adjustment to the Conversion Price, adjustment method and suspension period of share conversion (if necessary). Such announcement shall also be published at the market of Hong Kong in accordance with the Listing Rules and the Articles of Association (if necessary). If the Conversion Price adjustment date is on or after the date on which an A Share Convertible Corporate Bondholder applies for the conversion but before the registration date of the A Shares to be issued upon conversion, such conversion shall be executed based on the Conversion Price adjusted by the Company.

In the event that the creditors' interests or the interests derived from share conversion of the A Share Convertible Corporate Bondholders are affected by the change in the Company's share class, quantity and/or Shareholders' interests due to any possible share repurchase, consolidation, division or any other circumstances, the Company shall adjust the Conversion Price based on the actual situations and in accordance with the principles of fairness, justice and equality so as to fully protect the interests of the A Share Convertible Corporate Bondholders. The details of adjustments to the Conversion Price and its implementation measures shall be determined in accordance with relevant prevailing PRC laws, regulations and the relevant requirements of the securities regulatory authorities and the Shenzhen Stock Exchange.

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(9) *Terms of downward adjustment to Conversion Price*

A. Authorization and magnitude of adjustment

If, during the term of the A Share Convertible Corporate Bonds under the Issuance, the closing prices of A Shares on at least 15 trading days out of any 30 consecutive trading days are lower than 85% of the prevailing Conversion Price, the Board is entitled to propose a downward adjustment to the Conversion Price and submit the same to the general meeting for consideration and approval and the Company will comply with the relevant requirements of the Listing Rules accordingly.

The abovementioned proposal shall only be implemented upon approval by two-thirds or more of the voting rights held by the Shareholders attending the general meeting. Shareholders who hold the A Share Convertible Corporate Bonds under the Issuance shall abstain from voting at such general meeting. The adjusted Conversion Price shall be no less than the higher of the average trading price of A Shares for 20 trading days immediately preceding the date of such a general meeting and the average trading price of A Shares on the trading day immediately preceding the date of such a general meeting. In addition, the adjusted Conversion Price shall not be lower than the latest audited net asset value per Share and the par value of the Share.

In the event of an adjustment to the Conversion Price during the aforementioned 30 consecutive trading days, in respect of the trading days prior to the adjustment to the Conversion Price, the calculation shall be based on the unadjusted Conversion Price and the closing price of the A Shares on each such day, and in respect of the days on which adjustment to the Conversion Price is made and the trading days afterwards, the calculation shall be based on the adjusted Conversion Price and the closing price of the A Shares on each such day.

B. Procedures of adjustment

In the event that the Company decides to adjust the Conversion Price downwards, the Company shall publish an announcement on the media designated by the CSRC for information disclosure of listed companies. Such announcement shall disclose information including the magnitude of the adjustment, the record date of shares, the suspension period of share conversion, if necessary, and other relevant information. Such announcement shall also be published on the website of the Company and the website of the Hong Kong Stock Exchange, respectively, in accordance with the Listing Rules and the Articles of Association, in both English and Chinese. Application for conversion at adjusted Conversion Price shall be resumed upon the first trading day after the registration date, i.e. the Conversion Price adjustment date.

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If the Conversion Price adjustment date is on or after the date on which a Bondholder applies for the conversion but before the registration date of the shares to be issued upon conversion, then such conversion shall be executed based on the adjusted Conversion Price.

(10) *Method for determining the number of conversion shares and treatment of fractional shares upon conversion*

Where an A Share Convertible Corporate Bondholder applies for the conversion during the conversion period under the Issuance, the formula for calculating the number of A Shares to be issued upon conversion is as below: $Q = V/P$, rounded down to the nearest whole number.

In which, Q: denotes the number of A Shares to be converted;

V: denotes the aggregate nominal value of A Share Convertible Corporate Bonds in respect of which the A Share Convertible Corporate Bondholder applies for conversion; and

P: denotes the prevailing Conversion Price as at the date of application for conversion.

The number of A Shares to be converted shall be in whole number where the A Share Convertible Corporate Bondholder applies for the conversion. Where the remaining balance of the A Share Convertible Corporate Bonds is insufficient to be converted into one A Share upon the application of conversion made by the A Share Convertible Corporate Bondholders under the Issuance, within five trading days from the date of conversion by the A Share Convertible Corporate Bondholders, the Company shall pay the Bondholders in cash an amount equal to the par value of such A Share Convertible Corporate Bonds and the accrued interest thereof for the current period in accordance with the relevant requirements of the CSRC, Shenzhen Stock Exchange, China Securities Depository and Clearing Corporation Limited and other authorities. (For the method of calculating accrued interest for the current period, see the relevant provisions in 11. Terms of redemption).

(11) *Terms of redemption*

A. *Terms of redemption upon maturity*

Within five trading days upon the maturity of the A Share Convertible Corporate Bonds under the Issuance, the Company shall redeem all the A Share Convertible Corporate Bonds which have not been converted into A Shares by then. The specific redemption price shall be determined by the Board or its authorized persons as authorized by the EGM through negotiation with the sponsor (the lead underwriter) based on the market conditions upon the Issuance.

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B. Terms of conditional redemption

During the conversion period of the A Share Convertible Corporate Bonds under the Issuance, in the event of any of the following two circumstances, the Company shall have the right to redeem the whole or part of the outstanding Convertible Bonds, at a price equal to the nominal value of the Convertible Bonds plus the then accrued interest:

- 1) The closing prices of A Shares on at least 15 trading days out of any 30 consecutive trading days during the conversion period are no less than 130% (130% inclusive) of the prevailing Conversion Price; or
- 2) The balance of the outstanding A Share Convertible Corporate Bonds under the Issuance is lower than RMB30 million.

The formula for calculating the accrued interest for the current period is as follows: $I_A = B \times i \times t/365$

In which, I_A : denotes the accrued interest for the current period;

B : denotes the aggregate nominal value of the A Share Convertible Corporate Bonds to be redeemed held by such Bondholders under the Issuance;

i : denotes the coupon rate of the A Share Convertible Corporate Bonds for the current year; and

t : denotes the number of days on which interest is accrued, i.e. in respect to redemption date prior to the first interest payment day, it refers to the actual number of calendar days from the commencement date of interest accrual (inclusive) to the redemption date of the current interest accrual year (excluding the redemption date); and in respect to redemption date after the first interest payment day, it refers to the actual number of calendar days from the preceding interest payment date (inclusive) to the redemption date of the current interest accrual year (excluding the redemption date).

The redemption period of the Convertible Bonds is the same as the conversion period, i.e. from the first trading day upon the expiry of six months from the completion of the Issuance to the maturity date of the A Share Convertible Corporate Bonds.

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In the event that an adjustment to the Conversion Price is made during the aforementioned 30 trading days, in respect of the trading days prior to the adjustment, the calculation shall be based on the unadjusted Conversion Price and the closing price of the A Shares on each such day, and in respect of the trading days on or after the adjustment, the calculation shall be based on the adjusted Conversion Price and the closing price of the A Shares on each such day.

(12) *Terms of sale back*

A. *Terms of conditional sale back*

During the last two interest accrual years within the term of the A Share Convertible Corporate Bonds under the Issuance, if the closing prices of the A Shares on any 30 consecutive trading days are lower than 70% of the prevailing Conversion Price, the A Share Convertible Corporate Bondholders are entitled to sell back the whole or part of the A Share Convertible Corporate Bonds they hold to the Company at par plus the then accrued interest.

In the event that an adjustment to the Conversion Price is made due to distribution of bonus Shares, conversion or increase of share capital, issuance of new Shares (excluding any increase in the share capital as a result of conversion of the A Share Convertible Corporate Bonds under the Issuance) or rights issue, distribution of cash dividends during the aforementioned trading days, in respect of the trading days prior to the adjustment, the calculation shall be based on the unadjusted Conversion Price and the closing price of the A Shares on each such day, and in respect of the trading days on or after the adjustment, the calculation shall be based on the adjusted Conversion Price and the closing price of the A Shares on each such day. In the event that there is a downward adjustment to the Conversion Price, the aforesaid “30 consecutive trading days” shall be re-counted from the first trading day following the adjustment to the Conversion Price.

For the calculation of accrued interest for the current period, please refer to the paragraph headed “Terms of redemption”.

The A Share Convertible Corporate Bondholders may exercise their sale back rights once every year when the sale back conditions have been initially satisfied according to the abovementioned agreed terms in the last two interest accrual years within the term of the A Share Convertible Corporate Bonds under the Issuance. Where the sale back conditions are initially satisfied and the A Share Convertible Corporate Bondholders do not apply for and exercise their sale back rights during the sale back declaration period then announced by the Company, no sale back rights may be exercised during such interest accrual year. The A Share Convertible Corporate Bondholders shall not be allowed to exercise part of their sale back rights for multiple times.

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B. Additional terms of sale back

Where the actual use of the proceeds raised from A Share Convertible Corporate Bonds under the Issuance significantly differs from the undertakings of the use of proceeds set out by the Company in the Offering Document, and such difference is considered by the CSRC or the Shenzhen Stock Exchange as a change in the use of proceeds, the A Share Convertible Corporate Bondholders shall be entitled to a one-off right to sell the whole or part of the Convertible Bonds they hold back to the Company at par plus the then accrued interest. Under the foregoing circumstances, the Bondholders may sell their Convertible Bonds back to the Company during the sale back declaration period as announced by the Company. If the Bondholders do not exercise their sale back rights during such period, no such right may be exercised. For the calculation of accrued interest for the current period, please refer to the paragraph headed "Terms of redemption".

(13) Entitlement to dividend in the year of conversion

The new A Shares to be issued upon the conversion of A Share Convertible Corporate Bonds under the Issuance shall rank pari passu with all the existing A Shares, and all ordinary A Shareholders (including those who become Shareholders by virtue of the conversion of the A Share Convertible Corporate Bonds) whose names are recorded on the register of members of the Company on the record date for dividend distribution shall be entitled to receive the dividend of that period and enjoy equal rights and interests.

(14) Method of the Issuance and target subscribers

The specific method of the Issuance of A Share Convertible Corporate Bonds shall be determined by the Board or its authorized persons as authorized by the EGM through negotiation with the sponsor (the lead underwriter) prior to the Issuance. The target subscribers of the A Share Convertible Corporate Bonds are natural persons, legal persons, securities investment funds and other investors in compliance with legal requirements who have maintained securities accounts at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (excluding those prohibited by the PRC laws and regulations).

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(15) Subscription arrangement for the existing A Shareholders

The existing A Shareholders are entitled to subscribe for the A Share Convertible Corporate Bonds in priority. The existing A Shareholders shall be entitled to waive such pre-emptive rights. The proportion of subscription in priority by the existing A Shareholders shall be determined by the Board or its authorized person as authorized by the EGM through negotiation with the sponsor (the lead underwriter) based on market conditions prior to the Issuance and shall be disclosed in the announcement(s) in relation to the Issuance of A Share Convertible Corporate Bonds.

The remaining A Share Convertible Corporate Bonds which are not subject to the above-mentioned pre-emptive rights of the existing A Shareholders and are not subscribed by the existing A Shareholders will be offered to institutional investors offline and/or issued by way of online pricing through the trading system of the Shenzhen Stock Exchange, and any remaining bonds not being subscribed will be underwritten by the underwriters. Specific issuance method shall be determined by the Board or its authorized persons as authorized by the EGM through negotiation with the sponsor (the lead underwriter).

(16) Matters relating to the Bondholders' Meetings

A. Rights of Bondholders

- 1) to receive the agreed interest based on the number of the Convertible Bonds held by them;
- 2) to participate in, or appoint proxies to participate in, meetings of the holders of the Convertible Bonds and to exercise the voting rights thereat, in accordance with the relevant provisions of laws, administrative regulations, and other applicable rules;
- 3) to convert the Convertible Bonds held by them into A Shares of the Company under the agreed conditions;
- 4) to exercise the right of sale back under the agreed conditions;
- 5) to transfer, grant or pledge the Convertible Bonds held by the Bondholders in accordance with the provisions of laws, administrative regulations and the Articles of Association;
- 6) to obtain relevant information in accordance with the provisions of laws, administrative regulations and the Articles of Association;

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- 7) to request the Company to repay the principal and interest of the Convertible Bonds within the agreed period and in the agreed manner; and
- 8) other rights as creditors of the Company ascribed by laws, administrative regulations and the Articles of Association.

B. Obligations of Bondholders:

- 1) to comply with the relevant provisions of the terms of the Convertible Bonds under the Issuance by the Company;
- 2) to pay the subscription amount based on the amount of Convertible Bonds subscribed by them;
- 3) to abide by the effective resolutions passed at the Bondholders' Meetings;
- 4) not to request the Company to repay the principal and interest of the Convertible Bonds in advance, except as required by laws, regulations or as agreed in the Offering Document; and
- 5) to bear other obligations that shall be borne by the A Share Convertible Corporate Bondholders as required by laws, administrative regulations and the Articles of Association.

C. The extents of authority of the Bondholders' Meetings are as follows:

- 1) to resolve whether to approve the Company's proposal of modifying the plan contained in the Offering Document, despite the fact that the Bondholders' Meetings shall not resolve to agree to the Company not paying the principal and interest of the Convertible Bonds, modifying the interest rate and term of the Convertible Bonds or cancelling the terms of redemption or sale back set out in the Offering Document;
- 2) to resolve whether to approve the solutions to the failure to pay the principal and interest of the Convertible Bonds on time by the Company, to resolve on the enforcement of repaying the principal and interest of the Convertible Bonds by the Company and the guarantors (if any) through litigation and other procedures, to resolve whether to participate in the legal procedures of the issuer including rectification, settlement, reorganisation or bankruptcy;

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- 3) to resolve whether to accept the Company's proposal in the event of a capital reduction (other than a capital reduction caused by employee stock ownership scheme, equity incentives, or a necessary share repurchase made by the Company to maintain its value and the rights and interests of the Shareholders), merger, division, dissolution or filings for bankruptcy and to resolve on the plan of exercising the rights entitled to the Bondholders according to the laws;
- 4) to resolve on the plan of exercising the rights entitled to the Bondholders according to the laws in case any material adverse change arises from the Guarantors (if any) or the collateral (if any);
- 5) to resolve on the plan of exercising the rights entitled to the Bondholders according to the laws in case any event having a material impact on the interests of Bondholders happens;
- 6) to resolve on the change or dismissal of the trustees of the Convertible Bonds or the amendment to the principal terms of the management entrustment agreement;
- 7) to resolve on amendments to the rules governing the meeting of holders of the Convertible Bonds as permitted by the laws; and
- 8) other circumstances which are required to be resolved at the Bondholders' Meetings in accordance with the laws, regulations and normative documents.

D. Convening of the Bondholders' Meetings

During the term of the Convertible Bonds, a Bondholders' Meeting shall be convened upon the occurrence of any of the following events:

- 1) the Company proposes to change the terms under the Offering Document;
- 2) the Company fails to pay the principal and interest of the A Share Convertible Corporate Bonds on time;
- 3) the Company proposes to amend the rules governing the meetings of holders of A Share Convertible Corporate Bonds;

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- 4) the Company proposes to change or dismiss the trustee, amend the principal terms of the management entrustment agreement or terminate the management entrustment agreement;
- 5) the Company undertakes a capital reduction (other than a capital reduction caused by employee stock ownership scheme, equity incentives, or a necessary share repurchase made by the Company to maintain its value and the rights and interests of the Shareholders), merger, or other events that may result in a material adverse change to its solvency, it is necessary to resolve on or authorize the adoption of corresponding measures;
- 6) the Company is subject to division, receivership, dissolution, filing for bankruptcy or entering into bankruptcy proceedings in accordance with the law;
- 7) there are material changes in the Guarantors (if any), collaterals (if any) or other debt repayment guarantee measures;
- 8) the Company proposes a debt restructuring scheme;
- 9) measures shall be taken in accordance with laws when the Company's capability of solvency of its debt faces material uncertainties due to the failure of the Company's management to fulfill its responsibilities and duties;
- 10) the Company and the Bondholders who individually or jointly hold more than 10% of the total outstanding principal amount of the Convertible Bonds propose to convene a meeting in writing;
- 11) other matters which may materially affect the substantial interests of the Bondholders; and
- 12) other matters that shall be resolved by the Bondholders' Meetings pursuant to the requirements under the laws, administrative regulations, departmental rules or normative documents, or stipulated in the Offering Document and these rules.

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The following entities or persons may propose a Bondholders' Meeting in writing:

- 1) the Board of the Company;
- 2) trustees of the Convertible Bonds;
- 3) the Bondholders that individually or jointly hold more than 10% of the total outstanding principal amount of the Convertible Bonds;
- 4) other entities or persons prescribed by the laws, regulations, normative documents, CSRC and Shenzhen Stock Exchange.

(17) Eligibility and identification of investors

Investors participating in the Proposed Issuance shall comply with the investor suitability management requirements under applicable PRC laws and regulations. In particular, pursuant to Article 5 of the Measures for the Administration of Convertible Corporate Bonds (CSRC Order No. 178) (《可轉換公司債券管理辦法》(中國證監會令第178號)) and the Notice on Improving Matters relating to the Investor Suitability Management of Convertible Corporate Bonds (2025 Revision) (《關於完善可轉換公司債券投資者適當性管理相關事項的通知(2025年修訂)》) issued by the Shenzhen Stock Exchange, individual investors participating in the subscription for and trading of convertible corporate bonds issued to non-specific investors shall:

- (a) have average daily assets of not less than RMB100,000 in their securities accounts and capital accounts for the 20 trading days preceding the application for trading access (excluding funds and securities financed through margin trading and securities lending); and
- (b) have participated in securities trading for no less than 24 months, and ordinary investors shall sign a risk disclosure statement in respect of convertible corporate bonds issued to non-specific investors.

As the Proposed Issuance will be conducted by way of a public offering to non-specific investors, save for the investor suitability management requirements under applicable PRC laws and regulations as described hereinabove, there are no additional eligibility requirements, selection criteria or restrictions applicable to the investors that are imposed by the Company.

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(18) Purpose of the proceeds from this offering

The total amount of proceeds to be raised from the public offering of A Share Convertible Corporate Bonds to non-specific investors shall not exceed RMB3,600,000,000 (inclusive). After deducting issuance expenses, the net proceeds are proposed to be allocated to the following projects:

Unit: RMB'0,000

Name of Proceed Investment Project	Total Investment	Proposed Proceed Allocation
Yunqing Intelligent Manufacturing Base Project (Phase II)	198,359.09	185,000.00
High-Layer-Count Printed Circuit Board Project (formerly known as Technical Renovation Project for Multilayer Production Lines)	155,992.17	100,000.00
Supplement of Working Capital	<u>75,000.00</u>	<u>75,000.00</u>
Total	<u>429,351.26</u>	<u>360,000.00</u>

The Yunqing Intelligent Manufacturing Base Project (Phase II) to be constructed at a site situated to the east of Dongjiang Avenue in Huangpu District, Guangzhou, involves the acquisition of high-end PCB production, inspection and ancillary equipment to expand the production capacity of high-layer-count boards, high-order HDI boards and other products primarily used in the server sector, so as to meet the technological upgrade needs of the industry, optimise the regional production capacity layout and strengthen the Company's overall competitiveness. This Project will be implemented by Delton Technology, with an estimated construction period of 12 months. The construction cycle of the Project is planned to be carried out in five stages, comprising: feasibility study, preliminary planning and design, equipment procurement and installation, personnel recruitment and training, and trial operation.

The estimated investment amount of the Yunqing Intelligent Manufacturing Base Project (Phase II) was assessed by Shenzhen Greseed Investment Consulting Co. Ltd, an independent third-party consulting institution, with reference to the Economic Evaluation Methods and Parameters for Construction Projects (Third Edition) and historical quotations of relevant equipment, and primarily comprises equipment investment of approximately RMB1,854.71 million. The equipment investment was estimated based on the project's planned production capacity, process flow and technical requirements in line with the prevailing market practice, under which an equipment list required for each production stage was prepared and assessed with reference to prevailing market quotations for the relevant equipment.

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The High-Layer-Count Printed Circuit Board Project to be conducted at an existing site situated at No. 1 Baoying South Road, Huangpu District, Guangzhou, is primarily intended to introduce new high-precision, highly automated equipment and ancillary devices suitable for high-layer-count board products. Upon completion of the Project, the Company's overall manufacturing capacity, product quality and product value-added will be significantly enhanced, enabling the Company to adequately meet downstream customers' demand for high-end product orders. This Project will be implemented by the Company, with an estimated construction period of 12 months. The construction cycle of the Project is planned to be carried out in six stages, comprising: feasibility study, preliminary planning and design, premises leasing and renovation, equipment procurement and installation, personnel recruitment and training, and trial operation.

The estimated investment amount of the High-Layer-Count Printed Circuit Board Project was assessed by Shenzhen Greseed Investment Consulting Co. Ltd, an independent third-party consulting institution, with reference to the Economic Evaluation Methods and Parameters for Construction Projects (Third Edition) and historical quotations of relevant equipment and services, and primarily comprises equipment investment of approximately RMB1,359.72 million and site-related investment of approximately RMB129.20 million. The equipment investment was estimated based on the project's planned production capacity, process flow and technical requirements in line with the prevailing market practice, under which an equipment list required for the respective production stages was prepared and assessed with reference to prevailing market quotations for the relevant equipment; meanwhile, the site-related investment primarily comprises site leasing costs and site renovation investment, and was assessed based on objective data including the site area required during the construction period, applicable leasing prices, and unit renovation costs in line with the prevailing market practice.

As illustrated above, the Yunqing Intelligent Manufacturing Base Project (Phase II) and the High-Layer-Count Printed Circuit Board Project have different implementation locations, objectives and equipment investment planning. The proceeds raised from the public offering of A Share Convertible Corporate Bonds for the two distinct projects would be managed through separate bank accounts and the usage would be clearly distinguished between the two projects.

In respect of the supplement of working capital, the Company intends to apply RMB750 million out of the proceeds from the Proposed Issuance for the following two categories of purposes: (a) approximately 80% for payment to suppliers, including but not limited to the procurement of raw materials and various production supplies; and (b) approximately 20% for payment of expenses incurred in day-to-day operations, mainly being employee compensation. The specific amounts and proportions to be applied shall be determined based on actual needs.

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As the Company is principally engaged in the research and development, its production and sale of printed circuit boards, with products primarily consisting of multilayer boards and HDI boards. These products are widely used in AI servers, data centres, new-generation communication technologies, industrial control, automotive electronics and consumer electronics, and have obtained certifications from end-brands or well-known customers. After deducting issuance expenses, the net proceeds from this Issuance to non-specific investors are proposed to be applied to the Yunqing Intelligent Manufacturing Base Project (Phase II) and the High-Layer-Count Printed Circuit Board Project, as well as the supplement of working capital. The application of the proceeds is centred around the Company's PCB principal business, focusing on the deployment of high-layer-count board and high-order HDI production capacity, upgrading of equipment capabilities, and innovation of production technologies and processes, with a view to creating industry-leading innovative products that meet the high-tier requirements of strategically critical sectors including artificial intelligence AI servers and terminals, GPU chips, and high-frequency high-speed transmission, which is conducive to enhancing the Company's core competitiveness. The supplement of working capital is conducive to strengthening the Company's capital base, optimising its financial structure and improving its level of financial soundness.

Prior to the receipt of the proceeds from this offering of A Share Convertible Corporate Bonds, the Company will make upfront investments using its own funds or self-raised funds in light of the actual implementation progress of the invested projects. After the proceeds are received, such upfront investments will be replaced in accordance with procedures prescribed by relevant laws and regulations.

The portion of total project investment exceeding the net proceeds raised in this offering shall be funded by the Company through its own funds or self-financing methods. Within the scope of the aforesaid invested projects, the Board or its authorized representatives may appropriately adjust the specific funding amount allocated to each invested project based on actual conditions including project progress and capital requirements.

(19) *Guarantee*

No guarantee will be provided for this offering of A Share Convertible Corporate Bonds.

(20) *Credit Rating*

The Convertible Bonds issued in this offering will be subject to credit rating and ongoing follow-up rating conducted by a qualified credit rating agency.

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(21) Management and deposit for proceeds raised

The Company has established relevant systems for the management of proceeds raised. The proceeds from the Issuance of A Share Convertible Corporate Bonds will be deposited in a dedicated account for the proceeds raised designated by the Board. The specific account opening arrangements will be determined by the Board (or its authorized persons) prior to the issuance, and details of the dedicated account for raised proceeds will be disclosed in the issuance announcement.

(22) Validity Period of the issuance plan

The validity period of the Issuance plan for A Share Convertible Corporate Bonds shall be 12 months, commencing from the date on which the Issuance plan is considered and approved at the EGM.

The Company may at its own discretion choose the timing of the issuance and identify the investor within such validity period, and the specific timing will be determined by the Board or its authorized persons having regard to the then market conditions.

2. Connected Transaction in relation to Possible Subscription for A Share Convertible Corporate Bonds by Connected Persons

According to the subscription arrangement for the existing A Shareholders as set out in the paragraph 15. “Placement arrangement for the existing A Shareholders” of the Issuance plan for A Share Convertible Corporate Bonds, preferential placement of the A Share Convertible Corporate Bonds issued by the Company will be granted to the existing A Shareholders. The existing A Shareholders are entitled to waive such rights. The specific amount of preferential placement to be granted to the existing A Shareholders shall be determined by the Board or its authorized persons as authorized by the EGM through negotiation with the sponsor (the lead underwriter) based on market conditions prior to the issuance and shall be disclosed in the issuance announcement of the A Share Convertible Corporate Bonds.

As at the Latest Practicable Date, the Connected Shareholders collectively hold 272,057,420 A shares of the Company. The Connected Shareholders are entitled to the priority subscription of the A Share Convertible Corporate Bonds and have the right to waive such priority subscription rights. The maximum amount of the A Share Convertible Corporate Bonds that may be subscribed for by the Connected Shareholders is approximately RMB2,295.1768 million.

The terms and conditions of the possible subscription for A Share Convertible Bonds by Connected Shareholders are the same as those of subscription for A Share Convertible Corporate Bonds by other existing A Shareholders.

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Assuming that 100% of the A Share Convertible Corporate Bonds under the Issuance is placed to the existing A Shareholders, and Connected Shareholders exercise the pre-emptive rights in full, based on the proportion of A Shares of the Company held by Connected Shareholders as of the Latest Practicable Date and the maximum amount of the Convertible Bonds of RMB3,600,000,000 to be issued, the maximum amount to be subscribed by Connected Shareholders shall be as follows:

Unit: RMB'0,000

Connected Shareholder	Number of A Shares held	Percentage of number of A Shares held to the total number of issued A Shares	Maximum subscription amount under the Possible Subscription for A Share Convertible Corporate Bonds
Zhenyun Investment	171,142,853 A Shares	40.11%	144,382.43
Guangsheng Investment	28,832,734 A Shares	6.76%	24,324.36
Guangxie Investment	43,249,099 A Shares	10.14%	36,486.54
Guangcai Investment	28,832,734 A Shares	6.76%	24,324.36
Total	272,057,420 A Shares	63.75%	229,517.68

- (1) The calculation is based on an aggregate of 46,000,000 H Shares and 426,723,864 A Shares of the Company in issue as of the Latest Practicable Date, totalling 472,723,864 Shares. Due to rounding, the sum of the percentages may not equal the total.

3. Authorization to be Granted to the Board or its Authorized Persons

Subject to approval of the Shareholders at the EGM, the Board or its authorized persons will be fully authorized to deal with the matters in relation to the Issuance of A Share Convertible Corporate Bonds at its discretion, including but not limited to determining the specific provisions and plans of the Issuance, engaging relevant intermediaries, preparing, amending and submitting relevant application materials in accordance with the requirements of regulatory authorities, executing necessary documents, amending the Articles of Association, implementing necessary procedures and taking other necessary actions.

4. Reasons For and Benefits of the Proposed Issuance of A Share Convertible Corporate Bonds and the Possible Subscription

The investment projects with proceeds from the Issuance of A Share Convertible Corporate Bonds to non-specific investors have been evaluated by the Company in a prudent manner and are in line with the national industrial policies and the needs of the development of the Company. The investment projects have strong profitability and good development prospects. The proceeds raised will deliver great economic benefits to the Company by helping optimize its financial structure, meeting its business expansion needs, further expanding its operating scale and comprehensive strength, improving the operating efficiency and core competitiveness, which will lay a solid foundation for the healthy and rapid development in the future, and thus are in the interests of the Company and Shareholders as a whole. The Possible Subscription facilitates the smooth implementation of the Issuance and the decision-making on the long-term strategies of the Company.

The Company is in the process of acquiring new customers, and its existing production capacity and equipment is no longer sufficient to meet the demands of new customers and new products, there is a genuine necessity for the construction of new factories and the procurement of new equipment. Moreover, given the increasing sophistication and production complexity of the Company's products, the capital requirements for factory construction and equipment procurement continue to rise. The Company expects that the aggregate capital expenditure for the years ending 2026 and 2027 will exceed RMB10 billion. The Company is thus required to invest substantial capital in the construction of new factories and the procurement of new equipment.

The Company considers the Proposed Issuance of A Share Convertible Corporate Bonds the most feasible and efficient means of financing in addition to obtaining the general mandate from its Shareholders to issue H Shares, mainly because of the following reasons:

- (a) as the Company is in need of a considerable amount of funds to meet its need for constructing new factories and procuring new equipment, it is difficult for the Company to obtain bank loans at an interest rate commensurate with the expected coupon rate of the A Share Convertible Corporate Bonds; and
- (b) it is common for comparable companies in the PCB industry to raise capital through financing means similar to the Proposed Issuance and constructing new factories, including various companies listed on the Hong Kong Stock Exchange and the Shenzhen Stock Exchange.

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In addition, the Company has carefully considered whether the unutilised IPO proceeds could be reallocated or applied to fund (a) the Yunqing Intelligent Manufacturing Base Project (Phase II) and/or (b) the High-Layer-Count Printed Circuit Board Project; however, after thorough assessment, the Board has determined that such reallocation is not feasible, as the intended use of proceeds for each project has already been well-planned and allocated in line with the Company's long-term strategic development and capital planning, and any change would disrupt the orderly implementation of investment projects and undermine the consistency of the Company's long-term strategy.

Thus, the Board is of the view that the Proposed Issuance of A Share Convertible Corporate Bonds would be the best and most feasible option for the Company to obtain additional funds to meet its projected capital expenditure for the two years ending December 31, 2026 and 2027.

5. Impact of the Proposed Issuance of A Share Convertible Corporate Bonds on the Shareholding Structure of the Company

The initial Conversion Price of the A Share Convertible Corporate Bonds under the Issuance shall not be lower than the higher of the average trading price of A Shares for the 20 trading days immediately preceding the date of publication of the Offering Document (in the event that the A Share price was adjusted due to ex-right and ex-dividend during such 20 trading days, the average trading price of A Shares on the trading days prior to the adjustment shall be calculated based on the price after such ex-right and ex-dividend) and the average trading price of A Shares on the immediately preceding trading day, and shall not be lower than the latest audited net asset value per Share and par value of the Shares. The specific initial Conversion Price shall be determined by the Board (or its authorized persons) as authorized by the EGM through negotiation with the sponsor (the lead underwriter) prior to the Issuance based on the market conditions and actual conditions of the Company.

The shareholding structures of the Company as at the Latest Practicable Date and after completion of the proposed Issuance of A Share Convertible Bonds and conversion of all the A Share Convertible Bonds into A Shares (assuming that (i) the Company issues A Share Convertible Bonds with a maximum issuance amount of RMB3.6 billion; (ii) all existing A Shareholders subscribe for A Share Convertible Bonds in full in proportion to their current shareholdings in A Shares; (iii) all A Share Convertible Bonds are fully converted into A Shares at the initial Conversion Price of RMB161.30 per Share, which shall be calculated based on the higher of the average trading price of A Shares for the 20 trading days immediately preceding the Latest Practicable Date and the average trading price of A Shares on the

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immediately preceding trading day; and (iv) the Company does not issue and allot any Shares before all the A Share Convertible Bonds are converted into A Shares) are as follows:

Name/Category of Shareholder	Number of Shares	Approximate percentage of the number of issued A Shares as at the Latest Practicable Date ⁽¹⁾	Approximate percentage of the number of issued Shares ⁽¹⁾	Immediately after completion of the proposed Issuance of A Share Convertible Bonds and conversion of all the A Share Convertible Bonds into A Shares		
				Number of Shares ⁽⁸⁾	Approximate percentage of the number of issued A Shares	Approximate percentage of the number of issued Shares
Zhenyun Investment ⁽²⁾⁽⁵⁾	171,142,853 A Shares	40.11%	36.20%	180,094,026 A Shares	40.11%	36.38%
Guangxie Investment ⁽⁶⁾	43,249,099 A Shares	10.14%	9.15%	45,511,129 A Shares	10.14%	9.19%
Guangsheng Investment ⁽³⁾⁽⁵⁾	28,832,734 A Shares	6.76%	6.10%	30,340,754 A Shares	6.76%	6.13%
Guangcai Investment ⁽⁴⁾⁽⁵⁾⁽⁷⁾	28,832,734 A Shares	6.76%	6.10%	30,340,754 A Shares	6.76%	6.13%
Other A Shareholders	154,666,444 A Shares	36.25%	32.72%	162,755,863 A Shares	36.25%	32.88%
Other H Shareholders	46,000,000 H Shares	–	9.73%	46,000,000 H Shares	–	9.29%
Total	472,723,864 Shares	100%	100%	495,042,525 Shares	100%	100%

- (1) The calculation is based on a total of 46,000,000 H Shares and 426,723,864 A Shares issued by the Company as at the Latest Practicable Date, aggregating 472,723,864 Shares in total. Due to rounding, the sum of the percentages may not equal the total.
- (2) As at the Latest Practicable Date, Zhenyun Investment is 99.90% owned by Mr. Xiao Hongxing. Under the SFO, Mr. Xiao Hongxing is deemed to have an interest in the shares held by Zhenyun Investment.
- (3) As at the Latest Practicable Date, Mr. Xiao Hongxing acts as the general partner of Guangsheng Investment. Under the SFO, Mr. XIAO is deemed to have an interest in the shares held by Guangsheng Investment.
- (4) As at the Latest Practicable Date, Mr. Xiao Hongxing acts as the general partner of Guangcai Investment. Under the SFO, Mr. Xiao Hongxing is deemed to have an interest in the shares held by Guangcai Investment.
- (5) Mr. Xiao Hongxing and Ms. Liu Jinchan are spouses to each other. Under the SFO, each of them is deemed to have an interest in the Shares held by the other party.

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- (6) As at the Latest Practicable Date, Ms. Zeng Hong, the executive director and general manager of the Company, acts as the general partner of Guangxie Investment. Under the SFO, Ms. Zeng Hong is deemed to have an interest in the Shares held by Guangxie Investment.
- (7) As at the Latest Practicable Date, Mr. Peng Jinghui was one of the limited partners of Guangcai Investment, holding approximately 2.01% limited partnership interests.
- (8) To the best of the Directors' knowledge, information and belief, none of Zhenyun Investment, Guangxie Investment, Guangsheng Investment and Guangcai Investment holds any H Shares.
- (9) As the Company has not identified any potential investor, the above shareholding structures have been prepared on a pro rata basis for illustration purposes only. The Company is of the view that such pro rata approach is fair and reasonable.

Upon the Issuance of A Share Convertible Corporate Bonds, the Conversion Price shall be adjusted in accordance with details as set out in the paragraph headed “(VIII) Determination and adjustment of the Conversion Price” under certain circumstances, such as distribution of share dividends, capitalisation of reserves into share capital, issue of additional new shares (other than the increase in share capital arising from the conversion of the A Share Convertible Corporate Bonds), rights issue or distribution of cash dividends by the Company.

6. Implications under the Listing Rules

As at the Latest Practicable Date, the Controlling Shareholders Group holds approximately 48.40% of the issued share capital of the Company, and is the Controlling Shareholder of the Company; and Ms. Zeng Hong, as general partner of Guangxie Investment, holds in aggregate approximately 9.15% of the issued share capital of the Company, and is an executive Director of the Company. The Connected Shareholders are therefore connected persons of the Company. Accordingly, the subscription of the A Share Convertible Corporate Bonds by the Connected Shareholders will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and shall be subject to the reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

In respect of the resolution to consider the Possible Subscription, as the Connected Shareholders hold in aggregate 272,057,420 A Shares of the Company, representing approximately 57.55% of the issued share capital of the Company as at the Latest Practicable Date, they are required to abstain from voting at the EGM.

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The Directors, Mr. Xiao Hongxing, Ms. Zeng Hong, Mr. Peng Jinghui and Ms. Liu Jinchan, are required to and have abstained from voting in respect of the resolution to consider the Possible Subscription at the Board meeting. The resolution on the Possible Subscription has been considered and approved by the Board. Save for the above, no other Directors are or deemed to be materially interested in the above resolution. In addition, none of the Directors have abstained or are required to abstain from voting on other resolutions considered at the Board meeting.

The Independent Board Committee has been formed by the Company to give recommendations to the Independent Shareholders on the specific mandate for the Issuance and the Possible Subscription and other transactions contemplated thereunder. The independent financial adviser will also be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the following matters: (i) whether or not the terms of the Issuance and the Possible Subscription are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) whether or not the Issuance and the Possible Subscription are in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole.

The independent non-executive Directors are of the view that based on the abovementioned arrangement, the Connected Shareholders of the Company are subject to the same price and terms as those of other A Shareholder subscribers in their participation in the subscriptions for the A Share Convertible Bonds to be issued under the Issuance by the Company within the scope of preferential placement. They will not receive any preferential treatment, and the interests of the Company and other Shareholders will not be prejudiced.

All A Shareholders whose names appear on the register of members of A Shareholders of the Company on the registration date for the preferential placement to the existing A Shareholders shall have the pre-emptive right to subscribe for the A Share Convertible Corporate Bonds. No Shareholder shall enjoy any privilege by virtue of being a connected person of the Company.

The Board expects that the Company will maintain sufficient public float in compliance with the applicable minimum requirement under the Listing Rules.

7. General

Information on the Group

The Group's principal business is the research, development, production and sale of multilayer and high-layer-count printed circuit boards.

Information on Connected Shareholders

As at the Latest Practicable Date, the Connected Shareholders of the Company are the Controlling Shareholders Group, Ms. Zeng Hong and Guangxie Investment.

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The Company's Controlling Shareholders Group comprises Mr. Xiao Hongxing, Ms. Liu Jinchan, Zhenyun Investment, Guangcai Investment and Guangsheng Investment. Mr. Xiao Hongxing and Ms. Liu Jinchan are spouses and both serve as directors of the Company. Zhenyun Investment is a limited liability company incorporated under the laws of the PRC, 99.90% owned by Mr. Xiao Hongxing. Guangcai Investment is a limited partnership established under the laws of the PRC with Mr. Xiao Hongxing as its general partner. Guangsheng Investment is a limited partnership established under the laws of the PRC with Mr. Xiao Hongxing as its general partner. Meanwhile, Ms. Zeng Hong is the executive director of the Company. Guangxie Investment is a limited partnership established under the laws of the PRC with Ms. Zeng Hong as its general partner.

As at the Latest Practicable Date, pursuant to Part XV of the SFO, (i) Mr. Xiao Hongxing holds an aggregate of 228,808,321 A Shares in the Company through his controlled corporations namely Zhenyun Investment, Guangcai Investment and Guangsheng Investment; Ms. Liu Jinchan, being his spouse, is also deemed to hold such Shares; and (ii) Ms. Zeng Hong holds 43,249,099 A Shares in the Company through her controlled corporation Guangxie Investment.

8. Basis of Determination of Coupon Rate of the A Share Convertible Bonds

In determining the coupon rate of the A Share Convertible Bonds, the Company and the sponsor (the lead underwriter) will make reference to, among other things, (i) the interest rates of the convertible bonds issued by other PRC issuers of a size comparable to the Company ("**Market Comparables**") around the time of determination of coupon rate by the Company; (ii) the then trading price of A Shares of the Company; (iii) the then condition and investment sentiment of the PRC bond market; and (iv) the credit rating of the Company and the A Share Convertible Bonds. The Company expects that the coupon rate of the A Share Convertible Bonds will not substantially deviate from that of the Market Comparables.

Taking into account that (i) the determination mechanism of the coupon rate (i.e., the Board or its authorized person being authorized to negotiate and determine with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the specific conditions of the Company before the Issuance) is subject to the approval by the EGM; (ii) other factors as set out in the previous paragraph that the Company and the sponsor take into account when determining the coupon rate; (iii) the final coupon rate is expected not to deviate substantially from that of the Market Comparables; and (iv) the determination mechanism of the coupon rate is in compliance with the applicable laws and regulations in the PRC, the Company considers that the proposed determination mechanism of the coupon rate of the A Share Convertible Bonds is fair and reasonable and in the interests of the Shareholders and the Company as a whole.

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9. Equity Financing Activities in the Past 12 Months

In the past 12 months prior to the Latest Practicable Date, the Company has conducted the following equity financing activities involving the issuance of equity securities:

Date of Prospectus	Financing Activities	Net Proceeds	Proposed Use of Proceeds as set out in the Prospectus	Amount Utilised as at June 30, 2026	Net proceeds unutilized as at June 30, 2026	Expected timeline for full utilization of net proceeds
March 12, 2026	Issue of 46,000,000 H Shares by the Company under the Global Offering	Approximately HK\$3,185.26 million	(i) Approximately 19.7% will be used for the Company's Thai Base Phase II	(a) HK\$223 million	(a) HK\$402.22 million	By December 31, 2026
			(ii) Approximately 52.1% will be used to expand and upgrade the Company's production facilities in Guangzhou base	(b) HK\$196 million	(b) HK\$1,459.25 million	By December 31, 2027
			(iii) Approximately 10.0% will be used for enhancing the Company's R&D capabilities in developing material technologies, refining manufacturing processes and product development	(c) HK\$117 million	(c) HK\$200.64 million	By December 31, 2026
			(iv) Approximately 8.2% will be used to pursue strategic partnerships, investments or acquisitions which are complementary to the Company's business and in line with the Company's strategies ⁽¹⁾	(d) HK\$0 million	(d) HK\$260.62 million	By December 31, 2026
			(v) Approximately 10.0% will be used for working capital and general corporate uses	(e) HK\$317.8319 million	(e) HK\$0.00 million	By December 31, 2026

Note:

- (1) The Company has a preliminary investment plan to allocate such proceeds for the external investments in target companies whose businesses are complementary and aligned with the Company's development strategy. Such preliminary investment plan is still undergoing research and analysis by the Company and is uncertain about whether such fund would be invested in such target companies. To the best of the Directors' knowledge, information and belief, potential investment in the target companies is not intended to achieve similar objects as the Yunqing Intelligent Manufacturing Base Project (Phase II) or the High-Layer-Count Printed Circuit Board Project.

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Save for the proposed Issuance of A Share Convertible Corporate Bonds disclosed in this circular and the Global Offering, the Company has not conducted any equity financing activities in the 12 months preceding the Latest Practicable Date.

10. Relevant Risks of the Issuance of A Share Convertible Bonds

The Issuance of A Share Convertible Bonds is subject to certain risks, including but not limited to the risk of changes in politics, laws, regulations and policies, management risk, risk in approvals, etc. Investors are advised to take abovementioned risk factors into due consideration when evaluating the Issuance of A Share Convertible Bonds.

11. The Issuance and the Subscriptions Not Leading to Changes in the Right of Control over the Company

As of the Latest Practicable Date, the Controlling Shareholders Group holds approximately 48.40% of the Company's issued share capital. The total amount of A Share Convertible Bonds proposed to be issued by the Company will not exceed RMB3.6 billion. If the Controlling Shareholders Group waives the pre-emptive rights to subscribe for the A Share Convertible Bonds under the Issuance and does not participate in the Issuance, the existing Controlling Shareholders Group will remain as the Controlling Shareholder of the Company after the Issuance of A Share Convertible Bonds is completed and all of the A Share Convertible Bonds are converted into A Shares at the initial Conversion Price of RMB161.30 per A Share (i.e., the higher of average trading price of A Shares for the 20 trading days prior to the Latest Practicable Date and the average price of A Shares on the preceding trading day). To the best of the Directors' knowledge, information and belief, none of the Connected Shareholders has indicated his/her/its intention to participate in the Possible Subscription as at the Latest Practicable Date. Therefore, the Issuance of A Share Convertible Bonds and the Possible Subscription will not lead to any changes in the right of control over the Company, and will not lead to the distribution of shareholding failing to satisfy the relevant listing conditions.

12. Implications of the PRC Regulatory Requirements on the Proposed Issuance of A Share Convertible Corporate Bonds and the Possible Subscription for A Share Convertible Corporate Bonds by Connected Person

Pursuant to the requirements of the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange, if the abovementioned connected person subscribes for the A Share Convertible Bonds to be issued by the Company, the transaction is exempted from the approval and disclosure requirements for connected transactions.

The proposed Issuance of A Share Convertible Corporate Bonds by the Company may, upon the exercise of the conversion rights of the A Share Convertible Corporate Bonds, lead to the issuance of new A Shares, the actual number of which depends on a number of factors, including the Conversion Price of the A Share Convertible Corporate Bonds.

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The Board considers that the conversion of A Share Convertible Corporate Bonds into new A Shares will dilute the interests of the existing A Shareholders and H Shareholders in the Company's share capital. Pursuant to the Articles of Association and the provisions of the relevant PRC laws and regulations, the proposed Issuance of A Share Convertible Corporate Bonds shall be subject to, among other things, the Shareholders' approvals at the EGM, and approvals from the relevant PRC regulatory authorities.

13. Specific Mandate for the Proposed Issuance of A Share Convertible Bonds

The Board wishes to seek the Independent Shareholders to grant a specific mandate for the proposed Issuance of A Share Convertible Bonds. Accordingly, the following ordinary resolutions will be submitted to the Independent Shareholders for approval at the EGM.

- (i) To consider and approve the resolution on the Company's compliance with the requirements for the Issuance of A Share Convertible Corporate Bonds to non-specific investors
- (ii) To consider and approve the resolution on the adjustment of the proposed scheme for the Issuance of A Share Convertible Corporate Bonds to non-specific investors by the Company
- (iii) To consider and approve the resolution on the preliminary proposal for the Issuance of A Share Convertible Corporate Bonds to non-specific investors by the Company (Revised Version)
- (iv) To consider and approve the resolution on the demonstration and analysis report on the proposed scheme for the Issuance of A Share Convertible Corporate Bonds to non-specific investors by the Company (Revised Version)
- (v) To consider and approve the resolution on the feasibility analysis report on the use of proceeds from the Issuance of A Share Convertible Corporate Bonds to non-specific investors by the Company (Revised Version)
- (vi) To consider and approve the resolution on the special report on the use of proceeds previously raised
- (vii) To consider and approve the resolution on the measures to mitigate the dilutive impact of the Issuance of A Share Convertible Corporate Bonds to non-specific investors on immediate returns and the relevant undertakings by responsible parties (Revised Version)
- (viii) To consider and approve the resolution on the rules of procedures for meetings of holders of the Convertible Corporate Bonds of Delton Technology (Guangzhou) Inc.

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- (ix) To consider and approve the resolution to authorize the Board and its authorized persons to handle all matters relating to the Issuance of A Share Convertible Corporate Bonds to non-specific investors
- (x) To consider and approve the resolution on the possible participation of Connected Shareholders in the preferential placement of the Issuance of A Share Convertible Corporate Bonds to non-specific investors

The resolution relating to the connected transaction concerning the Possible Subscription of A Share Convertible Corporate Bonds by connected persons pertains solely to the matter of Possible Subscription for A Share Convertible Corporate Bonds. The deliberation of this resolution and the implementation of its contents shall not constitute a prerequisite for the deliberation and implementation of the overall issuance scheme or any other related resolutions.

Details of the relevant resolutions are set forth in Appendices III to XIII of this circular.

Investors should be aware that the proposed Issuance of A Share Convertible Bonds is subject to the approvals of the Independent Shareholders at the EGM, review and approval of the Shenzhen Stock Exchange and the registration with the CSRC. As the proposed Issuance of A Share Convertible Bonds is still subject to the fulfilment of various conditions, the Issuance of A Share Convertible Bonds may or may not proceed, or become effective. The Controlling Shareholders may or may not subscribe for the A Share Convertible Bonds.

III. RESOLUTION ON APPOINTMENT OF A SPECIAL AUDIT INSTITUTION FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS

To smoothly advance the Company's project of Issuance of A Share Convertible Corporate Bonds to non-specific investors, the Company intends to appoint RSM China Certified Public Accountants (Special General Partnership) (hereinafter referred to as "**RSM China CPA LLP**") to provide special audit services for the A Share Convertible Corporate Bonds project. The audit scope includes the audit reports for the years 2023 to 2025, etc.

RSM China CPA LLP and the aforementioned personnel have not violated the requirements of the *Code of Ethics for Chinese Certified Public Accountants* or the *Chinese Auditing Standards for Certified Public Accountants No. 1 – Requirements for Independence in Audit and Review Engagements of Financial Statements*.

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The audit fee is determined based on various factors, including the Company's business scale, industry in which it operates and the complexity of its accounting treatments, as well as the number of audit personnel required, the amount of work to be undertaken and the fee standards of the accounting firm. It is proposed that the general meeting authorize the chairman of the Company or his/her authorized persons to determine the specific audit fee and execute the relevant documents according to the specific circumstances.

The Resolution on Appointment of a Special Audit Institution for the Issuance of A Share Convertible Corporate Bonds to Non-Specific Investors has been considered and approved at the third meeting of the Audit Committee of the third session of the Board of the Company in 2026 held on September 3, 2026 and at the third meeting of the third session of the Board of the Company in 2026 held on September 7, 2026, and is subject to consideration and approval by Shareholders at the EGM by way of an ordinary resolution.

IV. RESOLUTION ON INVESTING IN THE CONSTRUCTION OF DELTON TECHNOLOGY DONGGUAN SMART MANUFACTURING HEADQUARTERS PROJECT* (廣合科技東莞智造總部項目) AND ENTERING INTO THE INVESTMENT AGREEMENT

1. Background

To refine our industrial layout and meet customer needs, the Company intends to enter into the Investment Agreement with the Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone* (東莞水鄉特色發展經濟區管理委員會) and the People's Government of Machong Town, Dongguan* (東莞市麻涌鎮人民政府) in relation to the Company's plan to invest in and construct the Delton Technology Dongguan Smart Manufacturing Headquarters Project* (廣合科技東莞智造總部項目) in Machong Town, Dongguan Waterfront Economic Zone* (東莞市水鄉經濟區) with a total expected investment amount of RMB6.0 billion (land purchase price inclusive and the final amount is subject to the actual investment). The Project will be implemented by the Company or its wholly-owned subsidiary.

The Board hereby seeks the Shareholders' approval of the Proposed Mandate to the Board for the purpose of entering into the Investment Agreement in relation to the Potential Investment.

2. Potential Investment

Summary of the Potential Investment

The Company intends to enter into the Investment Agreement regarding the Project with (i) the Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone; and (ii) the People's Government of Machong Town, Dongguan.

The total expected investment amount for the Project is RMB6.0 billion, which will be used to fund the construction of the Delton Technology Dongguan Smart Manufacturing Headquarters Project, where the main activities include the production, manufacturing, research and development, and sales of high-end equipment printed circuit boards. Of the amount, the fixed asset investment (including buildings, structures and ancillary facilities, equipment investment and land costs, etc.) is RMB5.0 billion (of which the maximum consideration for the acquisition of land use rights is RMB350 million); and the non-fixed asset investment is RMB1.0 billion, which will be used as working capital for day-to-day operations in the initial stage of the project's production to ensure normal production and operation, including necessary expenditures such as procurement of raw materials, stocking, inventory, salaries and related miscellaneous expenses prior to the commencement of production.

The Project involves a one-time land grant and will be developed in two phases. Phase I covers an area of approximately 200 mu, with a planned investment of RMB3.0 billion, of which RMB2.5 billion will be invested in fixed assets. The Company shall complete the total fixed asset investment for phase I within 48 months after the sign-off of the land transfer contract. Phase II covers an area of approximately 235 mu, with a planned investment of RMB3.0 billion, of which RMB2.5 billion will be invested in fixed assets. The Company undertakes that the total fixed asset investment for phase II will be completed no later than 2031.

Land Use and Construction

Under the Potential Investment, the transferor of the land is the Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone and the land is located in the Dongguan Waterfront Science and Technology Industrial Zone* (東莞市水鄉科創融合產業區). The usages of the land are class II industrial land (M2) and new industrial land (M0), respectively, with a total area of approximately 290,000 square meters, equivalent to approximately 435 mu (subject to the final area transferred). Of this total, the M0 portion covers approximately 27 mu, and the M2 portion covers approximately 408 mu. The final land price will be determined by the

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trading price resulting from the Tender, auction and listing for-sale process, the Contract for the Grant of State-Owned Construction Land Use Rights (《國有建設用地使用權出讓合同》), and the relevant transaction documents.

Liability for Breach

Under stable market conditions, where the Company fails to meet any of the obligations such as investment intensity, output, or fixed asset investment as agreed for the Project, the parties to the Investment Agreement will negotiate and propose solutions for achieving the investment intensity, output, and fixed asset investment. Where no agreement is reached through negotiation, the other parties may require the Company to carry out a one-year rectification. In case the standards stipulated in the Investment Agreement are still not met after the rectification period, the other parties have the right to stop providing or reclaim any benefits and incentives the Company has received from its investment in the Project. If liability for breach is provided for in other terms, the other parties shall still have the right to hold the Company liable for breach in accordance with these terms. The Company is responsible for providing evidence of the benefits of the Project, including outputs and financial contributions, and for submitting relevant data in a timely manner and ensuring data accuracy during the assessment period. Where the Company fails to cooperate with other parties in providing data on time, or provides false data, it shall bear legal responsibility accordingly, and the other parties shall have the right to directly hold the Company liable for the breach based on the data in their possession.

Others

Where the wholly-owned subsidiary established by the Company at the Project location fails to win the bid for the land use rights for the Land through the land use rights' Tender, auction and listing for-sale process organized by the natural resources authority for the Land under the Project, the Investment Agreement shall be automatically terminated as of the date of such event, and the other parties shall not be liable to the Company or required to pay any compensation or damages in connection therewith.

In case any disputes arise during the implementation of the Investment Agreement, the parties shall first seek to resolve them through negotiation. If such negotiation fails, any party may institute legal proceedings with the People's Court at the Project location.

Basis of Determination of Consideration

The actual consideration of the Potential Investment will be based on the final bid the Company places for the Land during the Tender, auction and listing for-sale process. When making the bid, the Company will take into account the current market conditions in nearby areas, the prevailing land prices in surrounding areas and the development potential of the Land.

3. Proposed Mandate

According to Rule 6.1.3(5) of the Shenzhen Stock Exchange Listing Rules (2026 Revision) and Article 48 of the Articles of Association of the Company, transactions of the Company that meet one of the following standards shall also be submitted to the general meeting for consideration in addition to making timely disclosures by the Company: (5) the transaction amount (including assumed liabilities and expenses) accounts for more than 50% of the Company's latest audited net assets and the absolute amount is more than RMB50 million. The Company therefore needs to seek Shareholders' mandate for the entering into of the Investment Agreement in relation to the Potential Investment.

4. Reasons for and Benefits of Obtaining the Proposed Mandate and Proceeding with the Potential Investment

The Potential Investment aligns with the relevant national industrial policies and the strategic development layout of the Company, which is conducive to the long-term and sustainable development of the Company. It will further expand the production capacity of high-end printed circuit boards to meet the market demand of customers, enhance market competitiveness and profitability, consolidate the Company's position in the industry, and lay a solid foundation for future sustainable development of the Company, which is in the interests of the Company and its Shareholders as a whole.

The Company will fund the development and operation of the Project through its internal resources, bank loans or other financing methods. The Company will make reasonable arrangements for the application of funds based on the specific circumstances such as the progress of the Project implementation. The Potential Investment will not have any material adverse impact on the financial position and operating results of the Company for the current year, and there is no circumstance that prejudices the interests of the Company and its Shareholders as a whole.

The Directors (including the independent non-executive Directors) are of the view that although the Potential Investment is not conducted in the ordinary and usual course of business of the Group, the terms thereof are on normal commercial terms, and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

5. Information on the Parties and the Group

The Group

The Group is principally engaged in the research and development, production and sale of multilayer and high-layer-count printed circuit boards.

Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone

The Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone is under the Dongguan Municipal People's Government and falls within the definition of "PRC Governmental Body" under Rule 19A.04 of the Listing Rules. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Administrative Committee of Dongguan Waterfront Characteristic Economic Development Zone and their respective ultimate beneficial owners are Independent Third Parties.

People's Government of Machong Town, Dongguan

The People's Government of Machong Town, Dongguan falls within the definition of "PRC Governmental Body" under Rule 19A.04 of the Listing Rules. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the People's Government of Machong Town, Dongguan and their respective ultimate beneficial owners are Independent Third Parties.

6. Implications under the Listing Rules

Pursuant to Rule 14.07 of the Listing Rules, as the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the acquisition of land use rights falls below 5%, the acquisition of land use rights does not constitute a discloseable transaction for the Company and is therefore not subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules. However, the Board will seek the Shareholders' approval to enter into the Investment Agreement in relation to the Potential Investment voluntarily in order to fulfill the PRC legal requirements. Any subsequent project-related transactions contemplated under the Potential Investment including but not limited to construction on the land, purchase of machinery and/or engagement of suppliers will remain subject to, and the Company will continue to comply with, the applicable requirements under Chapters 14 and 14A of the Listing Rules.

7. Implications under the Shenzhen Stock Exchange Listing Rules

The Investment Agreement has been considered and approved at the first meeting of the third session of the Board convened by the Company on June 18, 2026, pursuant to which it is agreed the management of the Company be authorized to handle all procedures related to the Project, including the signing of agreements with the local government, the listing-for-sale process, project construction and environmental impact assessment. Pursuant to Rule 6.1.3(5) of the Shenzhen Stock Exchange Listing Rules (2026 Revision) and Article 48 of the Articles of Association, as the transaction amount accounts for more than 50% of the Company's latest audited net assets and the absolute amount is more than RMB50 million, the aforementioned matters are subject to consideration and approval at the EGM.

V. RESOLUTION ON INCREASING THE QUOTA FOR FOREIGN EXCHANGE HEDGING BUSINESS

1. Overview of the Foreign Exchange Hedging Activities

The Company convened the 23rd meeting of the second session of the Board on March 27, 2026, at which the Resolution on Conducting Foreign Exchange Hedging Activities was considered and approved, and the Company and its subsidiaries were authorized to conduct foreign exchange hedging activities with an aggregate quota of not more than US\$500 million using their own funds or self-raised funds, and such limit may be utilised on a revolving basis. The said proposal has been considered and approved at the Company's 2025 annual general meeting.

In view of the current increase in volatility in the foreign exchange market, and in order to effectively mitigate foreign exchange risks, guard against the adverse impact of significant exchange rate fluctuations on the Company, and enhance the Company's financial stability, the Company convened the first meeting of the third session of the Board on June 18, 2026, at which the Resolution on the Increase of the Quota for Foreign Exchange Hedging Activities was considered and approved, and the Company was authorized to increase the quota for its foreign exchange hedging activities by an amount of not more than US\$700 million. Following such increase, the total limit for the Company's foreign exchange hedging activities shall not exceed US\$1.2 billion, and such limit may be utilised on a revolving basis. The said increase in the foreign exchange hedging limit is subject to the approval of the Company's general meeting.

2. Basic Information on Conducting Foreign Exchange Hedging Business

In light of increased fluctuations in the foreign exchange market, and given that the Company's export business accounts for more than 70% of its main business and is mainly settled in US dollars, the uncertainty of foreign exchange rate fluctuations has increased, and foreign exchange market risks have become significant. In order to effectively hedge foreign exchange market risks, prevent adverse impacts from significant exchange rate fluctuations on the Company, and enhance the Company's financial stability, the Company and its subsidiaries intend to increase the limit of their foreign exchange hedging business, so as to achieve risk hedging and hedging purposes, reducing the impact of exchange rate fluctuations on the performance of the Company and its subsidiaries.

The Company and its subsidiaries plan to conduct foreign exchange hedging business in product types including, but not limited to, forward settlement and sale of foreign exchange, RMB and other foreign exchange swap transactions, foreign exchange trading, foreign exchange options, interest rate exchange, interest rate swaps and interest rate options. The relevant transaction products are all simple foreign exchange derivatives closely related to the Company's principal business, and are required to match the Company's principal business in terms of product type, scale, direction and maturity, so as to comply with the Company's principles of lawful, prudent, safe and effective foreign exchange risk management.

The scale of the foreign exchange hedging business to be conducted by the Company and its subsidiaries shall not exceed US\$0.7 billion. Following such increase, the total aggregate limit for the Company's foreign exchange hedging business shall not exceed US\$1.2 billion, with the facility to be utilized on a revolving basis and shall be valid for a period of 12 months from the date of approval at the general meeting. The Board of the Company has authorized the chairman or its authorized person(s) to execute the relevant agreements within the aforesaid facility and time limit and to implement the foreign exchange hedging business.

The source of funds for the Company and its subsidiaries to conduct the foreign exchange hedging business will be the Company's and its subsidiaries' own funds or self-raised funds, and does not involve the proceeds from any fundraising exercise.

LETTER FROM THE BOARD

3. Review Procedures for the Foreign Exchange Hedging Business

In accordance with the Self-Regulatory Supervision Guidelines No.1 for Listed Companies of Shenzhen Stock Exchange — Standardized Operation of Main Board Listed Companies and other relevant laws and regulations, as well as the Articles of Association, this matter has been considered and approved at the first meeting of the third session of the Board of the Company and is subject to approval at the EGM by way of an ordinary resolution.

VI. RESOLUTION ON THE APPLICATION FOR COMPREHENSIVE CREDIT FACILITIES FROM BANKS BY THE COMPANY AND ITS SUBSIDIARIES AND THE PROVISION OF GUARANTEES TO SUBSIDIARIES

According to the needs of the Company's strategic development, and taking into account the operating objectives, overall development plans and daily working capital requirements of the Company and its wholly-owned subsidiary, Thailand Delton, the Company and its subsidiaries propose to apply to banks for aggregate comprehensive credit facilities, increasing the total amount from not exceeding RMB5,100 million to not exceeding RMB6,100 million (the final amount shall be subject to the credit limits actually approved by the relevant cooperating institutions). The Company convened the 2nd meeting of the third session of the Board on August 7, 2026, on which the Board agreed to submit to the Shareholders' meeting for consideration and approval the resolution regarding the provision of related-party guarantees to subsidiaries in connection with applications for comprehensive credit facility from banks. The details are as follows:

The Company convened the 23rd meeting of the second session of the Board on March 27, 2026 and the 2025 AGM on June 18, 2026, at which the Resolution on the Application for Comprehensive Credit Facilities from Banks by the Company and its Subsidiaries and the Provision of Guarantees to Subsidiaries was reviewed and approved. The Company and its subsidiaries proposed to apply to banks for aggregate comprehensive credit facilities of not exceeding RMB5,100 million (the final amount shall be subject to the credit limits actually approved by the relevant cooperating institutions). Among which, the Company's wholly-owned subsidiaries, Delton Precision Circuits (Huangshi) Inc., Delton Technology International Limited and Delton Numerical Control Technology (Dongguan) Co., Ltd., and the Company's wholly-owned subsidiary of a subsidiary, Thailand Delton, intended to apply to banks for credit facilities totalling RMB1,420 million due to business development needs. The Company proposed to provide guarantee limits for such subsidiaries in an aggregate amount of not exceeding RMB1,420 million (among which, the guarantee limit proposed to be provided by the Company for Thailand Delton would not exceed RMB175 million in aggregate). For details, please refer to the Overseas Regulatory Announcement of the Company dated March 27, 2026.

LETTER FROM THE BOARD

Based on the guarantee limits approved at the 23rd meeting of the second session of the Board and the 2025 AGM, and taking into account the operating objectives, overall development plans and daily working capital requirements of the Company and its wholly-owned subsidiary, Thailand Delton, the Company and its subsidiaries propose to apply to banks for aggregate comprehensive credit facilities, increasing the total amount from not exceeding RMB5,100 million to not exceeding RMB6.10 billion (the final amount shall be subject to the credit limits actually approved by the relevant cooperating institutions). Among which, the Company proposes to increase the guarantee limit for its wholly-owned subsidiary, Thailand Delton, from RMB175 million to RMB675 million (the total guarantee limits proposed to be provided by the Company for its subsidiaries will increase from RMB1,420 million to RMB1,920 million).

This guarantee matter is subject to approval by the general meeting. The validity period of the guarantee shall be 12 months from the date of approval by the general meeting. During the credit facility period, the credit limits may be used on a revolving basis.

Unit: RMB0,000

Guarantor	Guaranteed Party	Shareholding Percentage of Guarantor in Guaranteed Party	Latest Asset-liability Ratio of Guaranteed Party	Outstanding Guarantee Balance as at the date hereof	Guarantee Limit under this Proposal	Percentage of Guarantee Limit under this Proposal to Latest Audited Net Assets of the Listed Company	Related-party Guarantee
Delton Technology	Thailand Delton	100.00%	55.94%	7,561.71	50,000.00	12.57%	No
Total				<u>7,561.71</u>	<u>50,000.00</u>	<u>12.57%</u>	

Note 1: The “latest asset-liability ratio of the guaranteed party” refers to the asset-liability ratio of the guaranteed party as at June, 30 2026.

LETTER FROM THE BOARD

The guaranteed party under this guarantee is Thailand Delton, a wholly-owned subsidiary of a subsidiary of Delton Technology. The Company directly holds 100% equity interest in Thailand Delton. Thailand Delton has not been listed as a dishonest judgment debtor subject to enforcement and its financial risks are within a controllable range. The basic information is as follows:

1. Name of guaranteed party: Delton Technology (Thailand) Co., Ltd.

Date of establishment: May 19, 2023

Registered address: 888 Moo 8, Borthong Industrial Estate, Bo Thong, Kabin Buri, Prachin Buri, Thailand

Legal representative: Xiao Hongxing

Registered capital: THB4,163,359,000

Principal business: Engaging in the production and sale of PCBs

Equity structure: Delton Technology International Limited, a wholly-owned subsidiary of the Company, holds 2% equity interest; Delton Investment Holdings Co., Ltd. (廣合投資控股有限公司), a second-tier wholly-owned subsidiary, holds 98% equity interest.

Key financial data for the latest year and the latest period:

Unit: RMB'0,000

Item	December 31, 2025 (Audited)	June 30, 2026 (Unaudited)
Total assets	122,271.50	218,544.29
Total liabilities	96,014.49	122,258.50
Net assets	26,257.01	96,285.79

Item	January to December 2025 (Audited)	January to June 2026 (Unaudited)
Revenue	16,065.94	48,085.24
Total profit	-6,886.71	17,664.19
Net profit	-5,711.28	16,530.17

LETTER FROM THE BOARD

The Company has not entered into any relevant credit facility and guarantee agreements. The amounts of the credit facilities and guarantees will be negotiated and determined within the above-mentioned limits and shall be subject to the formally executed agreements. The Board proposes to seek authorization from the general meeting to authorize the Company's management to handle the relevant matters within the comprehensive credit facilities and guarantee limits according to actual operational needs, and to authorize the Company's legal representative to execute the relevant agreements and documents.

As of the Latest Practicable Date, the outstanding balance of guarantees provided by the Company for its subsidiaries amounted to RMB489.4052 million, representing 12.3% of the Company's audited net assets for 2025. Upon provision of the guarantees under this proposal, the guarantee limits provided by the Company for its subsidiaries will amount to RMB2,302 million, representing 57.87% of the Company's audited net assets for 2025, including RMB0.1222 million of guarantees already provided. Neither the Company nor its subsidiaries has any overdue guarantees, nor are there any guarantees involving litigation or any circumstances in which the Company is required to bear losses as a result of being ordered to assume liability due to an adverse judgment in relation to guarantees.

The aforementioned authorization will be put to the Shareholders for consideration as a special resolution at the EGM, and will remain in force from the date of its consideration and approval at the EGM until the 2026 AGM.

VII. GENERAL MANDATE TO ISSUE H SHARES OF THE COMPANY

In order to meet the needs of the Company's business development, pursuant to the relevant laws, regulations and regulatory documents, including the Company Law of the People's Republic of China and the Listing Rules, and the Articles of Association of the Company, the Company convened the second meeting of the third Board of Directors on August 7, 2026, whereat the Board agreed to propose to the general meeting for consideration and approval to authorize the board of directors, and the board of directors further delegate such authority to the chairman of the board of directors and his authorized persons, to separately or concurrently determine the allotment, issue and disposal of H Shares (including any sale or transfer of treasury Shares) not exceeding 20% of the total number of issued shares of the Company, or securities convertible into such shares, options, warrants or similar rights to subscribe for H Shares of the Company (the "**General Mandate**"). The specific authorization is as follows:

1. A general and unconditional mandate be granted to the board of directors, and the board of directors further delegate such mandate to the chairman of the board of directors and his authorized persons, to separately or concurrently determine the allotment, issue and disposal of H Shares (including any sale or transfer of treasury Shares) or securities convertible into such shares, options, warrants or similar rights to subscribe for H Shares of the Company (the "**Similar Rights**"), and to determine the terms and conditions for the allotment, issue and disposal of new shares or Similar Rights, including but not limited to the following terms:
 - (1) the class and number of new Shares (including any sale or transfer of treasury Shares) to be issued;

LETTER FROM THE BOARD

- (2) the method of pricing and/or issue price of the new Shares (including the price range);
 - (3) the commencement and closing dates of the issue;
 - (4) the class and number of new Shares to be issued to existing Shareholders; and/or
 - (5) making or granting offers for the sale of Shares, agreements, options to purchase shares, rights to convert into shares or other relevant rights which may require the exercise of such rights.
2. The number of H Shares (excluding Shares issued in form of capital conversion from capital reserve) to be separately or jointly allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board or the chairperson of the Board and his/her authorized person(s) pursuant to the General Mandate referred to in the first paragraph above, shall not exceed 20% of the total number of Shares in issue at the time when this resolution is passed at the EGM.
3. If the Board or the chairperson of the Board and his/her authorized person(s) have resolved to allot, issue and deal with H Shares or the similar rights within the validity term of the mandate described in the fifth paragraph of this resolution, and the Company has also obtained the relevant approval, permission or registration (if applicable) from the competent regulatory authorities within the validity term of the mandate, the Board or the chairperson of the Board and its authorized person(s) may complete the relevant allotment, issuance and dealing works within the validity term of such approval, permission or registration.
4. To authorize the Board or the chairperson of the Board and his/her authorized person(s) to obtain approvals from all relevant government departments and/or regulatory authorities and complete all necessary registration, filing, and other procedures (if applicable) in accordance with the applicable laws (including but not limited to the PRC Company Law, the Listing Rules, the Shenzhen Stock Exchange Listing Rules and the Guidelines of Self-Regulatory Regulations for Listed Companies No. 1 – Standardised Operation of the Companies Listed on the Main Board) to exercise the General Mandate.
5. Upon approval by the extraordinary general meeting, the General Mandate shall remain in effect until the earliest of:
 - (1) the conclusion of the 2026 annual general meeting of the Company; or
 - (2) the date on which the mandate to issue Shares referred to in this resolution is revoked or varied by a special resolution passed by the Shareholders in general meeting.

LETTER FROM THE BOARD

6. To authorize the Board or the chairperson of the Board and his/her authorized persons to approve, execute and do, or procure to execute and do, all such documents, deeds and things as it may consider necessary or appropriate in connection with the allotment, issuance and disposal of any new Shares under the abovementioned General Mandate, handle the necessary procedures and take other necessary actions.
7. To authorize the Board or the chairperson of the Board and his/her authorized persons, upon the allotment and issue of the new Shares and completion of such issue, to increase the registered capital of the Company and make such appropriate and necessary amendments to the Articles of Association of the Company in accordance with the way, type and number of the new Shares to be allotted and issued and the actual shareholding structure of the Company upon completion of the allotment and issue of the new Shares.

The above General Mandate will be submitted to the EGM for Shareholders' consideration by way of a special resolution.

VIII. GENERAL MANDATE TO REPURCHASE SHARES OF THE COMPANY

In order to meet the Company's strategic development and operational needs, further safeguard the interests of Shareholders and enhance investors' confidence, it is proposed that the general meeting of the Company authorize the Board of the Company, and that the Board further sub-authorize the chairman of the Board and his/her authorized persons, to determine the repurchase of certain A Shares of the Company listed on the Shenzhen Stock Exchange (the "**A Shares**") and certain H Shares of the Company listed on Hong Kong Stock Exchange (the "**H Shares**"), pursuant to the relevant provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Listing Rules, the Takeovers Code and the Articles of Association of the Company, and having regard to the Company's current operating conditions, financial position and future development prospects.

LETTER FROM THE BOARD

On August 7, 2026, the Company convened the second meeting of the third session of the Board, at which the Resolution on the General Mandate for the Repurchase of the Shares of the Company was considered and approved. The said resolution will be submitted at the EGM for approval by way of a special resolution, so as to grant the Directors a general mandate to repurchase Shares in 2026. Details on the mandate are set out as follows:

(I) Details of the Repurchase Mandate

- I. To grant a general and unconditional mandate to the Board, and to authorize the Board to further delegate such authority to the chairman of the Board and his authorized person(s), to repurchase the Company's issued H Shares listed on the Hong Kong Stock Exchange and A Shares listed on the Shenzhen Stock Exchange in accordance with the applicable laws, regulations and/or requirements of the securities regulatory authorities or supervisory authorities in the PRC, the Hong Kong Stock Exchange, the Shenzhen Stock Exchange, and other applicable laws, regulations and relevant provisions with which the Company is required to comply.
- II. Subject to the above approval, the Board or the chairman of the Board and his authorized person(s) may, during the validity period of the general mandate, determine to repurchase H Shares with an aggregate nominal value of not more than 10% of the number of H Shares in issue of the Company as at the date on which this resolution is passed at the EGM of the Company, and A Shares with an aggregate nominal value of not more than 10% of the number of A Shares in issue of the Company as at the date on which this resolution is passed at the EGM of the Company;

LETTER FROM THE BOARD

III. To authorize the Board or the chairman of the Board and his authorized person(s) to take all such actions as they may reasonably consider necessary, and to execute, complete and deliver all such documents as they may reasonably consider necessary, to implement the authorization contemplated under this resolution, including but not limited to:

1. formulating and implementing the specific repurchase plan, including but not limited to determining the repurchase price, the number of shares to be repurchased, the timing of the repurchase, the repurchase period and etc.;
2. notifying creditors and making public announcements in accordance with the provisions of the Company Law of the People's Republic of China and other applicable laws, regulations and normative documents, as well as the Articles of Association of the Company (where required);
3. opening overseas share accounts and completing the relevant foreign exchange change registration procedures, and opening domestic share repurchase accounts (if required);
4. fulfilling the relevant approval and filing procedures (if required) in accordance with the requirements of the regulatory authorities and the stock exchange where the Company's shares are listed;
5. carrying out, executing and taking all such actions, documents, matters or steps as may be considered appropriate, necessary or desirable in connection with and to give effect to the proposed share repurchase, in accordance with the relevant laws and regulations and the listing rules of the stock exchange where the Company's shares are listed;
6. disposing of the repurchased shares in a timely manner in accordance with the relevant laws and regulations and the listing rules of the stock exchange where the Company's shares are listed and the actual repurchase situation, handling the cancellation or transfer of the repurchased shares (as applicable), amending the relevant provisions of the Articles of Association, and completing the relevant change registration and filing procedures in relation to the repurchase both domestically and overseas;
7. Executing and handling other documents and matters relating to the share repurchase.

LETTER FROM THE BOARD

(II) Authorisation Period

The general mandate to repurchase Shares will remain in effect from the date of approval at the general meeting of the Company by a special resolution until whichever is the earlier of:

1. the conclusion of the 2026 annual general meeting of the Company; or
2. the date on which the repurchase mandate referred to in this resolution is revoked or varied by a special resolution passed by the Shareholders at the general meeting of the Company.

(III) Effects of Share Repurchase

There would not be a material adverse impact on the working capital or on the gearing position of the Company in the event that the shares repurchase mandate is exercised in full at any time during the proposed repurchase period as permitted by laws and regulations. However, the Board will not exercise the shares repurchase mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels of the Company in the opinion of the Board. The Board and relevant authorized persons will determine the number of A Shares and/or H Shares to be repurchased, as well as the price and other terms for the repurchase of A Shares and/or H Shares according to relevant laws and regulations and the volatility and changes in the capital market and the stock price of the Company, in the best interests of the Company and the Shareholders as a whole.

The shares repurchase would not result in a connected transaction or the responsibility for making a mandatory offer under the Takeovers Code issued by the SFC.

As the specific follow-up repurchase plan is yet to be determined and subject to uncertainties, the Company will carry out the specific follow-up repurchase plan and timely fulfil its information disclosure obligation in strict compliance with the Company Law and the relevant requirements of the CSRC, the Shenzhen Stock Exchange and the Hong Kong Stock Exchange (and their amendments from time to time) when applicable.

An explanatory statement setting out certain information on the proposed general mandate granted to the Board to repurchase the Company's Shares is contained in Appendix II to this circular.

LETTER FROM THE BOARD

IX. EGM

The Company will convene and hold the EGM at the Conference Room of Delton Technology (Guangzhou) Inc., No.22 Baoying South Road, Bonded Zone, Guangzhou at 3:00 p.m. on September 24, 2026, for the purpose of considering and, if thought fit, passing the matters set out in the notice of the EGM, the notice of which is set out on pages EGM-1 to EGM-4 of this circular.

If you intend to attend the EGM by proxy, you are required to duly complete the accompanying proxy form according to the instructions printed thereon and return the same not less than 24 hours before the time fixed for the holding of the EGM or any adjournment thereof (as the case may be) (i.e., 3:00 p.m. on September 23, 2026 (or other date in the event of any adjournment thereof)). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof.

Mr. Xiao Hongxing, Ms. Zeng Hong, Mr. Peng Jinghui and Ms. Liu Jinchan, being Directors of the Company, are required to abstain from voting at the EGM on the resolutions approving the possible subscription of A Share Convertible Corporate Bonds. Save as disclosed above, to the best of the directors' knowledge, information and belief, no other Shareholder has a material interest in the Possible Subscription and is therefore required to abstain from voting on the relevant resolutions approving the Possible Subscription at the EGM.

Poll Voting at the EGM

Pursuant to Rule 13.39(4) of the Listing Rules, voting by Shareholders at the EGM will be taken by way of a poll. Accordingly, the chairman of the EGM will demand a poll on each of the resolutions set out in the notice of the EGM in accordance with Article 97 of the Articles of Association.

On a poll, every Shareholder presents in person or by proxy (or, in the case of a Shareholder being a corporation, its duly authorized representative) will have one vote for each Share registered in its name on the register of members. A Shareholder entitled to more than one vote need not use all its votes or cast all its votes in the same way.

Closure of Register of Members and Qualification for Attending and Voting at the EGM

For the purpose of determining the list of Shareholders entitled to attend and vote at the EGM, the register of H Share members of the Company will be closed from Monday, September 21, 2026 to Thursday, September 24, 2026, both days inclusive, during which period no transfer of H Shares will be registered. Shareholders whose names appear on the register of members of the Company on Thursday, September 24, 2026 (i.e., the record date) will be entitled to attend and vote at the EGM. In order to qualify for the entitlement to attend and vote at the EGM, holders of H Shares of the Company whose transfers of Shares have not been registered shall deposit all the transfer documents together with the relevant share certificates with the H share registrar of the Company, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, September 18, 2026.

LETTER FROM THE BOARD

X. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Board has established an Independent Board Committee comprising all the independent non-executive Directors to make recommendations to the Independent Shareholders regarding the Possible Subscription and the transactions contemplated thereunder. The Company has also appointed an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on (i) whether the terms of the Possible Subscription are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) whether the Possible Subscription is in the ordinary and usual course of business of the Company and is in the interests of the Company and the Shareholders as a whole.

XI. RECOMMENDATIONS

Your attention is drawn to the letter from the Independent Board Committee set out on page 57 of this circular and the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders set out on pages 58 to 83 of this circular, in relation to the proposed Issuance of A Share Convertible Corporate Bonds and the Possible Subscription, as well as the principal factors and reasons considered by the independent financial adviser in arriving at its opinion. After considering the information set out in the letter from the Board and the interests of the Independent Shareholders, the Independent Board Committee is of the view that although the proposed Issuance of A Share Convertible Corporate Bonds and the Possible Subscription are not conducted in the ordinary and usual course of business of the Group, they are entered into on normal commercial terms and are in the interests of the Company and the Shareholders as a whole, and the terms thereof are fair and reasonable so far as the Company and the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the proposed Issuance of A Share Convertible Corporate Bonds and the Possible Subscription and the related matters.

XII. ADDITIONAL INFORMATION

Your attention is respectfully drawn to the letter from the Independent Board Committee to the Independent Shareholders, the letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, and the other information set out in Appendices I to XVI to this circular.

By order of the Board
Delton Technology (Guangzhou) Inc.
Mr. Xiao Hongxing
Chairman

Guangzhou, PRC, September 7, 2026



Delton Technology (Guangzhou) Inc.

廣州廣合科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1989)

September 7, 2026

To the Shareholders

Dear Sir/Madam,

**CONNECTED TRANSACTION IN RELATION TO
POSSIBLE SUBSCRIPTION FOR A SHARE CONVERTIBLE
CORPORATE BONDS BY CONNECTED PERSONS**

We have been appointed by the Board as members of the Independent Board Committee to provide advice to the Independent Shareholders on whether the terms of the Possible Subscription and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned, and whether they are in the interests of the Company and the Shareholders as a whole, details of which are set out in the "Letter from the Board" contained in this circular (the "Circular"), of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as defined in the Circular.

Messis Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on (i) whether the terms of the Possible Subscription are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) whether the possible subscription is in the ordinary and usual course of business of the Company and is in the interests of the Company and the Shareholders as a whole. The letter containing its advice is set out on pages 58 to 83 of the Circular.

Having considered the information set out in the Letter from the Board, the interests of the Independent Shareholders and the opinion of Mesis Capital Limited, we are of the view that: (i) the terms of the Possible Subscription are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) although the Possible Subscription is not in the ordinary and usual course of business of the Company, it is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to approve the Possible Subscription and the transactions contemplated thereunder at the EGM.

Yours faithfully

On behalf of **the Independent Board Committee**

Chen Limei

*Independent non-executive
Director*

Zhang Jin

*Independent non-executive
Director*

Shi Ling

*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the letter of advice from the Independent Financial Adviser, Messis Capital Limited, to the Independent Board Committee and the Independent Shareholders in relation to the proposed issuance of A Share Convertible Corporate Bonds which has been prepared for the purpose of inclusion in this circular.

MESSIS 大有融資

7 September 2026

To: *The Independent Board Committee and the Independent Shareholders of Delton Technology (Guangzhou) Inc.*

Dear Sirs,

CONNECTED TRANSACTION IN RELATION TO POSSIBLE SUBSCRIPTION FOR A SHARE CONVERTIBLE CORPORATE BONDS BY CONNECTED PERSONS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the possible exercise of the pre-emptive rights by the Connected Shareholders to subscribe for A Share Convertible Corporate Bonds under the proposed Issuance of A Share Convertible Corporate Bonds. Details of the proposed issuance of A Share Convertible Corporate Bonds and the Possible Subscription are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company to the Shareholders dated 7 September 2026 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

With reference to the announcement of the Company dated 22 June 2026, the Company intends to apply to the Shenzhen Stock Exchange for the Issuance of A Share Convertible Corporate Bonds to non-specific investors in the PRC with a total amount not exceeding RMB3.6 billion (RMB3.6 billion inclusive). The A Share Convertible Corporate Bonds and the A Shares to be converted will be listed on the main board of the Shenzhen Stock Exchange.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at the Latest Practicable Date, Mr. XIAO Hongxing owned 99.9% of Zhenyun Investment, acts as general partner of Guangsheng Investment and Guangcai Investment. Therefore, Mr. XIAO Hongxing and his spouse Ms. LIU Jinchan, through their direct interests in, control and/or deemed control over the investment vehicles, are interested in an aggregate of approximately 48.40% of the issued share capital of the Company and are the controlling shareholders of the Company. Ms. ZENG Hong, as general partner of Guangxie Investment, holds in aggregate approximately 9.15% of the issued share capital of the Company, and is an executive Director of the Company. The Connected Shareholders are therefore aggregately interested in 272,057,420 A Shares, representing approximately 57.55% of the issued share capital of the Company. The Connected Shareholders have the pre-emptive rights to subscribe for the A Share Convertible Corporate Bonds and the right to surrender such pre-emptive rights. The Connected Shareholders may subscribe for A Share Convertible Corporate Bonds with a maximum subscription amount of approximately RMB2,295.1768 million.

The Connected Shareholders are connected persons of the Company. Accordingly, the subscription of the A Share Convertible Corporate Bonds by the Connected Shareholders will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and shall be subject to the reporting, announcement and Independent Shareholders' approval requirements under the Listing Rules.

Save for the Connected Shareholders who are regarded as having material interest in the Possible Subscription, no Shareholders will be required to abstain from voting on the resolution approving the Possible Subscription and the transactions contemplated thereunder. Save for Mr. XIAO Hongxing, Ms. ZENG Hong, Mr. PENG Jinghui and Ms. LIU Jinchan, no other Directors have material interests in the Possible Subscription and therefore no other Directors have abstained from voting in respect of the relevant Board resolutions.

The Independent Board Committee, comprising all three independent non-executive Directors, namely Ms. Chen Limei, Dr. Shi Ling and Ms. Zhang Jin, has been established to consider and make a recommendation to the Independent Shareholders on whether the Possible Subscription is fair and reasonable, and is in the interests of the Company and the Shareholders as a whole. We, Messis Capital Limited, have been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

Messis Capital Limited is not connected with the Directors or substantial shareholders of the Company or any of their respective associates and therefore is considered suitable to give independent advice to the Independent Board Committee and the Independent Shareholders. In the past two years, there was no engagement between the Company and us. Apart from normal professional fees payable to us in connection with this appointment of us as independent financial adviser, no arrangement exists whereby Messis Capital Limited will receive any fees or benefits from the Company or the Directors or substantial shareholders of the Company or any of their respective associates. We are independent under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in connection with the Proposed Acquisition.

BASIS OF OUR OPINION

In formulating our opinions and recommendations, we have reviewed, inter alia, (i) the proposal for the issuance of A Share Convertible Corporate Bonds to non-specific investors in the PRC; (ii) the announcement of the Company dated 22 June 2026 in relation to the Possible Subscription; (iii) the prospectus of the Company dated 12 March 2026; and (iv) the annual report of the Company for the year ended 31 December 2025. We have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company. We have assumed that all information, representations and opinions contained or referred to in the Circular and all information and representations which have been provided by the Company, the Directors and the management of the Company for which they are solely and wholly responsible, are true and accurate at the time they were made and will continue to be accurate as at the Latest Practicable Date. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Company.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the document misleading.

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any material facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs of the Group and any parties in relation to the Possible Subscription.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Possible Subscription and the transactions contemplated thereunder. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendations to the Independent Board Committee and the Independent Shareholders, we have considered the following principal factors and reasons:

1. Information on the Group

The Company is a joint stock limited company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange and the A Shares of which are listed on the Shenzhen Stock Exchange. The Group is principally engaged in the manufacture and sale of printed circuit boards (“PCBs”).

The tables below set forth a summary of the consolidated financial information of the Company for the year ended 31 December 2025 (“FY2025”) and 2024 (“FY2024”) respectively as extracted from the annual report for the year ended 31 December 2025 (the “2025 Annual Report”):

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(Audited)</i>	<i>(Audited)</i>
Revenue	5,485,371	3,734,285
Profit for the year	1,015,789	676,100
Non-current assets	3,848,249	2,837,078
Current assets	3,693,824	2,848,678
Non-current liabilities	551,008	428,988
Current liabilities	3,012,980	2,182,922
Net assets	3,978,085	3,073,846

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

With reference to the 2025 Annual Report, total revenue of the Group increased significantly by approximately RMB1,751.1 million or 46.9% from RMB3,734.3 million in FY2024 to RMB5,485.4 million in FY2025. The increase in revenue was attributable to the increase in sales of PCBs featured 12 layers and above driven by increased market demand from customers for computing application PCBs which is in line with the growth in demand for computing power infrastructures. Computing application PCBs is the core product of the Company, contributing over 70% of the revenue of the Company. The Group also sells industrial application PCBs applied in telecommunications industry and consumer application PCBs applied in consumer electronics industry which contributed approximately 6.9% and 10.9% of the revenue of the Group in FY2025 respectively.

Profit for the year increased significantly by approximately RMB339.7 million or 50.2% from RMB676.1 million in FY2024 to RMB1,015.8 million in FY2025 which was in line with the increase in total revenue. The net profit margins remained stable at 18.5% and 18.1% in FY2025 and FY2024 respectively.

As at 31 December 2025, total assets of the Group amounted to approximately RMB7,542.1 million, presenting an increase of approximately RMB1,856.3 million or 32.6% as compared with that as at 31 December 2024. The increase in total assets was mainly attributable to the increase in (i) non-current assets contributed by the additional machinery and construction in progress arising from the capacity expansion of the Guangzhou base and Thai base amounting to RMB767.7 million; and (ii) current assets contributed by the increase in trade and bills receivables in FY2025 amounting to approximately RMB757.2 million mainly due to the increase in operating income that caused a corresponding increase in trade receivables in FY2025.

As at 31 December 2025, total liabilities of the Group amounted to RMB3,564.0 million, presenting an increase of approximately RMB952.1 million or 36.5% as compared with that as at 31 December 2024. The increase in total liabilities was mainly attributable to the increase in (i) non-current liabilities arising from increase in non-current portion of bank and other borrowings amounting to approximately RMB124.1 million; and (ii) current liabilities arising from increase in notes payable and trade payables for materials amounting to approximately RMB733.4 million due to the continuous growth in sales orders and the increase in raw material purchases. The liability-to-asset ratio calculated as total liabilities divided by total assets remained stable at 47.3% in FY2025 and 45.9% in FY2024.

As a result of the foregoing, the net assets of the Company as at 31 December 2025 increased by approximately RMB904.2 million or 29.4% from RMB3,073.8 million in FY2024 to RMB3,978.1 million in FY2025.

2. Reasons for and benefits of the Possible Subscription and use of proceeds

With reference to the Letter from the Board, the proceeds to be raised from the public offering of A Share Convertible Corporate Bonds to non-specific investors of not exceeding RMB3,600 million (inclusive) are intended to be used as to (i) approximately 51.4% for Yunqing Intelligent Manufacturing Base Project (Phase II); (ii) approximately 27.8% for High-Layer-Count Printed Circuit Board Project; and (iii) the remaining 20.8% for working capital.

As discussed with management of the Group, the Yunqing Intelligent Manufacturing Base Project (Phase II) and the High-Layer-Count Printed Circuit Board Project both form part of the expansion of production capacity of the Group's Guangzhou base and the expected total investment amount for this project including working capital is RMB4,293.5 million. The Company will finance the investment project through the combination of proceeds from issuance of A Share Convertible Corporate Bonds and its own funds or self-financing methods. We are given to understand that the Directors consider the proceeds raised through issuance of A Share Convertible Corporate Bonds will deliver great economic benefits to the Company by helping optimize its financial structure, meeting its business expansion needs, further expanding its operating scale and comprehensive strength, improving the operating efficiency and core competitiveness, which will lay a solid foundation for the healthy and rapid development in the future, and thus are in the interests of the Company and Shareholders as a whole.

In assessing the reasonableness of the investment amount, we have obtained and reviewed the feasibility report (the "**Feasibility Report**") issued by Shenzhen Greseed Investment Consulting Co. Ltd., an independent third-party consulting institution (the "**Industry Consultant**") which is prepared with reference to the Economic Evaluation Methods and Parameters for Construction Projects (Third Edition). We have obtained information on the Industry Consultant's track records on other feasibility reports and enquired on the Industry Consultant's current and prior relationship with the Group and confirmed that the Industry Consultant is independent and competent to perform feasibility study on the Yunqing Intelligent Manufacturing Base Project (Phase II) and the High-Layer-Count Printed Circuit Board Project.

We noted in the Feasibility Report that approximately RMB3,215 million or 74.9% of the total investment amount is allocated to procurement of equipment. We have scrutinized the procurement lists of both projects and noted that the procurement list of Yunqing Intelligent Manufacturing Base Project (Phase II) has a more extensive coverage of production techniques and variety of tools and equipment than that of the High-Layer-Count Printed Circuit Board Project. As discussed with management of the Company, we are given to understand that the Yunqing Intelligent Manufacturing Base Project (Phase II) represents an expansion of facility to be constructed at a site adjacent to the existing Guangzhou base while the High-Layer-Count Printed Circuit Board Project represents upgrade of the equipment in the original Guangzhou base.

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We have discussed with the Industry Consultant and are given to understand that some of the Group's existing production lines in Guangzhou base are operating in the traditional processes and production techniques, with shortcomings in cutting-edge manufacturing such as ultra-fine circuits, deep microvias, and high-precision impedance control. In addition, core production capacity and processes of the Group are concentrated in mid- and low-layer PCB production, with insufficient multi-layer PCB production capacity, making it difficult to meet the mass production and quality requirements of high-multilayer PCBs in AI computing power and high-end communication fields. Accordingly, we concur with the Directors' view that the upgrade of equipment in the High-Layer-Count Printed Circuit Board Project to stay competitive in the high-multilayer PCBs market is in the interest of the Company and the Shareholders as a whole.

We have also obtained from management and reviewed the production capacity utilization table of the Guangzhou base and noted that utilization rate has reached above 90% since 2024 and is approaching full utilization in first half of 2026. With reference to the Feasibility Report, it is expected that demand for high-end server PCBs will be driven by the explosive increase in global sales of AI servers which recorded a CAGR of 28.8% from 2022 to 2026. Given that production of high-end server PCBs represents the core capability of Guangzhou base and production capacity is approaching full utilization which restrains the Group from further growth and market expansion, we concur with the Directors' view that the expansion of production capacity in the Yunqing Intelligent Manufacturing Base Project (Phase II) is in the interest of the Company and the Shareholders as a whole.

Having considered (i) majority of the investment amount is allocated to procurement of equipment; (ii) some of the Group's existing production lines operating in traditional production techniques have shortcomings in cutting-edge manufacturing of high-multilayer PCBs as assessed by the Industry Consultant; (iii) the High-Layer-Count Printed Circuit Board Project focuses on upgrade of equipment in the existing Guangzhou base with an aim to stay competitive in the high-multilayer PCBs market; (iv) the production capacity of Guangzhou base is approaching full utilization in first half of 2026; and (v) the Yunqing Intelligent Manufacturing Base Project (Phase II) focuses on expansion of production capacity with an aim to capture the high growth AI server PCBs market, we are of the view, with support of the Feasibility Report, that the expected investment amount of the Yunqing Intelligent Manufacturing Base Project (Phase II) and the High-Layer-Count Printed Circuit Board Project is fair and reasonable.

Outlook for the PCB industry and the Company's development strategies

With reference to the 2025 Annual Report, the Company will maintain its focus on the core trajectory of High-performance PCBs and proactively embrace the explosive growth in demand from the AI computing power market as well as the PCB product market for next-generation communication technologies. Under the backdrop of a year-on-year increase of 15.4% in global PCB industry output value in 2025 and the forecast global PCB market size to exceed USD 100 billion by 2029, it is expected that market demand for high-layer-count, high-precision, high-density, and high-reliability PCB products will continue growing amid structural supply shortage of high end capacity

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and persistently tight supply of key materials and equipment. It is mentioned in the 2025 Annual Report that the Company will continue to lead with advanced technology, ensure stable quality, collaborate with industrial chain partners, and secure guaranteed delivery. The Company will commit, among other development strategies, to the construction of the Guangzhou Yunqing Intelligent Manufacturing Project, which will lay a solid foundation for undertaking high-end product production.

In light of the above, we consider that the Group's proposed use of proceeds is in line with the Group's development strategies and expansion plan to capture the growth opportunities of the PCB industry.

Unutilised IPO proceeds are earmarked for specific use

We noted that the Company has recently completed its new listing on the Stock Exchange in March 2026 and raised net proceeds of approximately HK\$3,185.26 million. As at 30 June 2026, the unutilized proceeds amounted to approximately HK\$2,122.73 million. We have reviewed the utilization plan and noticed that the proceeds have been earmarked for specific use towards, among others, expansion of Thai Base Phase II, expansion of Guangzhou base, enhancement of R&D and strategic partnerships, investments or acquisitions. We also noticed that approximately HK\$663.48 million, representing 31.3% of the unutilized proceeds are expected to be utilized shortly by 31 December 2026 and therefore are not considered suitable for reallocation to the Yunqing Intelligent Manufacturing Base Project (Phase II) and the High-Layer-Count Printed Circuit Board Project. For the remaining HK\$1,459.25 million which are expected to be utilized by end of 2027, we have discussed with management of the Company and are given to understand that the amount is allocated to upgrade the existing facilities in Guangzhou base which has been commenced in April 2026 and is expected to complete by December 2027, the project timetable of which has overlapped with the construction timetable of the Yunqing Intelligent Manufacturing Base Project (Phase II) and the High-Layer-Count Printed Circuit Board Project which have also been commenced earlier using the Group's internal resources in April 2026 and are expected to complete within 12 months. As discussed with management of the Company, we are given to understand that the IPO proceeds to be utilized on upgrading the existing facilities in the Guangzhou base and the investment in the High-Layer-Count Printed Circuit Board Project for upgrade of equipment in the Guangzhou base are to be utilized on different production lines and items and there is no overlap on the intended use of proceeds. Meanwhile, the Yunqing Intelligent Manufacturing Base Project (Phase II) represents an expansion of facility to be constructed at a site adjacent to the existing Guangzhou base. We are given to understand that the proceeds raised from the public offering of A Share Convertible Corporate Bonds would be managed through separate bank accounts and the usage would be clearly distinguished between the two projects. Accordingly, the use of IPO proceeds and A Share Convertible Corporate Bonds proceeds are delineated.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having considered that (i) the unutilized IPO proceeds are earmarked for specific use; (ii) approximately 31.3% of the unutilised proceeds are expected to be utilized shortly by 31 December 2026; and (iii) the overlapping timetable of the expansion project of Guangzhou base and the Yunqing Intelligent Manufacturing Base Project (Phase II) and the High-Layer-Count Printed Circuit Board Project making it infeasible to reallocate the remaining 68.7% of the unutilized proceeds, we concur with the view of the Directors that it is fair and reasonable for the Company to conduct the Proposed Issuance instead of reallocation of the unutilised IPO proceeds to materialize the expansion plans.

Optimizing financial structure and supporting working capital requirements

With reference to the 2025 Annual Report, the debt to asset ratio calculated as total liabilities divided by total assets of the Company remained stable at 47% and 46% as at 31 December 2025 and 2024 respectively. The Group possessed cash and cash equivalents of approximately RMB410.4 million and had total borrowings comprising bank loans repayable within one year or on demand amounting to RMB362.5 million and bank loans repayable beyond one year amounting to RMB318.0 million as at 31 December 2025.

As discussed with management of the Company, except for the proceeds raised from Global Offering of 46,000,000 H Shares on the Stock Exchange in March 2026, the Company has not conducted any equity financing activities in the 12 months preceding the Latest Practicable Date. Cashflow from operations and bank borrowings remained the major source of funding for the Company. Despite the debt to asset ratio of the Group remained stable at 47% and 46% in FY2025 and FY2024 respectively, reliance on bank financing would expose the Group to risk of fluctuation in market interest rates and increase in financial leverage that will affect the cost of capital of the Company. Considering the Group's ongoing financing needs to fulfill its business expansion plan, working capital requirements and repayment of interest-bearing borrowings, we concur with the Directors' view that the hybrid nature of A Share Convertible Corporate Bonds offers an opportunity for the Group to raise capital through equity financing if the bondholders choose to convert the bond into A Shares and will alleviate the cash flow pressure of the Group.

Moreover, the Company plans to allocate RMB750 million, representing approximately 20.8% of the proceeds from Proposed Issuance to general working capital. With reference to the Letter from the Board, the working capital is determined based on actual needs which will be deployed to (a) approximately 80% for payment to suppliers, including but not limited to the procurement of raw materials and various production supplies; and (b) approximately 20% for payment of expenses incurred in day-to-day operations, mainly being employee compensation.

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We noted that the cash conversion cycle of the Company (i.e. calculated as inventory turnover days + account receivable turnover days – account payable turnover days) were negative from FY2023 to FY2025, indicating that the Company has been able to realise sales and receive cash from customers before paying suppliers and therefore is maintaining healthy liquidity position. We also noted that the proportion of cash and cash equivalent to total current assets of the Group ranged from 14% to 22% from FY2022 to FY2024 and dropped sharply to 11% in FY2025. Taking into consideration the reduction in cash position in FY2025, we concur with the view of the Directors that replenishment of working capital is fair and reasonable. Despite the solid cash flow and liquidity position, having considered that (i) the Company is undergoing rapid business expansion and investment in new production capacity; (ii) it is expected that working capital requirement will be high during the ramp-up period of the new production facility, in particular for procurement of raw materials, we concur with the view of the Directors that it is fair and reasonable to allocate RMB750 million as working capital.

Financing methods available to the Company

As advised by the management of the Company, the Board has considered other fundraising alternatives apart from the issuance of A Share Convertible Corporate Bonds including debt financing and equity financing.

In respect of debt financing in particular bank borrowings from commercial banks, the management of the Company considered that obtaining bank facility is time consuming and relatively uncertain because the approval process usually involves lengthy due diligence, the bank's internal risk assessment and negotiations on the terms of the loan. The Company will also be required to provide collaterals in case of a secured borrowing.

In respect of equity financing, the management of the Company considered that (i) rights issue/open offer is time consuming for a company with A shares listed on the Shenzhen Stock Exchange and H shares listed on the Stock Exchange which require approval from regulators in two markets; and (ii) placing/subscription of new Shares will have immediate dilution effect on the shareholding interests of the existing Shareholders. Besides, pursuant to Rule 7.19A(2) and Rule 7.24A(2), the Company, having its H Shares newly listed on the Stock Exchange, shall not effect any rights issue or open offer within 12 months period from the date on which dealings in its securities commence on the Stock Exchange unless approval from Independent Shareholders is obtained. As such, rights issue and open offer are not fundraising exercises that can be conducted within a short period of time.

Having considered (i) bank borrowing may be relatively uncertain and time-consuming than the issuance of A Share Convertible Corporate Bonds and may require pledge of collateral by the Company; (ii) the time-consuming procedures for conducting rights issue/open offer; and (iii) the immediate dilution effect to the shareholding of the existing Shareholders if the Company conducts a placing of new Shares, we concur with the Directors' view that it is in the interests of the Company and the Shareholders as a whole to raise funds by the issuance of A Share Convertible Corporate Bonds (including the Possible Subscriptions).

3. Principal terms of the Possible Subscription

3.1 *Principal terms of the Possible Subscription*

As stated in the Letter from the Board, the terms and conditions of the Possible Subscription for the A Share Convertible Corporate Bonds by Connected Shareholders are the same as those of subscription for the A Share Convertible Corporate Bonds by other existing A Shareholders. Set out below is the summary of certain principal terms of the Possible Subscription as extracted from the Circular:

(1) *Type of securities to be issued*

The type of the securities to be issued is convertible corporate bonds which are to be issued to non-specific investors and can be converted into A Shares. The A Share Convertible Corporate Bonds and the A Shares to be converted will be listed on the main board of the Shenzhen Stock Exchange.

(2) *Size of the Issuance*

According to the requirements of relevant laws, regulations and regulatory documents and based on the financial position and investment plan of the Company, the total amount of proceeds raised from the proposed Issuance of A Share Convertible Corporate Bonds will not exceed RMB3.6 billion (RMB3.6 billion inclusive). The actual amount of the proceeds raised shall be determined by the Board or its authorized persons as authorized by the EGM and shall be subject to the maximum limit above.

(3) *Par value and issue price*

The A Share Convertible Corporate Bonds under the Issuance will be issued at par with a nominal value of RMB100.00 each.

(4) *Term of the bonds*

The term of the A Share Convertible Corporate Bonds under the Issuance will be six years from the date of the Issuance.

(5) *Coupon rate*

The method for determination of coupon rate of the A Share Convertible Corporate Bonds under the Issuance and the final interest rate for each of the interest accrual years shall be determined by the Board or its authorized persons as authorized by the EGM, after the Proposed Issuance has passed the review and approval of the Shenzhen Stock Exchange and the registration with the CSRC has been completed, and prior to the launch of the Issuance, through negotiation with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the actual conditions of the Company prior to the Issuance.

The finalised issue size and coupon rate will be disclosed in the Offering Document and the relevant announcement(s) to be published prior to the subscription date. The exact timing is subject to the progress of the regulatory review and registration process, and the Company will publish further announcement(s) as and when appropriate in accordance with the Listing Rules.

In the event of any adjustment to the bank deposit interest rate before the completion of the Issuance of A Share Convertible Corporate Bonds, the coupon rate shall be adjusted accordingly by the Board or its authorized persons as authorized by the EGM.

We understand from the management of the Company that the above method for determination of coupon rate of the A Share Convertible Corporate Bonds is in compliance with the relevant PRC rules and regulations. In this respect, we noted from Article 61 of the Administrative Measures for the Issuance and Registration of Securities by Listed Companies (上市公司證券發行註冊管理辦法) (the “**Administrative Measures**”) promulgated by the CSRC that the coupon rate of a convertible corporate bond issued to non-specific investors shall be determined by the issuer and the lead underwriter through negotiations in accordance with the relevant regulations. We also noted from Article 44 of the Administrative Measures for the Issuance and Trading of Corporate Bonds (公司債券發行與交易管理辦法) (the “**Issuance and Trading Measures**”) promulgated by the CSRC that the issuer and the lead underwriter shall negotiate and determine the coupon rate of corporate bonds by market-based methods. As such, we consider that the method for determination of coupon rate of the A Share Convertible Corporate Bonds is in compliance with the Administrative Measures and the Issuance and Trading Measures.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

With reference to the comparable analysis as set out under the section headed “Comparison with other market issues of A share convertible corporate bonds” below, all of the coupon rates of the A share convertible corporate bonds proposed to be issued by the Comparables (as defined below) (i) are yet to be determined before the relevant shareholders meetings; and (ii) shall be determined by their respective board of directors or its authorized persons (if applicable) in accordance with national policies, market conditions and the actual conditions of the Comparables prior to the issuance. After considering the above, we concur with the Company that it is common market practice that the coupon rate of the A Share Convertible Corporate Bonds was yet to be determined as at the Latest Practicable Date and the method for determination of the coupon rate of the A Share Convertible Corporate Bonds is in line with those of the A share convertible corporate bonds proposed to be issued by the Comparables.

(6) *Term and method of interest payment*

The interest of the A Share Convertible Corporate Bonds under the Issuance shall be paid on an annual basis. When the A Share Convertible Corporate Bonds mature, the principal of the outstanding A Share Convertible Corporate Bonds shall be repaid together with the interest accrued for the previous year.

(7) *Conversion period*

The conversion period of the A Share Convertible Corporate Bonds under the Issuance shall commence on the first trading day immediately following the expiry of the six-month period from the date of completion of the Issuance of A Share Convertible Corporate Bonds, and end on the maturity date of the A Share Convertible Corporate Bonds.

(8) *Determination and adjustment of the Conversion Price*

The initial Conversion Price of the A Share Convertible Corporate Bonds under the Issuance shall not be lower than the average trading price of A Shares for the 20 trading days immediately preceding the date of publication of the Offering Document and the average trading price of A Shares on the immediately preceding trading day. The specific initial Conversion Price shall be determined by the Board or its authorized persons as authorized by the EGM through negotiation with the sponsor (the lead underwriter) based on the market conditions prior to the Issuance. In the event that the A Share price was adjusted due to ex-right and ex-dividend during such 20 trading days, the average trading price of A Shares on the trading days prior to the adjustment shall be calculated based on the price after such ex-right and ex-dividend.

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As advised by the management of the Company, we are given to understand that the above method for determination of the initial Conversion Price is in compliance with the relevant PRC rules and regulations. We noted from Article 9 of the Measures for the Administration of Convertible Corporate Bonds (可轉換公司債券管理辦法) (the “**Convertible Corporate Bonds Measures**”) promulgated by the CSRC that the conversion price of a convertible bond issued to non-specific investors by a listed company shall not be lower than the average trading price of A Shares for the 20 trading days immediately preceding the date of publication of the Offering Document and the average trading price of A Shares on the immediately preceding trading day, and shall not be amended upward. Accordingly, we consider that the method for determination of the initial Conversion Price is in compliance with the Convertible Corporate Bonds Measures.

With reference to the comparable analysis as set out under the section headed “Comparison with other market issues of A share convertible corporate bonds” below, we concur with the Company that it is common market practice that the initial Conversion Price was yet to be determined as at the Latest Practicable Date and the method for determination of the initial Conversion Price is in line with those of the A share convertible corporate bonds proposed to be issued by the Comparables.

The Conversion Price will be adjusted according to the formula as set out in the Letter from the Board upon the Issuance in case of changes in the Shares due to certain events, such as distribution of bonus shares, conversion or increase of share capital, issuance of new shares (excluding any increase in the share capital as a result of conversion of the A Share Convertible Corporate Bonds under the Issuance) or rights issue or distribution of cash dividends. We noted that the adjustment method is in line with those of the A share convertible corporate bonds proposed to be issued by the Comparables.

(9) Terms of downward adjustment to Conversion Price

If, during the term of the A Share Convertible Corporate Bonds under the Issuance, the closing prices of A Shares on at least 15 trading days out of any 30 consecutive trading days are lower than 85% of the prevailing Conversion Price, the Board is entitled to propose a downward adjustment to the Conversion Price and submit the same to the general meeting for consideration and approval.

The abovementioned proposal shall only be implemented upon approval by two-thirds or more of the voting rights held by the Shareholders attending the general meeting. Shareholders who hold the A Share Convertible Corporate Bonds under the Issuance shall abstain from voting at such general meeting. The adjusted Conversion Price shall be no less than the higher of the average trading price of A Shares for 20 trading days immediately preceding the date of such a general and the average trading price of A Shares on the trading day immediately preceding the date of such a general meeting. In addition, the adjusted Conversion Price shall not be lower than the latest audited net asset value per Share and the par value of the Share.

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In the event of an adjustment to the Conversion Price during the aforementioned 30 consecutive trading days, in respect of the trading days prior to the adjustment to the Conversion Price, the calculation shall be based on the unadjusted Conversion Price and the closing price of the A Shares on each such day, and in respect of the days on which adjustment to the Conversion Price is made and the trading days afterwards, the calculation shall be based on the adjusted Conversion Price and the closing price of the A Shares on each such day.

In the event that the Company decides to adjust the Conversion Price downwards, the Company shall publish an announcement on the media designated by the CSRC for information disclosure of listed companies. Such announcement shall disclose information including the magnitude of the adjustment, the record date of shares, the suspension period of share conversion, if necessary, and other relevant information. Such announcement shall also be published on the website of Company and the website of the Hong Kong Stock Exchange, respectively, in accordance with the Listing Rules and the Articles of Association, in both English and Chinese. Application for conversion at adjusted Conversion Price shall be resumed upon the first trading day after the registration date, i.e. the Conversion Price adjustment date.

If the Conversion Price adjustment date is on or after the date on which a Bondholder applies for the conversion but before the registration date of the shares to be issued upon conversion, then such conversion shall be executed based on the adjusted Conversion Price.

As advised by the management of the Company, we are given to understand that the above downward adjustment mechanism to the Conversion Price is in compliance with the relevant PRC rules and regulations. We noted from Article 10 of the Convertible Corporate Bonds Measures that (i) the downward adjustment proposal to the conversion price is subject to the approval of more than two-thirds of the voting rights held by the shareholders attending the general meeting of the issuer and shareholders who hold the convertible corporate bonds shall abstain from voting at the general meeting; and (ii) the adjusted conversion price shall be no less than the higher of the average trading price of the shares of the issuer for the 20 trading days preceding the date of the general meeting and the average trading price of the shares of the issuer on the trading day preceding the date of such meeting. Accordingly, we consider that the downward adjustment mechanism to the Conversion Price is in compliance with the Convertible Corporate Bonds Measures.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

With reference to the comparable analysis as set out under the section headed “Comparison with other market issues of A share convertible corporate bonds” below, we noted that all of the Comparables have conversion price downward adjustment mechanisms. As mentioned above, the Board is entitled to propose a downward adjustment to the Conversion Price if the closing prices of the A Shares on at least 15 trading days out of any 30 consecutive trading days are lower than 85% of the prevailing Conversion Price. Such threshold of 85% is in line with the market threshold of the Comparables.

(10) Method for determining the number of A Shares for conversion

Where an A Share Convertible Corporate Bondholder applies for the conversion during the conversion period under the Issuance, the formula for calculating the number of A Shares to be issued upon conversion is set out in the Letter from the Board.

The number of A Shares to be converted shall be in whole number where the A Share Convertible Corporate Bondholder applies for the conversion. Where the remaining balance of the A Share Convertible Corporate Bonds is insufficient to be converted into one A Share upon the application of conversion made by the A Share Convertible Corporate Bondholders under the Issuance, within five trading days from the date of conversion by the A Share Convertible Corporate Bondholders, the Company shall pay the Bondholders in cash an amount equal to the par value of such A Share Convertible Corporate Bonds and the accrued interest thereof for the current period in accordance with the relevant requirements of the CSRC, Shenzhen Stock Exchange, China Securities Depository and Clearing Corporation Limited and other authorities.

(11) Terms of sale back

A. Terms of conditional sale back

During the last two interest accrual years within the term of the A Share Convertible Corporate Bonds under the Issuance, if the closing prices of the A Shares on any 30 consecutive trading days are lower than 70% of the prevailing Conversion Price, the A Share Convertible Corporate Bondholders are entitled to sell back the whole or part of the A Share Convertible Corporate Bonds they hold to the Company at par plus the then accrued interest. The formula for calculating the then accrued interest is set out in the sub-section headed “(11) Terms of redemption” of the Letter from the Board.

In the event that an adjustment to the Conversion Price is made due to distribution of bonus Shares, conversion or increase of share capital, issuance of new Shares (excluding any increase in the share capital as a result of conversion of the A Share Convertible Corporate Bonds under the Issuance) or rights issue, distribution of cash dividends during the aforementioned 30 consecutive trading days, in respect of the trading days prior to the adjustment, the calculation shall be based on the unadjusted Conversion Price and the closing price of the A Shares on each such day, and in respect of the trading days on or after the adjustment, the calculation shall be based on the adjusted Conversion Price and the closing price of the A Shares on each such day. In the event that there is a downward adjustment to the Conversion Price, the aforesaid “30 consecutive trading days” shall be re-counted from the first trading day following the adjustment to the Conversion Price.

The A Share Convertible Corporate Bondholders may exercise their sale back rights once every year when the sale back conditions have been initially satisfied according to the abovementioned agreed terms in the last two interest accrual years within the term of the A Share Convertible Corporate Bonds under the Issuance. Where the sale back conditions are initially satisfied and the A Share Convertible Corporate Bondholders do not apply for and exercise their sale back rights during the sale back declaration period then announced by the Company, no sale back rights may be exercised during such interest accrual year. The A Share Convertible Corporate Bondholders shall not allowed to exercise part of their sale back rights for multiple times.

B. Additional terms of sale back

Where the actual use of the proceeds raised from A Share Convertible Corporate Bonds under the Issuance significantly differs from the undertakings of the use of proceeds set out by the Company in the Offering Document, and such difference is considered by the CSRC or the Shenzhen Stock Exchange as a change in the use of proceeds, the A Share Convertible Corporate Bondholders shall be entitled to a one-off right to sell the whole or part of the A Share Convertible Corporate Bonds they hold back to the Company at par plus the then accrued interest. Under the foregoing circumstances, the Bondholders may sell their Convertible Bonds back to the Company during the sale back declaration period as announced by the Company. If the Bondholders do not exercise their sale back rights during such period, no such right may be exercised.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We understand from the management of the Company that the above terms of sale back are in compliance with the relevant PRC rules and regulations. We noted from Article 11 of the Convertible Corporate Bonds Measures that the offering document may stipulate the terms of sale back and it shall specify that the convertible bonds holders will have the one-off sell-back right if the issuer changes the use of proceeds raised. Accordingly, we consider that the terms of sale back of the A Share Convertible Corporate Bonds are in compliance with the Convertible Corporate Bonds Measures.

With reference to the comparable analysis as set out under the section headed “Comparison with other market issues of A share convertible corporate bonds” below, the respective issuance plans of the Comparables included terms of sale back similar to those of the A Share Convertible Corporate Bonds. We noted that all Comparables involved the additional terms of sale back similar to those of the A Share Convertible Corporate Bonds.

(12) Other terms

We also reviewed other terms of the Issuance and were not aware of any abnormal terms based on the A Share Comparables.

In light of the above and that the terms of the A Share Convertible Corporate Bonds will be the same for all potential subscribers (including the Connected Subscribers), we are of the view that the terms of the Possible Subscriptions are fair and reasonable so far as the Independent Shareholders are concerned.

3.2 *Comparison with other market issues of A share convertible corporate bonds*

In order to assess if the principal terms of the Possible Subscription are fair and reasonable, we have, on best effort basis, conducted research on the website of the Shenzhen Stock Exchange (Reference: <https://www.szse.cn/disclosure/listed/notice/index.html>) and identified an exhaustive list of proposal for issuance of A share convertible corporate bonds announced by companies that (i) are listed on the main board of the Shenzhen Stock Exchange which are the same as the Company; and (ii) have published the offering document in relation to issuance of A share convertible corporate bonds. Our independent research covers six months period from 1 January 2026 up to 22 June 2026 (i.e. the date of the announcement in relation to the Possible Subscription) (the “**Review Period**”).

We consider the above selection criteria and Review Period is sufficient and fair and reasonable given that (i) such selection criteria and review period is sufficiently recent to demonstrate the prevailing market practices for issuance of A share convertible bonds by companies listed on the main board of the Shenzhen Stock Exchange and reflect the latest policies and regulatory requirements promulgated by the CSRC this year (if any); and (ii) we are able to identify sufficient relevant market issuance for comparison. We have, on best effort basis, identified six comparables (the “**Comparables**”) which are exhaustive market issuance based on the aforesaid criteria. We have reviewed the key terms of those issuance and summarized below the key terms extracted from the offering documents of the Comparables:

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company name (Stock code)	Date of offering document	Term (Year)	Size of issuance	Par value and issue price	Basis for determining coupon rate	Conversion period	Basis for determining initial conversion price	Term of downward adjustment to the conversion price	Terms of sale back
Hwaway Technology Corporation Limited (華緯科技股份有限公司) (001380.SZ)	18 July 2026	6	Not exceeding RMB575 million	Same as the A Share Convertible Corporate Bonds and issue at par with a nominal value of RMB100 each	Same as the A Share Convertible Corporate Bonds and the final interest rate for each of the interest accrual years shall be determined by the board of the issuer or its authorized persons as authorized by the shareholders meeting through negotiation with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the actual conditions of the issuer	Same as the A Share Convertible Corporate Bonds and commence on the first trading day immediately following the expiry of the six-month period after the date of the issuance of A Share convertible corporate bonds, and end on the maturity date of the A Share convertible corporate bonds	Same as the A Share Convertible Corporate Bonds and shall not be lower than the average trading price of A Shares for the 20 trading days immediately preceding the date of publication of the offering document and the average trading price of A Shares on the immediately preceding trading day	Same as the A Share Convertible Corporate Bonds and the threshold is 85% of the prevailing Conversion Price	Same as the A Share Convertible Corporate Bonds and the threshold is 70% of the prevailing Conversion Price

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company name (Stock code)	Date of offering document	Term (Year)	Size of issuance	Par value and issue price	Basis for determining coupon rate	Conversion period	Basis for determining initial conversion price	Term of downward adjustment to the conversion price	Terms of sale back
Anhui Zhongding Sealing Parts Co., Ltd (安徽中鼎密封件股份 有限公司) (000887.SZ)	24 June 2026	6	Not exceeding RMB1,920 million	Same as the A Share Convertible Corporate Bonds and issue at par with a nominal value of RMB100 each	Same as the A Share Convertible Corporate Bonds and the final interest rate for each of the interest accrual years shall be determined by the board of the issuer or its authorized persons as authorized by the shareholders meeting through negotiation with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the actual conditions of the issuer	Same as the A Share Convertible Corporate Bonds and commence on the first trading day immediately following the expiry of the six-month period after the date of the issuance of A Share convertible corporate bonds, and end on the maturity date of the A Share convertible corporate bonds	Same as the A Share Convertible Corporate Bonds and shall not be lower than the average trading price of A Shares for the 20 trading days immediately preceding the date of publication of the offering document and the average trading price of A Shares on the immediately preceding trading day	Same as the A Share Convertible Corporate Bonds and the threshold is 85% of the prevailing Conversion Price	Same as the A Share Convertible Corporate Bonds and the threshold is 70% of the prevailing Conversion Price

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company name (Stock code)	Date of offering document	Term (Year)	Size of issuance	Par value and issue price	Basis for determining coupon rate	Conversion period	Basis for determining initial conversion price	Term of downward adjustment to the conversion price	Terms of sale back
Changzhou Qianhong Biopharma Co., Ltd. (常州千红生化制药股份有 限公司) (002550.SZ)	9 June 2026	6	Not exceeding RMB1,000 million	Same as the A Share Convertible Corporate Bonds and issue at par with a nominal value of RMB100 each	Same as the A Share Convertible Corporate Bonds and the final interest rate for each of the interest accrual years shall be determined by the board of the issuer or its authorized persons as authorized by the shareholders meeting through negotiation with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the actual conditions of the issuer	Same as the A Share Convertible Corporate Bonds and commence on the first trading day immediately following the expiry of the six-month period after the date of the issuance of A Share convertible corporate bonds, and end on the maturity date of the A Share convertible corporate bonds	Same as the A Share Convertible Corporate Bonds and shall not be lower than the average trading price of A Shares for the 20 trading days immediately preceding the date of publication of the offering document and the average trading price of A Shares on the immediately preceding trading day	Same as the A Share Convertible Corporate Bonds and the threshold is 85% of the prevailing Conversion Price	Same as the A Share Convertible Corporate Bonds and the threshold is 70% of the prevailing Conversion Price

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company name (Stock code)	Date of offering document	Term (Year)	Size of issuance	Par value and issue price	Basis for determining coupon rate	Conversion period	Basis for determining initial conversion price	Term of downward adjustment to the conversion price	Terms of sale back
Jushen Logistics Group Co., Ltd (矩申物流集团股份 有限公司) (001202.SZ)	29 May 2026	6	Not exceeding RMB380 million	Same as the A Share Convertible Corporate Bonds and issue at par with a nominal value of RMB100 each	Same as the A Share Convertible Corporate Bonds and the final interest rate for each of the interest accrual years shall be determined by the board of the issuer or its authorized persons as authorized by the shareholders meeting through negotiation with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the actual conditions of the issuer	Same as the A Share Convertible Corporate Bonds and commence on the first trading day immediately following the expiry of the six-month period after the date of the issuance of A Share convertible corporate bonds, and end on the maturity date of the A Share convertible corporate bonds	Same as the A Share Convertible Corporate Bonds and shall not be lower than the average trading price of A Shares for the 20 trading days immediately preceding the date of publication of the offering document and the average trading price of A Shares on the immediately preceding trading day	Same as the A Share Convertible Corporate Bonds and the threshold is 85% of the prevailing Conversion Price	Same as the A Share Convertible Corporate Bonds and the threshold is 70% of the prevailing Conversion Price

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company name (Stock code)	Date of offering document	Term (Year)	Size of issuance	Par value and issue price	Basis for determining coupon rate	Conversion period	Basis for determining initial conversion price	Term of downward adjustment to the conversion price	Terms of sale back
Hubei Yihua Chemical Industry Co., Ltd. (湖北宜化化工股份 有限公司) (000422.SZ)	12 May 2026	6	Not exceeding RMB3,300 million	Same as the A Share Convertible Corporate Bonds and issue at par with a nominal value of RMB100 each	Same as the A Share Convertible Corporate Bonds and the final interest rate for each of the interest accrual years shall be determined by the board of the issuer or its authorized persons as authorized by the shareholders meeting through negotiation with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the actual conditions of the issuer	Same as the A Share Convertible Corporate Bonds and commence on the first trading day immediately following the expiry of the six-month period after the date of the issuance of A Share convertible corporate bonds, and end on the maturity date of the A Share convertible corporate bonds	Same as the A Share Convertible Corporate Bonds and shall not be lower than the average trading price of A Shares for the 20 trading days immediately preceding the date of publication of the offering document and the average trading price of A Shares on the immediately preceding trading day	Same as the A Share Convertible Corporate Bonds and the threshold is 85% of the prevailing Conversion Price	Same as the A Share Convertible Corporate Bonds and the threshold is 70% of the prevailing Conversion Price

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company name (Stock code)	Date of offering document	Term (Year)	Size of issuance	Par value and issue price	Basis for determining coupon rate	Conversion period	Basis for determining initial conversion price	Term of downward adjustment to the conversion price	Terms of sale back
Aoshikang Technology Co., Ltd. (奥士康科技股份有限公司) (002913.SZ)	25 February 2026	6	Not exceeding RMB1,000 million	Same as the A Share Convertible Corporate Bonds and issue at par with a nominal value of RMB100 each	Same as the A Share Convertible Corporate Bonds and the final interest rate for each of the interest accrual years shall be determined by the board of the issuer or its authorized persons as authorized by the shareholders meeting through negotiation with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the actual conditions of the issuer	Same as the A Share Convertible Corporate Bonds and commence on the first trading day immediately following the expiry of the six-month period after the date of the issuance of A Share convertible corporate bonds, and end on the maturity date of the A Share convertible corporate bonds	Same as the A Share Convertible Corporate Bonds and shall not be lower than the average trading price of A Shares for the 20 trading days immediately preceding the date of publication of the offering document and the average trading price of A Shares on the immediately preceding trading day	Same as the A Share Convertible Corporate Bonds and the threshold is 85% of the prevailing Conversion Price	Same as the A Share Convertible Corporate Bonds and the threshold is 70% of the prevailing Conversion Price

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As depicted by the above table, the Issuance is not exceptional based on comparison with the Comparables. Moreover, the key terms of the A Share Convertible Corporate Bonds are largely the same as those of the other convertible bonds proposed to be issued by the Comparables. In view of the above, we consider that the terms of the A Share Convertible Corporate Bonds are in line with market practice.

In light of the above factors, in particular (i) it is acceptable that the coupon rate of the A Share Convertible Corporate Bonds was undetermined as at the Latest Practicable Date and the basis for the determination of the coupon rate is on normal commercial terms and fair and reasonable; (ii) the terms of the A Share Convertible Corporate Bonds are in line with market practice; and (iii) the terms of the A Share Convertible Corporate Bonds will be the same for all potential subscribers (including the Connected Shareholders), we are of the view that the terms of Possible Subscription are fair and reasonable.

4. Dilution effect on the shareholding interests of the existing public Shareholders

The shareholding structures of the Company as at the Latest Practicable Date and after completion of the proposed Issuance of A Share Convertible Corporate Bonds and conversion of all the A Share Convertible Corporate Bonds into the A Shares are set out in the Letter from the Board.

Nevertheless, as balanced by (i) the reasons for and benefits of the Possible Subscription as set out in the section headed “Reasons for and benefits of the Possible Subscription and use of proceeds” above; and (ii) the fairness and reasonableness of the principal terms of the Possible Subscription, we are of the view that the possible dilution effect on the shareholding of the existing public Shareholders is acceptable.

OPINION AND RECOMMENDATION

Having considered the above principal factors and reasons, we are of the view that the terms of the Possible Subscription are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned, and the Possible Subscription is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend (i) the Independent Board Committee to advise the Independent Shareholders; and (ii) the Independent Shareholders, to vote in favour of the resolution to be proposed at the EGM to approve the Possible Subscription.

Yours faithfully,
For and on behalf of
Messis Capital Limited
Earnest Chow
Managing Director

Mr. Earnest Chow is a licensed person registered with the Securities and Futures Commission and regarded as a responsible officer of MESSIS Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 10 years of experience in corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As of the Latest Practicable Date, save as disclosed below, none of the Directors or the chief executive of the Company had any interest and/or short position in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and/or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Hong Kong Listing Rules to be notified to the Company and the Hong Kong Stock Exchange.

Shareholder	Capacity/ Nature of interest	Number and class of Shares	Approximate % of the relevant class of Shares (%)	Approximate % of issued Shares of the Company (%)
Mr. Xiao Hongxing ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾	Interest in controlled corporation	228,808,321 A Shares (L)	53.62	48.40
Ms. Liu Jinchan ⁽⁶⁾	Interest of spouse	228,808,321 A Shares (L)	53.62	48.40
Ms. Zeng Hong ⁽⁷⁾	Interest in controlled corporation	43,249,099 A Shares (L)	10.14	9.15

(1) The letter "L" denotes a long position.

(2) The calculation is based on the total number of Shares of the Company in issue as at the Latest Practicable Date, consisting of 46,000,000 H Shares and 426,723,864 A Shares, for a total of 472,723,864 Shares.

(3) As at the Latest Practicable Date, Zhenyun Investment was held as to 99.90% by Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Zhenyun Investment.

- (4) As at the Latest Practicable Date, the general partner of Guangsheng Investment was Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Guangsheng Investment.
- (5) As at the Latest Practicable Date, the general partner of Guangcai Investment was Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Guangcai Investment.
- (6) Mr. Xiao and Ms. Liu are spouses. By virtue of the SFO, they are deemed to be interested in the Shares held by each other.
- (7) As at the Latest Practicable Date, the general partner of Guangxie Investment was Ms. Zeng Hong, our executive Director and general manager. By virtue of the SFO, Ms. Zeng is deemed to be interested in the Shares held by Guangxie Investment.

3. DISCLOSURE OF SUBSTANTIAL SHAREHOLDERS' INTERESTS

So far as the Directors are aware, as of the Latest Practicable Date, the following persons had or were deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital of the Company carrying rights to vote in all circumstances at general meeting of the Company:

Shareholder	Capacity/ Nature of interest	Number and class of Shares	Approximate % of the relevant class of Shares (%)	Approximate % of issued Shares of the Company (%)
Mr. Xiao Hongxing ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾	Interest in controlled corporation	228,808,321 A Shares (L)	53.62	48.40
Ms. Liu Jinchan ⁽⁶⁾	Interest of spouse	228,808,321 A Shares (L)	53.62	48.40
Ms. Zeng Hong ⁽⁷⁾	Interest in controlled corporation	43,249,099 A Shares (L)	10.14	9.15
Zhenyun Investment ⁽³⁾	Beneficial owner	171,142,853 A Shares (L)	40.11	36.20
Guangxie Investment ⁽⁷⁾	Beneficial owner	43,249,099 A Shares (L)	10.14	9.15
Guangsheng Investment ⁽⁴⁾	Beneficial owner	28,832,734 A Shares (L)	6.76	6.10
Guangcai Investment ⁽⁵⁾	Beneficial owner	28,832,734 A Shares (L)	6.76	6.10

- (1) The letter “L” denotes a long position.
- (2) The calculation is based on the total number of Shares of the Company in issue as at the Latest Practicable Date, consisting of 46,000,000 H Shares and 426,723,864 A Shares, for a total of 472,723,864 Shares.
- (3) As at the Latest Practicable Date, Zhenyun Investment was held as to 99.90% by Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Zhenyun Investment.
- (4) As at the Latest Practicable Date, the general partner of Guangsheng Investment was Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Guangsheng Investment.
- (5) As at the Latest Practicable Date, the general partner of Guangcai Investment was Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Guangcai Investment.
- (6) Mr. Xiao and Ms. Liu are spouses. By virtue of the SFO, they are deemed to be interested in the Shares held by each other.
- (7) As at the Latest Practicable Date, the general partner of Guangxie Investment was Ms. Zeng Hong, our executive Director and general manager. By virtue of the SFO, Ms. Zeng is deemed to be interested in the Shares held by Guangxie Investment.

Save as disclosed above, as at the Latest Practicable Date, no other person (other than Directors or chief executive(s) of the Company) had any interests or short positions in any Shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or any interests or short positions recorded in the register kept by the Company pursuant to Section 336 of the SFO or any interests or short positions which have been notified to the Company and the Hong Kong Stock Exchange.

4. MATERIAL ADVERSE CHANGE

As of the Latest Practicable Date, the Directors were of the view that there was no material adverse change in the financial or trading position of the Group since December 31, 2025, being the date to which the latest published audited financial statements of the Group were made up.

5. MATERIAL ACQUISITION

During the period subsequent to April 29, 2026 (being the date to which the latest published audited financial statements of the Company were made up) and up to the Latest Practicable Date, none of the subsidiaries of the Group had acquired or agreed to acquire or was proposing to acquire a business or an interest in the share capital of a company whose profits and assets make or would make a material contribution to the figures in the auditor's report or in the next published accounts of the Company.

6. DIRECTORS' SERVICE CONTRACTS

As of the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group, other than service contracts expiring or terminable by the relevant member of the Group within one year without payment of compensation other than statutory compensation.

7. DIRECTORS' INTERESTS IN ASSETS

As of the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which have been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the enlarged Group since April 29, 2026, being the date to which the latest published audited financial statements of the Group were made up.

8. DIRECTORS' INTERESTS IN CONTRACTS

None of the Directors was materially interested in any contract or arrangement subsisting as of the Latest Practicable Date which is significant in relation to the business of the Group.

9. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As of the Latest Practicable Date, so far as the Directors were aware, none of the Directors and their respective close associates had interest in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the business of the Group.

10. EXPERT AND CONSENTS

The following are the qualifications of the experts who had given opinion or advice contained in this circular:

Name	Qualification
Messis Capital Limited	Licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, each of the experts referred to above has given and has not withdrawn its written consent to the issue of this circular with the expert's statement included in the form and context in which it is included.

To the best knowledge, information and belief of the Directors, as at the Latest Practicable Date, none of the experts referred to above had any shareholding in any subsidiary of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any subsidiary of the Group.

As at the Latest Practicable Date, none of the expert referred to above, directly or indirectly, had any interest in any assets which had since December 31, 2025 (being the date to which the latest published audited financial statements of the Company were made up) been acquired or disposed of by or leased to any subsidiaries of the Group, or were proposed to be acquired or disposed of by or leased to any subsidiaries of the Group.

11. LITIGATION AND CLAIMS

As of the Latest Practicable Date, no subsidiary of the Group was engaged in any litigation or claims of material importance nor was any litigation or claims of material importance known to the Directors to be pending or threatened against any subsidiary of the Group.

12. GENERAL

- (1) The joint company secretaries of the Company are Mr. Zeng Yangqing and Ms. Kwan Sau In, who is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.
- (2) The registered address of the Company as registered with the Administration for Industry and Commerce is at No.22 Baoying South Road Bonded Zone, Guangzhou, PRC.
- (3) The address of the H Share Registrar (the share registrar and transfer office of the Company in Hong Kong), Tricor Investor Services Limited, is at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (4) All references to times in this circular refer to Hong Kong times.
- (5) In the event of any inconsistency, the Chinese language text of this circular shall prevail over the English language text.

13. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (<http://www.delton.com.cn>) from the date of this circular up to 14 days (inclusive) thereafter:

- (a) the letter from the Independent Board Committee to the Independent Shareholders, the full text of which is set out on page 57 of this circular;
- (b) the letter from the independent financial adviser, the full text of which is set out on pages 58 to 83 of this circular; and
- (c) the written consent referred to in the paragraph headed “Expert and Consents” in this appendix.

The following is an explanatory statement required by Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with information reasonably necessary to enable such Shareholders to make an informed decision on whether to vote for or against the special resolutions to approve the grant of the general mandate to repurchase Shares of the Company (the “**Repurchase Mandate**”).

1. NUMBER OF SHARES PROPOSED TO BE REPURCHASED

As at the Latest Practicable Date, the total number of issued Shares of the Company was 472,723,864 Shares, which comprised 426,723,864 A Shares and 46,000,000 H Shares.

Subject to the passing of the special resolution in respect of the grant of the Repurchase Mandate, on the basis that the total number of issued A Shares and the total number of issued H Shares as at the Latest Practicable Date, will remain unchanged on the date of the annual general meeting and the class meetings, during the period in which the Repurchase Mandate remains in force, the Directors will be authorized to repurchase up to 42,672,386 A Shares and up to 4,600,000 H Shares under the Repurchase Mandate, representing 10% of the total issued A Shares and 10% of the total issued H Shares, respectively.

2. REASONS FOR SHARE REPURCHASE

To meet the strategic development and operational needs of the Company, and further safeguard the rights and interests of Shareholders and enhance investor confidence, in light of the current operating conditions, financial position and future development prospects of the Company, it is proposed to grant the Board the Repurchase Mandate.

The repurchase of the A Shares and/or the H Shares will only be exercised when the Directors believe such repurchase will benefit the Company and the Shareholders as a whole.

3. SOURCE OF FUNDS

In repurchasing the A Shares and/or H Shares, the Company may only apply funds legally available for such purpose in accordance with its articles of association, the Listing Rules and the applicable laws and regulations of the PRC (as applicable).

The Directors propose that, if the repurchase of the A Shares and/or H Shares is implemented, it will be financed by the Company's internally generated funds as and when appropriate.

4. IMPACT ON WORKING CAPITAL

The Directors are of the opinion that, as compared with the financial position of the Company as at December 31, 2025, being the date to which the latest audited accounts of the Company were made up, the full exercise of the A Share Repurchase Mandate and/or the H Share Repurchase Mandate at any time during the proposed repurchase period would not have a material adverse effect on the working capital or gearing position of the Company.

5. SHARE PRICES

The highest and lowest prices at which the A Shares and the H Shares were traded on the Shenzhen Stock Exchange and the Hong Kong Stock Exchange, respectively, during each of the twelve months preceding the Latest Practicable Date were as follows:

	A Shares		H Share ⁽¹⁾	
	Maximum RMB	Lowest RMB	Maximum HK\$	Lowest HK\$
2025				
September	88.49	63.88	—	—
October	82.54	69.25	—	—
November	74.89	64.05	—	—
December	83.68	68.30	—	—
2026				
January	111.20	77.81	—	—
February	120.31	95.71	—	—
March	127.88	99.03	147.90	79.95
April	185.22	112.85	195.00	96.20
May	199.74	168.50	222.00	162.00
June	238.26	164.00	216.00	145.90
July	236.59	131.40	196.40	82.00
August	174.98	136.01	150.50	97.05
September (up to the Latest Practicable Date)	162.84	153.00	130.80	114.00

Note:

The Company's H Shares were listed on the Hong Kong Stock Exchange on March 20, 2026.

6. GENERAL

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) has any present intention to sell Shares to the Company in the event that the proposed grant of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the proposed grant of the A Share Repurchase Mandate and/or the proposed grant of the H Share Repurchase Mandate are/is approved by the Shareholders.

The Directors have undertaken to the Hong Kong Stock Exchange that they will exercise the power of the Company to repurchase A Shares and/or H Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and regulations of the PRC.

The Company may cancel such repurchased A Shares and/or H Shares, or hold them as treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any treasury shares deposited with CCASS pending resale on the Hong Kong Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in the Company's own name as treasury Shares. These measures may include approval by the Board that (i) the Company would not (or would procure its licensed securities dealer not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the treasury shares deposited with CCASS; and (ii) in the case of dividends or distributions, the Company will withdraw the treasury shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

Neither this explanatory statement nor the Repurchase Mandate has any unusual features.

7. TAKEOVERS CODE

If on the exercise of the power to repurchase A Shares/H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control on the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As of the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, the Controlling Shareholders Group controlled or was entitled to exercise control over the voting rights in respect of 228,808,321 A Shares, representing approximately 48.40% of the total issued share capital of the Company. If the Directors were to exercise the Repurchase Mandate in full, and assuming the total issued share capital of the Company remains unchanged, the above shareholding of the Controlling Shareholders Group in the Company would increase to approximately 53.78% (assuming it does not participate in such repurchases).

Pursuant to the Takeovers Code, if the control or entitlement to control on the voting rights of the Company's Shares, including both A Shares and H Shares, by the Controlling Shareholders Group increases by 2 percentage points or more within a 12-month-period because of, among other things, their increase in holding in the Company's Shares and/or the implementation of the above-mentioned general mandate which causes changes in total share capital of the Company, it will trigger the obligation of the Controlling Shareholders Group to make a mandatory offer under the Takeovers Code. The Board of the Company has confirmed that it has no intention to exercise the above-mentioned general mandate to repurchase A Shares and/or H Shares in the event that will trigger the Controlling Shareholders Group to make a mandatory offer under the Takeovers Code. At present, the Company has not yet formulated any detailed repurchase plan for A Shares or H Shares. Subject to the consideration and approval of the relevant resolution at the EGM, the Company will consider whether to proceed with the repurchase of A Shares or H Shares, as and when appropriate.

8. SHARE REPURCHASES MADE BY THE COMPANY

The Company had not purchased any Shares (whether on the Hong Kong Stock Exchange or otherwise) since the Listing Date to the Latest Practicable Date.

APPENDIX III THE COMPANY'S COMPLIANCE WITH THE REQUIREMENTS FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS
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I. BACKGROUND

Delton Technology (Guangzhou) Inc. (the “**Company**” or the “**Listed Company**”) intends to apply for the Issuance of A Share Convertible Corporate Bonds (the “**Convertible Bonds**”) to non-specific investors and the listing thereof. Pursuant to the Company Law of the People’s Republic of China (the “**Company Law**”), the Securities Law of the People’s Republic of China (the “**Securities Law**”), the Measures for the Administration of Registration of Securities Offering by Listed Companies (the “**Measures for the Administration of Registration**”) and other applicable laws, regulations and normative documents, the Board of the Company is required to review whether the Company satisfies the qualifications and conditions for the Issuance of A Share Convertible Corporate Bonds to non-specific investors.

II. PRINCIPAL CONTENTS

The Company’s application for the Issuance of A Share Convertible Corporate Bonds is primarily subject to the relevant provisions of the Measures for the Administration of Registration. The qualifications and conditions for the Issuance are reviewed as follows:

(I) The Company satisfies the issuance conditions for Convertible Bonds as stipulated under Article 13 of the Measures for the Administration of Registration

Pursuant to Article 13 of the Measures for the Administration of Registration, a listed company issuing Convertible Bonds shall satisfy the following requirements:

1. it has a sound organisational structure that is operating effectively;
2. its average distributable profits for the most recent three years are sufficient to cover the interest payable on one year’s corporate bonds;
3. it has a reasonable asset-liability structure and normal cash flows; and
4. where a company listed on the Main Board of a stock exchange issues Convertible Bonds to non-specific investors, it shall have recorded profits for each of the most recent three financial years, and its weighted average return on net assets for the most recent three financial years shall average not less than 6%. Net profit shall be calculated based on the lower of the amounts before and after deduction of non-recurring gains and losses.

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(II) The Company satisfies the issuance conditions for the issuance of Convertible Bonds to non-specific investors by listed companies as set out in Article 9(2) to (5) and Article 10 of the Measures for the Administration of Registration

Pursuant to Article 9(2) to (5) of the Measures for the Administration of Registration, a listed company issuing Convertible Bonds to non-specific investors shall satisfy the following requirements:

1. its incumbent directors, supervisors and senior management comply with the qualification requirements prescribed by laws and administrative regulations;
2. it has a complete business system and the ability to operate independently in the market, and there are no circumstances that would have a material adverse effect on its ability to continue as a going concern;
3. its accounting practices are standardised, its internal control system is sound and effectively implemented, the preparation and disclosure of its financial statements comply with the requirements of the Accounting Standards for Business Enterprises and the relevant information disclosure rules, its financial statements fairly reflect, in all material respects, the financial position, operating results and cash flows of the listed company, and its financial reports for the most recent three years have each been issued with an unqualified audit opinion; and
4. except for financial enterprises, it has no significant financial investments as at the end of the most recent reporting period.

Pursuant to Article 10 of the Measures for the Administration of Registration, a listed company shall not issue Convertible Bonds to non-specific investors if any of the following circumstances exists:

1. it has changed the use of the proceeds from the previous fund-raising without authorization and has neither rectified such change nor obtained approval from the shareholders in general meeting;
2. the listed company, or any of its incumbent directors, supervisors or senior management, has been subject to administrative penalties imposed by the CSRC within the most recent three years, or has been publicly censured by a stock exchange within the most recent year, or is under investigation by judicial authorities for suspected criminal offences or by the CSRC for suspected violations of laws or regulations;

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3. the listed company, or its controlling shareholder or actual controller, has failed to fulfil public undertakings made to investors within the most recent year; and
4. the listed company, or its controlling shareholder or actual controller, has, within the most recent three years, committed criminal offences involving corruption, bribery, embezzlement, misappropriation of property or disruption of the socialist market economic order, or has committed any material unlawful act that has seriously harmed the interests of the listed company, the lawful rights and interests of investors, or the public interest.

(III) The Company is not subject to any of the circumstances prohibiting the issuance of Convertible Bonds as set out in Article 14 of the Measures for the Administration of Registration

Pursuant to Article 14 of the Measures for the Administration of Registration, a listed company shall not issue Convertible Bonds if any of the following circumstances exists:

1. it has defaulted on, or delayed the payment of, the principal of or interest on publicly issued corporate bonds or other indebtedness, and such default or delay remains outstanding; or
2. it has changed the use of the proceeds from the public issuance of corporate bonds in violation of the provisions of the Securities Law.

(IV) The Company's use of the proceeds complies with Articles 12 and 15 of the Measures for the Administration of Registration

Pursuant to Article 12 of the Measures for the Administration of Registration, the use of proceeds by a listed company shall comply with the following requirements:

1. it complies with national industrial policies and the relevant laws and administrative regulations relating to environmental protection, land administration and other applicable matters;
2. except for financial enterprises, the proceeds from the Issuance shall not be used for holding financial investments, nor shall they be used, directly or indirectly, to invest in companies principally engaged in the trading of marketable securities; and

APPENDIX III THE COMPANY'S COMPLIANCE WITH THE REQUIREMENTS FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS

3. upon implementation of the investment projects, there will be no new horizontal competition that would have a material adverse effect, no related party transactions that are manifestly unfair, and no material impairment of the Company's operational independence arising between the Company and its controlling shareholder, its actual controller or other enterprises controlled by them.

Pursuant to Article 15 of the Measures for the Administration of Registration, where a listed company issues Convertible Bonds, the use of the proceeds shall comply with the requirements of Article 12 of the Measures for the Administration of Registration and shall not be used to make up losses or for non-productive expenditures.

(V) The Issuance complies with Article 40 of the Measures for the Administration of Registration

Pursuant to Article 40 of the Measures for the Administration of Registration, a listed company shall conduct financing in a prudent manner, determine the scale of financing reasonably, and apply the proceeds raised primarily to its principal business.

(VI) The terms of the Issuance of Convertible Bonds comply with Article 61 of the Measures for the Administration of Registration

Pursuant to Article 61 of the Measures for the Administration of Registration, Convertible Bonds shall include terms such as the term to maturity, par value, interest rate, credit rating, rights of bondholders, conversion price and the principles for adjustment thereof, redemption and sale back provisions, and downward adjustment to Conversion Price. The interest rate of Convertible Bonds issued to non-specific investors shall be determined through negotiations between the listed company and the lead underwriter in accordance with applicable laws.

(VII) The conversion period of the Issuance complies with Article 62 of the Measures for the Administration of Registration

Pursuant to Article 62 of the Measures for the Administration of Registration, Convertible Bonds may be converted into shares of the company only after the expiry of six months from the completion of the Issuance. The conversion period shall be determined by the company based on the duration of the Convertible Bonds and its financial position. Bondholders shall have the option to convert or not to convert the bonds into shares, and shall become shareholders of the listed company on the day following the conversion.

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(VIII) The conversion price of the Issuance complies with Article 64 of the Measures for the Administration of Registration

Pursuant to Article 64 of the Measures for the Administration of Registration, the conversion price of Convertible Bonds issued to non-specific investors shall not be lower than the average trading price of the listed company's shares over the 20 trading days preceding the date of publication of the Offering Document, nor lower than the average trading price on the trading day immediately preceding the date of publication of the Offering Document.

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**RESOLUTION ON THE ADJUSTMENT OF THE PROPOSED SCHEME FOR
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To meet the Company's funding needs for development, expand its business scale, and enhance its overall competitiveness, and in accordance with the Company Law, Securities Law, Measures for the Administration of Securities Issuance and Registration by Listed Companies, and other applicable laws, regulations, and regulatory documents, and taking into account the Company's actual circumstances, the Board hereby proposes the issuance of A Share Convertible Corporate Bonds to non-specific investors (the "Issuance" or "Convertible Bonds"). The specific terms of the Issuance are as follows:

(I) Type of Securities to be Issued

The securities to be issued under the Issuance are Convertible Corporate Bonds that are convertible into the Company's A Shares and are offered to non-specific investors. Such Convertible Bonds and the A Shares into which they are converted will be listed on the Shenzhen Stock Exchange.

(II) Issue Size

Pursuant to relevant laws, regulations, and regulatory documents, and in light of the Company's financial condition and investment plans, the total amount of funds to be raised through the Issuance of A Share Convertible Bonds shall not exceed RMB3,600.00 million (including this amount). The specific amount of funds to be raised shall be determined by the Company's Board of Directors (or persons authorized by the Board) within the aforesaid limit, as authorized by the Company's general meeting.

(III) Face Value and Issue Price

Each Convertible Bond issued under the Issuance has a face value of RMB100.00 and will be issued at par.

(IV) Bond Term

The term of the Convertible Bonds issued under the Issuance is six years from the date of issuance.

(V) Coupon Rate

The method for determining the coupon rate of the Convertible Bonds issued under the Issuance and the final interest rate for each interest accrual year shall be determined by the Company's Board of Directors (or persons authorized by the Board), acting upon the authorization of the general meeting, through negotiation with the lead underwriter prior to the Issuance, based on applicable national policies, market conditions, and the Company's specific circumstances.

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In the event of any adjustment to bank deposit interest rates prior to the completion of the Issuance of Convertible Bonds, the general meeting authorizes the Board (or persons authorized by the Board) to make corresponding adjustments to the coupon rate.

(VI) Interest Payment Terms and Methods

The Convertible Bonds issued under the Issuance bear interest payable annually, with the principal amount of the outstanding Convertible Bonds repaid at maturity together with the interest for the final year.

1. Calculation of Annual Interest

Annual interest means the interest receivable by a Convertible Bondholder for each full year from the first day of issuance of the Convertible Bonds, calculated on the basis of the aggregate nominal value of the Convertible Bonds held by such holder.

The formula for calculating annual interest is: $I=B \times i$

I: annual interest amount;

B: aggregate nominal value of the Convertible Bonds held by the Convertible Bondholders as of the record date for interest payment for the relevant interest accrual year (the “relevant year” or “each year”);

i: coupon rate of the Convertible Bonds for the relevant year.

2. Method of interest payment

- (1) Interest of the Convertible Bonds under the Issuance shall be paid on an annual basis, accruing from the date of the Issuance of Convertible Bonds.
- (2) Interest payment date: the interest payment date is each anniversary date of the date of the Issuance of Convertible Bonds. If such date falls on a statutory holiday or rest day, the interest payment date shall be postponed to the first business day immediately thereafter, provided that no additional interest will be accrued during the period of postponement. The period between an interest payment date and the immediately following interest payment date shall be an interest accrual year. Matters in relation to interest and the ownership of share dividends in the year of conversion shall be determined by the Board or its authorized persons according to relevant laws, regulations and provisions of the Shenzhen Stock Exchange.

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- (3) Record date for interest payment: the record date for interest payment in each year shall be the last trading day preceding the interest payment date. The Company shall pay the accrued interest in that year within five trading days from the interest payment date. The Company shall not pay any interest for that year and subsequent interest for accrual years to the Bondholders who have applied to convert their Convertible Bonds into A Shares on or before the record date for interest payment.
- (4) The Company will, within five trading days after the maturity date of the Convertible Bonds under the Issuance, repay all outstanding principal amounts of such bonds that have not been converted into A Shares upon maturity, together with the accrued interest for the final year.
- (5) The taxes payable on the interest income of Convertible Bondholders under the Issuance shall be borne by such Convertible Bondholders.

(VII) Conversion period

The conversion period of the Convertible Bonds under the Issuance shall commence on the first trading day immediately following the expiry of the six-month period after the completion date of the Issuance of Convertible Bonds, and end on the maturity date of the Convertible Bonds.

(VIII) Determination and adjustment of the Conversion Price

1. Basis for determining the initial Conversion Price

The initial Conversion Price of the Convertible Bonds under the Issuance shall not be lower than the average trading price of Shares for the 20 trading days immediately preceding the date of publication of the Offering Document and the average trading price of Shares on the immediately preceding trading day. The specific initial Conversion Price shall be determined by the Board or its authorized persons as authorized by the general meeting through negotiation with the sponsor (the lead underwriter) based on the market conditions of the Company prior to the Issuance.

In the event that the Share price was adjusted due to ex-right and ex-dividend during such 20 trading days, the average trading price of Shares on the trading days prior to the adjustment shall be calculated based on the price after such ex-right and ex-dividend.

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The average trading price of Shares of the Company for the immediately preceding 20 trading days = total trading amount of Shares of the Company for the immediately preceding 20 trading days/total trading volume of Shares of the Company for such 20 trading days. The average trading price of Shares of the Company for the immediately preceding trading day = total trading amount of Shares of the Company for the immediately preceding trading day/total trading volume of Shares of the Company for such trading day.

2. Method of adjustments and calculation formula to the Conversion Price

The Conversion Price will be adjusted according to the following formula (rounded off to two decimal places) upon the issuance of the Convertible Bonds in case of changes in the Shares due to certain events, such as distribution of bonus Shares, conversion or increase of share capital, issuance of new Shares (excluding any increase in the share capital as a result of conversion of the Convertible Bonds under the Issuance) or rights issue, distribution of cash dividends:

Distribution of bonus Share or conversion or increase of share capital:
 $P_1 = P_0 / (1+n)$

Issuance of new Shares or rights issue: $P_1 = (P_0 + A \times k) / (1+k)$

The two events above occurring concurrently: $P_1 = (P_0 + A \times k) / (1+n+k)$

Distribution of cash dividends: $P_1 = P_0 - D$

The three events above occurring concurrently: $P_1 = (P_0 - D + A \times k) / (1+n+k)$

In which, P_0 denotes the Conversion Price before adjustment; n denotes the rate of distribution of bonus Share or conversion or increase of share capital; k denotes the rate of issuance of new Shares or rights issue; A denotes the price of issuance of new Shares or rights issue; D denotes the cash dividend per Share; P_1 denotes the adjusted Conversion Price.

Upon occurrence of any of the abovementioned events, the Company shall adjust the Conversion Price based on the order of occurrence, and publish an announcement on the media for information disclosure of listed companies. Such announcement shall indicate the date of adjustment to the Conversion Price, adjustment method and suspension period of share conversion (if necessary). If the Conversion Price adjustment date is on or after the date on which a Convertible Bondholder applies for the conversion but before the registration date of the Shares to be issued upon conversion, such conversion shall be executed based on the Conversion Price adjusted by the Company.

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In the event that the creditors' interests or the interests derived from share conversion of the Convertible Bondholders are affected by the change in the Company's share class, quantity and/or Shareholders' interests due to any possible share repurchase, consolidation, division or any other circumstances, the Company shall adjust the Conversion Price based on the actual situations and in accordance with the principles of fairness, justice and equality so as to fully protect the interests of the Convertible Bondholders under the Issuance. The details of adjustments to the Conversion Price and its implementation measures shall be determined in accordance with relevant prevailing PRC laws, regulations and the relevant requirements of the securities regulatory authorities and the Shenzhen Stock Exchange.

(IX) Terms of downward adjustment to Conversion Price

1. Authorization and magnitude of adjustment

If, during the term of the Convertible Bonds under the Issuance, the closing prices of Shares on at least 15 trading days out of any 30 consecutive trading days are lower than 85% of the prevailing Conversion Price, the Board of the Company is entitled to propose a downward adjustment to the Conversion Price and submit the same to the general meeting of the Company for voting.

The abovementioned proposal is subject to the approval of more than two-thirds of Shareholders with voting rights who attend the general meeting. Shareholders who hold the Convertible Bonds under the Issuance shall abstain from voting at such general meeting. The adjusted Conversion Price shall be no less than the higher of the average trading price of Shares for 20 trading days immediately preceding the date of such a general meeting and the average trading price of Shares on the trading day immediately preceding the date of such a general meeting. In addition, the adjusted Conversion Price shall not be lower than the latest audited net asset per Share and the par value of the Share.

In the event of an adjustment to the Conversion Price during the aforementioned 30 trading days, in respect of the trading days prior to the adjustment to the Conversion Price, the calculation shall be based on the unadjusted Conversion Price and the closing price of the Shares on each such day, and in respect of the days on which adjustment to the Conversion Price is made and the trading days afterwards, the calculation shall be based on the adjusted Conversion Price and the closing price of the Shares on each such day.

2. Procedures of adjustment

In the event that the Company decides to adjust the Conversion Price downwards, the Company shall publish an announcement on the media designated by the CSRC for information disclosure of listed companies. Such announcement shall disclose information including the magnitude of the adjustment, the registration date of shares, the suspension period of share conversion, if necessary, and other relevant information. Application for conversion at adjusted Conversion Price shall be resumed upon the first trading day after the registration date, i.e. the Conversion Price adjustment date.

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If the Conversion Price adjustment date is on or after the date on which a Bondholder applies for the conversion but before the registration date of the shares to be issued upon conversion, then such conversion shall be executed based on the adjusted Conversion Price.

(X) Determination of the Number of Conversion Shares

When holders of Convertible Bond apply to convert the Shares during the conversion period, the formula for calculating number of the shares to be issued upon conversion is $Q = V/P$, whereby any fractional Share shall be rounded down to the nearest whole number.

Where: Q represents the number of Shares to be converted; V means the aggregate principal amount of the Convertible Bonds in respect of which a holder of the Convertible Bonds applies for conversion; and P represents the Conversion Price effective on the date of the application for conversion.

The number of Shares converted upon an application for conversion by a holder of the Convertible Bonds issued pursuant to the Issuance shall be an integral number of Shares. Following an application for conversion by a holder of the Convertible Bonds issued pursuant to the Issuance, the Company shall, in accordance with the relevant provisions of the CSRC, the Shenzhen Stock Exchange and China Securities Depository and Clearing Corporation Limited and other relevant institutions, pay in cash, within five trading days after the conversion date of the holder of the Convertible Bonds, the principal amount of the Convertible Bonds that is insufficient to be converted into one Share and the current accrued interest corresponding to such balance (the calculation of the current accrued interest is set out in the relevant provisions of the redemption terms under Article 11).

(XI) TERMS OF REDEMPTION

1. Terms of redemption at maturity

Within five trading days after the expiry of the Convertible Bonds issued pursuant to the Issuance, the Company shall redeem all outstanding Convertible Bonds that have not been converted into Shares. The specific redemption price shall be determined by the Board (or its authorized person(s)), as authorized by the general meeting of the Shareholders, in consultation with the sponsor (lead underwriter) based on the prevailing market conditions at the time of the issue prior to the Issuance.

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2. Terms of conditional redemption

During the conversion period of the Convertible Bonds issued pursuant to the Issuance, if either of the following two circumstances occurs, the Company shall have the right to redeem all or part of the Convertible Bonds issued pursuant to the Issuance that have not been converted into Shares at a price equal to the principal amount of the Convertible Bonds plus accrued interest for the current interest period:

- 1) the closing price of the Company's Shares is not less than 130% (including 130%) of the then conversion price on at least 15 trading days out of any 30 consecutive trading days;
- 2) the outstanding principal amount of the Convertible Bonds that have not been converted into Shares falls below RMB30 million.

The formula for calculating the accrued interest for the current interest period is: $IA = B \times i \times t / 365$

IA: represents the accrued interest for the current interest period;

B: represents the aggregate nominal value of the Convertible Bonds held by the holder of the Convertible Bonds that are to be redeemed;

i: represents the annual coupon rate of the Convertible Bonds for the relevant year;

t: represents the number of days for which interest accrues, being the actual number of calendar days from the interest commencement date to the redemption date in the relevant interest year (including the first day but excluding the last day) prior to the first interest payment date, and the actual number of calendar days from the immediately preceding interest payment date to the redemption date in the relevant interest year (including the first day but excluding the last day) after the first interest payment date.

The redemption period and the conversion period of the Convertible Bonds are the same, being the first trading day after six months from the date of Issuance to the maturity date of the Convertible Bonds.

In the event that another adjustment of Conversion Price has been implemented in the aforementioned 30 trading days, the Conversion Price and closing price of Shares will be calculated on an unadjusted basis during the trading days prior to adjustment, while the adjusted Conversion Price and closing price of Shares will be adopted during the trading days on which the adjustment was made or the trading day afterwards.

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(XII) Terms of Sell Back

1. Terms of conditional sell back

Within last 2 years prior to the maturity of the Convertible Bonds, where the closing price of the Company's Share is lower than 70% of the then Conversion Price for 30 consecutive trading days, the Bondholders are entitled to sell all or part of the Convertible Bonds held by them back to the Company at the nominal value plus the interest accrued then.

In the event there is any adjustment of the Conversion Price due to the distribution of scrip dividend, capitalization issue, issuance of new Shares (excluding any increase in the share capital as a result of conversion of the Convertible Bonds), rights issue or distribution of cash dividend during the aforementioned trading days, the Conversion Price and closing price of Shares will be calculated on an unadjusted basis during the trading days prior to adjustment, while the adjusted Conversion Price and closing price of Shares will be adopted during the trading days on which the adjustment was made or the trading day afterwards. If there is downward adjustment to the Conversion Price, then the aforementioned "30 consecutive trading days" shall be re-counted based on the adjusted Conversion Price from the first trading day after the downward adjustment to the Conversion Price.

Interest accrued for the current period will be calculated pursuant to the formula set out in terms of redemption.

Bondholders may exercise the right to sell back for once in accordance with the agreed conditions above at the first time such requirements for sell back fulfilled for each interest-bearing year during the last two interest accrual years within the term of the Convertible Bonds of the Issuance. If the Bondholders do not submit a request to sell back and exercise their rights to sell back during the sell back application period announced by the Company at that time after requirements for sell back fulfilled for the first time, such Bondholders cannot exercise their rights to sell back during such interest-bearing year. Bondholders may not exercise their rights to sell back in part for multiple times.

2. Terms of additional sell back

Should there be a material change in the implementation of the use of proceeds from the Convertible Bonds compared with the Company's commitments as set out in the Offering Document, and if such change is deemed to constitute a change in the use of proceeds in accordance with the relevant regulations of the CSRC or the Shenzhen Stock Exchange, the Convertible Bondholders are entitled to require the Company to repurchase all or part of the Convertible Bonds held by them at a price equal to the face value plus accrued interest for the period. In the

APPENDIX IV RESOLUTION ON THE ADJUSTMENT OF THE PROPOSED SCHEME FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS

aforementioned circumstances, the Convertible Bondholders may exercise their redemption option during the redemption declaration period following the Company's announcement. Failure to exercise the redemption option within such period shall result in the automatic lapse of such redemption option.

The method for calculating accrued interest for the period is as set out in the relevant provisions of the redemption option.

(XIII) Dividend Rights of the Year of Conversion

Shares to be issued upon conversion of the Convertible Bonds shall rank pari passu with all the existing shares. All holders of ordinary shares registered on the record date for dividend distribution (including shareholders arising from the conversion of Convertible Bonds) shall participate in the distribution of the current dividend and shall rank pari passu with each other.

(XIV) Method of Issuance and Target Subscribers

The specific method of the Issuance of the Convertible Bonds shall be determined through negotiation between the Board (or persons authorized by the Board), as authorized by the general meeting of the Company, and the sponsor (lead underwriter). The target subscribers for the Issuance of Convertible Bonds shall be natural persons, legal persons, securities investment funds and other investors in compliance with the legal requirements (excluding those prohibited by national laws and regulations) who hold securities accounts with China Securities Depository and Clearing Corporation Limited, Shenzhen Branch.

(XV) Subscription Arrangement for the Existing Shareholders

The Convertible Bonds to be issued shall be offered by way of preferential subscription to the Company's existing Shareholders, who may waive such preferential subscription right. The specific proportion of the preferential subscription to existing Shareholders shall be determined through negotiation between the Board (or persons authorized by the Board), as authorized by the general meeting of the Company, and the sponsor (lead underwriter) prior to the Issuance based on market conditions, and shall be disclosed in the issue announcement regarding the Issuance of Convertible Bonds.

The remaining convertible corporate bonds which are not subject to the abovementioned pre-emptive rights of the existing Shareholders and are not subscribed by the existing Shareholders will be offered to institutional investors offline and/or issued by way of online pricing through the trading system of the Shenzhen Stock Exchange, with the remaining balance to be underwritten by the underwriter. Specific issuance method shall be determined by the Board or its authorized persons as authorized by the general meeting of the Company through negotiation with the sponsor (the lead underwriter) based on market conditions prior to the Issuance.

APPENDIX IV RESOLUTION ON THE ADJUSTMENT OF THE PROPOSED SCHEME FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS

(XVI) Matters relating to the meetings of Bondholders

1. Rights of Bondholders

- (1) to receive the agreed interest based on the number of the Convertible Bonds held;
- (2) to participate in, or appoint proxies to participate in, meetings of the Bondholders and to exercise the voting rights thereat, in accordance with the relevant provisions of laws, administrative regulations, and other applicable rules;
- (3) to convert the Convertible Bonds held by the Bondholders into Shares of the Company under the agreed conditions;
- (4) to exercise the right of sale back under the conditions stipulated in the Offering Document;
- (5) to transfer, grant or pledge the Convertible Bonds held by the Bondholders in accordance with the provisions of laws, administrative regulations and the Articles of Association;
- (6) to obtain relevant information in accordance with the provisions of laws, administrative regulations and the Articles of Association;
- (7) to request the Company to repay the principal and interest of the Convertible Bonds within the agreed period and in the agreed manner;
- (8) other rights as creditors of the Company ascribed by laws, administrative regulations and the Articles of Association.

2. Obligations of Bondholders

- (1) to comply with the relevant provisions of the terms of the Convertible Bonds under the Issuance by the Company;
- (2) to pay the subscription amount based on the amount of Convertible Bonds subscribed by them;
- (3) to abide by the effective resolutions passed at the meeting of the Bondholders;

APPENDIX IV RESOLUTION ON THE ADJUSTMENT OF THE PROPOSED SCHEME FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS

- (4) not to request the Company to repay the principal and interest of the Convertible Bonds in advance, except as required by laws, administrative regulations or as agreed in the Offering Document; and
- (5) to bear other obligations that shall be borne by the Convertible Corporate Bondholders as required by laws, administrative regulations and the Articles of Association.

3. The extents of authority of the Bondholders' Meetings are as follows:

- (1) to resolve whether to approve the Company's proposal of modifying the plan contained in the Offering Document, provided that the Bondholders' Meetings shall not resolve to approve the Company's non-payment of the principal and interest of the Convertible Bonds, modifying the interest rate and term of the Convertible Bonds or cancelling the term of redemption or sale back set out in the Offering Document;
- (2) to resolve whether to approve the solutions to the failure to pay the principal and interest of the Convertible Bonds on time by the Company, to resolve whether to enforce the repayment of the principal and interest of the Convertible Bonds by the Company and the guarantors (if any) through litigation and other procedures, to resolve whether to participate in the legal procedures of the issuer including rectification, settlement, reorganisation or bankruptcy;
- (3) to resolve whether to accept the Company's proposal in relation to a capital reduction (other than a capital reduction caused by employee stock ownership scheme, equity incentives, or a necessary share repurchase made by the Company to maintain its value and the rights and interests of the Shareholders), merger, division, dissolution or filings for bankruptcy and to resolve on the plan for exercising the rights to which the Bondholders are entitled in accordance with the law;
- (4) to resolve on the plan for exercising the rights to which the Bondholders are entitled in accordance with the law in case any material adverse change arises from the Guarantors (if any) or the collateral (if any);
- (5) to resolve on the plan for exercising the rights to which the Bondholders are entitled in accordance with the law in case any event having a material impact on the interests of Bondholders happens;
- (6) to resolve on the proposed change or dismissal of the trustees of the Convertible Bonds or amendment to the principal terms of the management entrustment agreement;

APPENDIX IV RESOLUTION ON THE ADJUSTMENT OF THE PROPOSED SCHEME FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS

- (7) to resolve on amendments to the rules governing the meeting of holders of the Convertible Bonds as permitted by the laws;
 - (8) other circumstances which are required to be resolved at the Bondholders' Meetings in accordance with the laws, regulations and normative documents.
- 4. During the term of the Convertible Bonds, a meeting of Bondholders shall be convened under any of the following circumstances:**
- (1) The Company proposes to amend the provisions of the Offering Document;
 - (2) The Company fails to pay the principal and interest of the Convertible Corporate Bonds when due;
 - (3) The Company proposes to amend the rules governing the meeting of the Convertible Corporate Bondholders;
 - (4) The Company proposes to change or dismiss the Bond Trustee, to amend the main contents of the trust agreement, or to terminate the trust agreement;
 - (5) The Company undergoes a capital reduction (other than reductions resulting from the implementation of an employee stock ownership plan, equity incentive plan, or share repurchase for the purpose of safeguarding the Company's value and Shareholders' interests), merger, or similar events that may cause a material adverse change in solvency, requiring a decision or authorization to implement corresponding measures;
 - (6) The Company undergoes division, receivership and dissolution, files for bankruptcy, or enters bankruptcy proceedings in accordance with the law;
 - (7) Material changes occur in the guarantor (if any), the collateral (if any), or other measures to ensure debt repayment;
 - (8) The Company proposes a debt restructuring plan;
 - (9) The Company's management is unable to perform their duties normally, resulting in serious uncertainty regarding the Company's ability to discharge its debts, and it is necessary to take action in accordance with law;

APPENDIX IV RESOLUTION ON THE ADJUSTMENT OF THE PROPOSED SCHEME FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS

- (10) Written proposal to convene a meeting is submitted by the Company or the Bondholders individually or jointly holding more than 10% of the total outstanding principal amount of the Convertible Bonds;
- (11) Occurrence of other events materially affecting the rights and interests of Bondholders;
- (12) Other matters that, in accordance with laws, regulations, normative documents, the CSRC, the Shenzhen Stock Exchange, the Offering Document and the meetings' rules for the Convertible Corporate Bondholders, shall be considered and decided by the meeting of Bondholders.

5. The following institutions or persons may propose in writing to convene the Bondholders' Meetings

- (1) The Board of the Company;
- (2) The Bond Trustee;
- (3) The Bondholders individually or jointly holding more than 10% of the total outstanding principal amount of the Convertible Bonds;
- (4) Other institutions or persons as prescribed by laws, regulations, normative documents, the CSRC and the Shenzhen Stock Exchange.

6. By subscribing for, holding or acquiring the Convertible Bonds, investors are deemed to have agreed to all the provisions of the meetings' rules for the Convertible Corporate Bondholders and accepted to be bound thereby.

APPENDIX IV RESOLUTION ON THE ADJUSTMENT OF THE PROPOSED SCHEME FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS
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(XVII) Purpose of the Proceeds from this Offering

The total amount of proceeds to be raised from the offering of A Share Convertible Bonds to non-specific investors shall not exceed RMB3,600,000,000 (inclusive). After deducting issuance expenses, the net proceeds are proposed to be allocated to the following projects:

Unit: RMB'0,000

No.	Name of Project	Total Investment	Proposed Proceed Allocation
1	Yunqing Intelligent Manufacturing Base Project (Phase II)	198,359.09	185,000.00
2	High-Layer-Count Printed Circuit Board Project	155,992.17	100,000.00
3	Supplement of Working Capital	75,000.00	75,000.00
Total		429,351.26	360,000.00

Prior to the receipt of the proceeds from the Issuance of A Share Convertible Bonds, the Company will make upfront investments using its own funds or self-raised funds in light of the actual implementation progress of the invested projects. After the proceeds are received, such upfront investments will be replaced in accordance with procedures prescribed by relevant laws and regulations.

The portion of total project investment exceeding the net proceeds raised in this offering shall be funded by the Company through its own funds or self-financing methods. Within the scope of the aforesaid invested projects, the Board of the Company or its authorized representatives may appropriately adjust the specific funding amount allocated to each invested project based on actual conditions including project progress and capital requirements.

(XVIII) Guarantee

No guarantee will be provided for this Issuance of Convertible Bonds.

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(XIX) Credit Rating

The convertible bonds issued in this offering will be subject to credit rating and ongoing follow-up rating conducted by a qualified credit rating agency.

(XX) Management and Deposit for Proceeds Raised

The Company has established relevant systems for the management of proceeds raised. The proceeds from the Issuance of A Share Convertible Bonds will be deposited in a dedicated account for the proceeds raised designated by the Board of the Company. The specific account opening arrangements will be determined by the Board of the Company (or its authorized persons) prior to the Issuance, and details of the dedicated account for raised proceeds will be disclosed in the issuance announcement.

(XXI) Validity Period of the Issuance Plan

The validity period of the Issuance plan for Convertible Bonds shall be 12 months, commencing from the date on which the Issuance plan is considered and approved at the general meeting.

This resolution has been reviewed and approved by the Special Meeting of Independent Directors, the Audit Committee of the Board, and the Strategy and ESG Committee of the Board; this resolution must still be submitted to the Company's general meeting for consideration and must be approved by more than two-thirds of the total valid voting rights held by the Shareholders present at the meeting.

The Board of Delton Technology (Guangzhou) Inc.
August 7, 2026



廣州廣合科技股份有限公司

Delton Technology (Guangzhou) Inc.

(No.22 Baoying South Road, Bonded Zone, Huangpu District, Guangzhou,
Guangdong Province)

**PRELIMINARY PROPOSAL FOR THE ISSUANCE OF
A SHARE CONVERTIBLE CORPORATE BONDS TO
NON-SPECIFIC INVESTORS (REVISED VERSION)**

August 2026

COMPANY STATEMENT

- I. The Company and all members of the Board warrant that the contents of this announcement are true, accurate and complete, and confirm that there are no false representations, misleading statements or material omissions, and assume joint and several legal liabilities for the truthfulness, accuracy and completeness of the contents of the Plan.
- II. Upon completion of the Issuance of A Share Convertible Bonds to non-specific investors, any changes in the operations and revenue of the Company shall be the sole responsibility of the Company; any investment risks arising from the Issuance of A Share Convertible Bonds to non-specific investors shall be borne by investors themselves.
- III. The Plan is a statement made by the Board of the Company regarding the Issuance of A Share Convertible Bonds to non-specific investors. Any statement to the contrary constitutes a misrepresentation.
- IV. Investors who have any questions should consult their own stockbrokers, lawyers, professional accountants or other professional advisors.
- V. The matters set forth in the Plan do not represent any substantive judgment, confirmation, approval or registration by the review and registration authorities in respect of the Issuance of A Share Convertible Bonds to non-specific investors. The effectiveness and completion of the matters relating to the Issuance of A Share Convertible Bonds to non-specific investors as mentioned in the Plan are subject to approval by the general meeting of the Company, review by the Shenzhen Stock Exchange for listing and issuance, and registration with the CSRC, with the final plan being subject to the registration approved by the CSRC.

SPECIAL REMINDERS

- I. The method of the Issuance of securities is the Issuance of A Share Convertible Bonds to non-specific investors.
- II. The relevant matters of the Issuance have been considered and approved at the first meeting of the third session of the Board and the second meeting of the third session of the Board of the Company. The Issuance remains subject to approval by the general meeting of the Company, review and approval by the Shenzhen Stock Exchange, and registration with the consent of the CSRC before it can be implemented.
- III. The total amount of proceeds to be raised from the Issuance of A Share Convertible Corporate Bonds to non-specific investors shall not exceed RMB3,600,000,000 (inclusive). After deducting issuance expenses, the net proceeds are proposed to be invested in the following projects:

Unit: RMB'0,000

No.	Project Name	Total Investment	Proposed Proceed Allocation
1	Yunqing Intelligent Manufacturing Base Project (Phase II)	198,359.09	185,000.00
2	High-Layer-Count Printed Circuit Board Project	155,992.17	100,000.00
3	Supplement of Working Capital	75,000.00	75,000.00
	Total	429,351.26	360,000.00

- IV. As of June 30, 2026, the use of the previous A share proceeds of the Company is as follows:

Unit: RMB'0,000

Project	Net Proceeds	Amount Used as of June 30, 2026	Proceeds Balance (Including Investment Income)	Utilization Rate
Initial public offering of shares	65,345.85	57,101.64	9,304.95	87.38%

As of June 30, 2026, the utilization rate of the proceeds from the initial public offering of A Shares was 87.38%. For details of the specific use of the proceeds from the initial public offering of A Shares, please refer to the Report on the Use of Previous Proceeds disclosed by the Company on the website of cninfo on the same day.

As of June 30, 2026, the unused portion of the previous A Share proceeds of the Company will be strictly applied in accordance with the investment plans, ensuring that the proceeds are used exclusively for their designated purposes and deployed in an orderly manner, so as to effectively guarantee the smooth implementation and commissioning of the proceed investment projects, enhance the core competitiveness and sustainable development capabilities of the Company, and safeguard the legitimate rights and interests of all Shareholders, particularly minority Shareholders.

- V. The method and target subscribers of the Issuance of securities to non-specific investors: The specific method of the Issuance of convertible corporate bonds shall be determined by the Board or its authorized persons as authorized by the general meeting of the Company through negotiation with the sponsor (the lead underwriter). The target subscribers of the convertible corporate bonds are natural persons, legal persons, securities investment funds and other investors in compliance with legal requirements who have maintained securities accounts at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (excluding those prohibited by the PRC laws and regulations).
- VI. Subscription arrangement for the existing Shareholders under the Issuance of securities to non-specific investors: The existing A Shareholders are entitled to subscribe for the Convertible Bonds in priority. The existing Shareholders shall be entitled to waive such pre-emptive rights. The proportion and quantity of subscription in priority by the existing Shareholders shall be determined by the Board or its authorized person as authorized by the general meeting of the Company through negotiation with the sponsor (the lead underwriter) based on market conditions prior to the Issuance and shall be disclosed in the announcement(s) in relation to the Issuance of Convertible Bonds. The remaining convertible corporate bonds which are not subject to the abovementioned pre-emptive rights of the existing A Shareholders and are not subscribed by the existing A Shareholders will be offered to institutional investors offline and/or issued by way of online pricing through the trading system of the Shenzhen Stock Exchange, with the remaining balance to be underwritten by the lead underwriter. Specific plan shall be determined by the Board or its authorized persons as authorized by the general meeting of the Company through negotiation with the sponsor (the lead underwriter) prior to the Issuance.

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DEFINITIONS

In the Plan, unless otherwise specified, the following terms have the meanings set forth below:

Delton Technology, the Company, Listed Company, Issuer	Delton Technology (Guangzhou) Inc.
Issuance	the Issuance of A Share Convertible Corporate Bonds to non-specific investors by Delton Technology (Guangzhou) Inc.
Board	the board of Directors of Delton Technology (Guangzhou) Inc.
general meeting	general meeting of Delton Technology (Guangzhou) Inc.
Articles of Association	the articles of association of Delton Technology (Guangzhou) Inc.
the Plan	the plan for the Issuance of A Share Convertible Corporate Bonds to non-specific investors by Delton Technology (Guangzhou) Inc.
Offering Document, the Offering Document for the Convertible Bonds	the Offering Document for the Issuance of A Share Convertible Corporate Bonds to non-specific investors by Delton Technology (Guangzhou) Inc.
Convertible Bonds	Convertible Corporate Bonds
CSRC	China Securities Regulatory Commission
the reporting period, the Recent Three Years and the Recent Period	2023, 2024, 2025, and January to June 2026
the Last Three Years	2023, 2024, 2025
end of the reporting period	June 30, 2026
end of each reporting period	December 31, 2023, December 31, 2024, December 31, 2025, and June 30, 2026
RMB, RMB million	RMB yuan, RMB million

Note: Any discrepancies between the totals and the sum of the listed figures in the Plan are due to rounding.

I. Statement on the Compliance with the Requirements for the Issuance of Convertible Bonds to Non-Specific Investors under the Measures for the Administration of Registration of Securities Offering by Listed Companies

Pursuant to the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Measures for the Administration of Registration of Securities Offering by Listed Companies and other laws, regulations and normative documents, the Board has conducted a comprehensive review and assessment of the Company's actual circumstances on an item-by-item basis. The Board is of the view that the Company satisfies all the requirements under the prevailing laws, regulations and normative documents relating to the Issuance of Convertible Corporate Bonds to non-specific investors by listed companies, and accordingly possesses the requisite qualifications and satisfies the conditions for such proposed issuance.

II. Summary of the Issuance

(I) Type of securities to be issued

The type of the securities to be issued is convertible bonds which are to be issued to non-specific investors and can be converted into A Shares. Such Convertible Bonds and the A Shares to be converted will be listed on the Shenzhen Stock Exchange.

(II) Size of the Issuance

According to the requirements of relevant laws, regulations and normative documents and based on the financial position and investment plan of the Company, the total amount of proceeds raised from the proposed Issuance of A Share Convertible Bonds will not exceed RMB3.6 billion (RMB3.6 billion inclusive). The actual amount of proceeds raised shall be determined by the Board or its authorized persons as authorized by the general meeting of the Company and shall be subject to the maximum limit above.

(III) Par value and issue price

The Convertible Bonds under the Issuance will be issued at par with a nominal value of RMB100.00 each.

(IV) Term of the Convertible Bonds

The term of the Convertible Bonds under the Issuance will be six years from the date of the Issuance.

(V) *Coupon rate*

The method for determination of coupon rate of the Convertible Bonds under the Issuance and the final interest rate for each of the interest accrual years shall be determined by the Board or its authorized persons as authorized by the general meeting through negotiation with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the actual conditions of the Company prior to the Issuance.

In the event of any adjustment to the bank deposit interest rate before the completion of the Issuance of Convertible Bonds, the coupon rate shall be adjusted accordingly by the Board or its authorized persons as authorized by the general meeting.

(VI) *Term and method of interest payment*

The interest of the Convertible Bonds under the Issuance shall be paid on an annual basis. When the Convertible Bonds mature, the principal of the outstanding Convertible Bonds shall be repaid together with the interest accrued for the previous year.

1. *Calculation of annual interest*

Annual Interest refers to the accrued interest to a Convertible Bondholder each year on each anniversary of the date of the Issuance of Convertible Bonds, which is calculated based on the aggregate nominal value of the Convertible Bonds held by the holder.

The formula for calculating the Annual Interest is as follows: $I=B \times i$

In which, I: denotes the amount of the Annual Interest;

B: denotes the aggregate nominal value of the Convertible Bonds under the Issuance held by a Convertible Bondholder as at the record date for interest payment in that interest accrual year ("**that year**" or "**each year**"); and

i: denotes the coupon rate of the Convertible Bonds under the Issuance of that year.

2. *Method of interest payment*

- (1) Interest of the Convertible Bonds under the Issuance shall be paid on an annual basis, accruing from the date of the Issuance of Convertible Bonds.

- (2) Interest payment date: the interest payment date is each anniversary date of the date of the Issuance of Convertible Bonds. If such date falls on a statutory holiday or rest day, the interest payment date shall be postponed to the first trading day immediately thereafter, provided that no additional interest will be accrued during the period of postponement. The period between an interest payment date and the immediately following interest payment date shall be an interest accrual year. Matters in relation to interest and the ownership of share dividends in the year of conversion shall be determined by the Board of the Company or its authorized persons according to relevant laws, regulations and provisions of the Shenzhen Stock Exchange.
- (3) Record date for interest payment: the record date for interest payment in each year shall be the last trading day preceding the interest payment date. The Company shall pay the accrued interest in that year within five trading days from the interest payment date. The Company shall not pay any interest for that year and subsequent interest for accrual years to the Bondholders who have applied to convert their Convertible Bonds into A Shares on or before the record date for interest payment.
- (4) The Company will, within five trading days after the maturity date of the Convertible Bonds under the Issuance, repay all outstanding principal amounts of such bonds that have not been converted into shares upon maturity, together with the accrued interest for the final year.
- (5) The taxes payable on the interest income of Convertible Bondholders under the Issuance shall be borne by such Bondholders.

(VII) Conversion period

The conversion period of the Convertible Bonds under the Issuance shall commence on the first trading day immediately following the expiry of the six-month period after the date of completion of the Issuance of Convertible Bonds, and end on the maturity date of the Convertible Bonds.

*(VIII) Determination and adjustment of the Conversion Price**1. Basis for determining the initial Conversion Price*

The initial Conversion Price of the Convertible Bonds under the Issuance shall not be lower than the average trading price of Shares for the 20 trading days immediately preceding the date of publication of the Offering Document and the average trading price of Shares on the immediately preceding trading day. The specific initial Conversion Price shall be determined by the Board or its authorized persons as authorized by the general meeting through negotiation with the sponsor (the lead underwriter) based on the market conditions prior to the Issuance.

In the event that the Share price was adjusted due to ex-right and ex-dividend during such 20 trading days, the average trading price of Shares on the trading days prior to the adjustment shall be calculated based on the price after such ex-right and ex-dividend.

The average trading price of Shares for the immediately preceding 20 trading days = total trading amount of Shares for the immediately preceding 20 trading days / total trading volume of Shares for such 20 trading days. The average trading price of Shares for the immediately preceding trading day = total trading amount of Shares for the immediately preceding trading day / total trading volume of Shares for such trading day.

2. Method of adjustments and calculation formula to the Conversion Price

The Conversion Price will be adjusted according to the following formula (rounded off to two decimal places) upon the Issuance in case of changes in the Shares due to certain events, such as distribution of bonus Shares, conversion or increase of share capital, issuance of new Shares (excluding any increase in the share capital as a result of conversion of the Convertible Bonds under the Issuance) or rights issue or distribution of cash dividends:

Distribution of bonus Shares or conversion or increase of share capital:

$$P_1 = P_0 / (1+n)$$

Issuance of new Shares or rights issue: $P_1 = (P_0 + A \times k) / (1+k)$

The two events above occurring concurrently: $P_1 = (P_0 + A \times k) / (1+n+k)$

Distribution of cash dividends: $P_1 = P_0 - D$

The three events above occurring concurrently: $P_1 = (P_0 - D + A \times k) / (1+n+k)$

In which, P_0 : denotes the Conversion Price before adjustment; n : denotes the rate of distribution of bonus Share or conversion or increase of share capital; k : denotes the rate of issuance of new Shares or rights issue; A : denotes the price of issuance of new Shares or rights issue; D : denotes the cash dividend per Share; and P_1 : denotes the adjusted Conversion Price.

Upon occurrence of any of the abovementioned events, the Company shall adjust the Conversion Price based on the order of occurrence, and publish an announcement on the media for information disclosure of listed companies. Such announcement shall indicate the date of adjustment to the Conversion Price, adjustment method and suspension period of share conversion (if necessary). If the Conversion Price adjustment date is on or after the date on which an Convertible Bondholder applies for the conversion but before the registration date of the Shares to be issued upon conversion, such conversion shall be executed based on the Conversion Price adjusted by the Company.

In the event that the creditors' interests or the interests derived from share conversion of the Convertible Bondholders are affected by the change in the Company's share class, quantity and/or Shareholders' interests due to any possible share repurchase, consolidation, division or any other circumstances, the Company shall adjust the Conversion Price based on the actual situations and in accordance with the principles of fairness, justice and equality so as to fully protect the interests of the Convertible Bondholders. The details of adjustments to the Conversion Price and its implementation measures shall be determined in accordance with relevant prevailing PRC laws, regulations and the relevant requirements of the securities regulatory authorities and the Shenzhen Stock Exchange.

(IX) *Terms of downward adjustment to Conversion Price*

1. *Authorization and magnitude of adjustment*

If, during the term of the Convertible Bonds under the Issuance, the closing prices of Shares on at least 15 trading days out of any 30 consecutive trading days are lower than 85% of the prevailing Conversion Price, the Board is entitled to propose a downward adjustment to the Conversion Price and submit the same to the general meeting for consideration and approval.

The abovementioned proposal is subject to the approval of more than two-thirds of Shareholders with voting rights who attend the general meeting. Shareholders who hold the Convertible Bonds under the Issuance shall abstain from voting at such general meeting. The adjusted Conversion Price shall be no less than the higher of the average trading price of Shares for 20 trading days immediately preceding the date of such a general meeting and

the average trading price of Shares on the trading day immediately preceding the date of such a general meeting. In addition, the adjusted Conversion Price shall not be lower than the latest audited net asset value per Share and the par value of the Share.

In the event of an adjustment to the Conversion Price during the aforementioned 30 consecutive trading days, in respect of the trading days prior to the adjustment to the Conversion Price, the calculation shall be based on the unadjusted Conversion Price and the closing price of the Shares on each such day, and in respect of the days on which adjustment to the Conversion Price is made and the trading days afterwards, the calculation shall be based on the adjusted Conversion Price and the closing price of the Shares on each such day.

2. *Procedures of adjustment*

In the event that the Company decides to adjust the Conversion Price downwards, the Company shall publish an announcement on the media designated by the CSRC for information disclosure of listed companies. Such announcement shall disclose information including the magnitude of the adjustment, the registration date of shares, the suspension period of share conversion, if necessary, and other relevant information. Application for conversion at adjusted Conversion Price shall be resumed upon the first trading day after the registration date, i.e. the Conversion Price adjustment date.

If the Conversion Price adjustment date is on or after the date on which a Bondholder applies for the conversion but before the registration date of the shares to be issued upon conversion, then such conversion shall be executed based on the adjusted Conversion Price.

(X) *Method for determining the number of Conversion Shares*

Where a Convertible Bondholder applies for the conversion during the conversion period under the Issuance, the formula for calculating the number of Shares to be issued upon conversion is as below: $Q = V/P$, rounded down to the nearest whole number.

In which, Q: denotes the number of Shares to be converted; V: denotes the aggregate nominal value of Convertible Bonds in respect of which the Convertible Bondholder applies for conversion; and P: denotes the prevailing Conversion Price as at the date of application for conversion.

The number of Shares to be converted shall be in whole numbers where the Convertible Bondholder under the Issuance applies for the conversion. Where the remaining balance of the Convertible Bonds is insufficient to be converted into one Share upon the application of conversion made by the Convertible Bondholders under the Issuance, within five trading days from the date of conversion by the Convertible Bondholders, the Company shall pay the Bondholders in cash an

amount equal to the par value of such Convertible Bonds and the accrued interest thereof for the current period in accordance with the relevant requirements of the CSRC, Shenzhen Stock Exchange, China Securities Depository and Clearing Corporation Limited and other authorities. (For the method of calculating accrued interest for the current period, see the relevant provisions in XI. Terms of redemption).

(XI) Terms of redemption

1. Terms of redemption upon maturity

Within five trading days upon the maturity of the Convertible Bonds under the Issuance, the Company shall redeem all the Convertible Bonds which have not been converted into Shares by then. The specific redemption price shall be determined by the Board or its authorized persons as authorized by the general meeting of the Company through negotiation with the sponsor (the lead underwriter) based on the market conditions upon the Issuance.

2. Terms of conditional redemption

During the conversion period of the Convertible Bonds under the Issuance, in the event of any of the following two circumstances, the Company shall have the right to redeem the whole or part of the outstanding Convertible Bonds, at a price equal to the nominal value of the Convertible Bonds plus the then accrued interest:

- 1) The closing prices of Shares on at least 15 trading days out of any 30 consecutive trading days during the conversion period are no less than 130% (130% inclusive) of the prevailing Conversion Price;
- 2) The balance of the outstanding Convertible Bonds is lower than RMB30 million.

The formula for calculating the accrued interest for the current period is as follows: $I_A = B \times i \times t / 365$

I_A : denotes the accrued interest for the current period;

B : denotes the aggregate nominal value of the Convertible Bonds to be redeemed held by such Bondholders;

i : denotes the coupon rate of the Convertible Bonds for the current year;

t : denotes the number of days on which interest is accrued, i.e. in respect to redemption date prior to the first interest payment day, it refers to the actual number of calendar days from the commencement date of interest

accrual (inclusive) to the redemption date of the current interest accrual year (excluding the redemption date); and in respect to redemption date after the first interest payment day, it refers to the actual number of calendar days from the preceding interest payment date (inclusive) to the redemption date of the current interest accrual year (excluding the redemption date).

The redemption period of the Convertible Bonds is the same as the conversion period, i.e. from the first trading day upon the expiry of six months from the completion of the Issuance to the maturity date of the Convertible Bonds.

In the event that an adjustment to the Conversion Price is made during the aforementioned 30 consecutive trading days, in respect of the trading days prior to the adjustment, the calculation shall be based on the unadjusted Conversion Price and the closing price of the Shares on each such day, and in respect of the trading days on or after the adjustment, the calculation shall be based on the adjusted Conversion Price and the closing price of the Shares on each such day.

(XII) *Terms of sale back*

1. *Terms of conditional sale back*

During the last two interest accrual years within the term of the Convertible Bonds, if the closing prices of the Shares on any 30 consecutive trading days are lower than 70% of the prevailing Conversion Price, the Convertible Bondholders are entitled to sell back the whole or part of the Convertible Bonds they hold to the Company at par plus the then accrued interest. In the event that an adjustment to the Conversion Price is made due to distribution of bonus Shares, conversion or increase of share capital, issuance of new Shares (excluding any increase in the share capital as a result of conversion of the Convertible Bonds under the Issuance) or rights issue, distribution of cash dividends during the aforementioned trading days, in respect of the trading days prior to the adjustment, the calculation shall be based on the unadjusted Conversion Price and the closing price of the Shares on each such day, and in respect of the trading days on or after the adjustment, the calculation shall be based on the adjusted Conversion Price and the closing price of the Shares on each such day. In the event that there is a downward adjustment to the Conversion Price, the aforesaid "30 consecutive trading days" shall be re-counted from the first trading day following the adjustment to the Conversion Price.

For the calculation of accrued interest for the current period, please refer to the paragraph headed "Terms of redemption". The Convertible Bondholders may exercise their sale back rights once every year when the sale back conditions have been initially satisfied according to the abovementioned

agreed terms in the last two interest accrual years within the term of the Convertible Bonds. Where the sale back conditions are initially satisfied and the Convertible Bondholders do not apply for and exercise their sale back rights during the sale back declaration period then announced by the Company, no sale back rights may be exercised during such interest accrual year. The Convertible Bondholders shall not be allowed to exercise part of their sale back rights for multiple times.

2. *Additional terms of sale back*

Where the actual use of the proceeds raised from Convertible Bonds significantly differs from the undertakings of the use of proceeds set out by the Company in the Offering Document, and such difference is considered by the CSRC or the Shenzhen Stock Exchange as a change in the use of proceeds, the Convertible Bondholders shall be entitled to a one-off right to sell the whole or part of the Convertible Bonds they hold back to the Company at par plus the then accrued interest. Under the foregoing circumstances, the Convertible Bondholders may sell their Convertible Bonds back to the Company during the additional sale back declaration period as announced by the Company. If the Bondholders do not exercise their sale back rights during such period, no such right may be exercised.

For the calculation of accrued interest for the current period, please refer to the paragraph headed "Terms of redemption".

(XIII) Entitlement to dividend in the year of conversion

The new Shares to be issued upon the conversion of Convertible Bonds under the Issuance shall rank pari passu with all the existing Shares, and all Shareholders of ordinary Shares (including those who become Shareholders by virtue of the conversion of the Convertible Bonds) whose names are recorded on the register of members of the Company on the record date for dividend distribution shall be entitled to receive the dividend of that period and enjoy equal rights and interests.

(XIV) Method of the Issuance and target subscribers

The specific method of the issuance of Convertible Bonds shall be determined by the Board or its authorized persons as authorized by the general meeting through negotiation with the sponsor (the lead underwriter). The target subscribers of the Convertible Bonds are natural persons, legal persons, securities investment funds and other investors in compliance with legal requirements who have maintained securities accounts at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (excluding those prohibited by the PRC laws and regulations).

(XV) Subscription arrangement for the existing Shareholders

The existing Shareholders are entitled to subscribe for the Convertible Bonds in priority. The existing Shareholders shall be entitled to waive such pre-emptive rights. The proportion of subscription in priority by the existing Shareholders shall

be determined by the Board (or its authorized person) as authorized by the general meeting through negotiation with the sponsors (the lead underwriter) based on market conditions prior to the Issuance and shall be disclosed in the announcement(s) in relation to the Issuance of Convertible Bonds.

The remaining Convertible Bonds which are not subject to the abovementioned pre-emptive rights of the existing Shareholders and are not subscribed by the existing Shareholders will be offered to institutional investors offline and/or issued by way of online pricing through the trading system of the Shenzhen Stock Exchange, and the remaining portion will be underwritten by the underwriters. Specific issuance method shall be determined by the Board (or its authorized person) as authorized by the general meeting through negotiation with the sponsor (the lead underwriter) prior to the Issuance.

(XVI) Matters relating to the meetings of Bondholders

1. Rights of Bondholders

- (1) to receive the agreed interest based on the number of the Convertible Bonds held;
- (2) to participate in, or appoint proxies to participate in, meetings of the holders of the Convertible Bonds and to exercise the voting rights thereat, in accordance with the relevant provisions of laws, administrative regulations, and other applicable rules;
- (3) to convert the Convertible Bonds held by the Bondholders into Shares of the Company under the agreed conditions;
- (4) to exercise the right of sale back under the agreed conditions;
- (5) to transfer, grant or pledge the Convertible Bonds held by the Bondholders in accordance with the provisions of laws, administrative regulations and the Articles of Association;
- (6) to obtain relevant information in accordance with the provisions of laws, administrative regulations and the Articles of Association;
- (7) to request the Company to repay the principal and interest of the Convertible Bonds within the agreed period and in the agreed manner;
- (8) other rights as creditors of the Company ascribed by laws, administrative regulations and the Articles of Association.

2. *Obligations of Bondholders*

- (1) to comply with the relevant provisions of the terms of the A Share Convertible Bonds under the Issuance by the Company;
- (2) to pay the subscription amount based on the amount of Convertible Bonds subscribed by them;
- (3) to abide by the effective resolutions passed at the meeting of the Bondholders;
- (4) not to request the Company to repay the principal and interest of the Convertible Bonds in advance, except as required by laws, regulations or as agreed in the Offering Document;
- (5) to bear other obligations that shall be borne by the Convertible Bondholders as required by laws, administrative regulations and the Articles of Association.

3. *The extents of authority of the Bondholders' Meetings are as follows:*

- (1) to resolve whether to approve the Company's proposal of modifying the plan contained in the Offering Document, despite the fact that the Bondholders' Meetings shall not resolve to agree to the Company not paying the principal and interest of the Convertible Bonds, modifying the interest rate and term of the Convertible Bonds or cancelling the term of redemption or sale back set out in the Offering Document;
- (2) to resolve whether to approve the solutions to the failure to pay the principal and interest of the Convertible Bonds on time by the Company, to resolve on the enforcement of repaying the principal and interest of the Convertible Bonds by the Company and the guarantors (if any) through litigation and other procedures, to resolve whether to participate in the legal procedures of the issuer including rectification, settlement, reorganisation or bankruptcy;
- (3) to resolve whether to accept the Company's proposal in relation to a capital reduction (other than a capital reduction caused by employee stock ownership scheme, equity incentives, or a necessary share repurchase made by the Company to maintain its value and the rights and interests of the Shareholders), merger, division, dissolution or filings for bankruptcy and to resolve on the plan of exercising the rights entitled to the Bondholders according to the laws;

- (4) to resolve on the plan of exercising the rights entitled to the Bondholders according to the laws in case any material adverse change arises from the Guarantors (if any) or the collateral (if any);
 - (5) to resolve on the plan of exercising the rights entitled to the Bondholders according to the laws in case any event having a material impact on the interests of Bondholders happens;
 - (6) to resolve on the proposed change or dismissal of the trustees of the Convertible Bonds or amendment to the principal terms of the management entrustment agreement;
 - (7) to resolve on amendments to the rules governing the meeting of holders of the Convertible Bonds as permitted by the laws; and
 - (8) other circumstances which are required to be resolved at the Bondholders' Meetings in accordance with the laws, regulations and normative documents.
4. *During the term of the Convertible Bonds, a Bondholders' Meeting shall be convened upon the occurrence of any of the following events*
- (1) the Company proposes to change the terms under the Offering Document;
 - (2) the Company fails to pay the principal and interest of the Convertible Corporate Bonds on time;
 - (3) the Company proposes to amend the rules governing the meetings of holders of the Convertible Corporate Bonds;
 - (4) the Company proposes to change or dismiss the trustee, amend the principal terms of the management entrustment agreement or terminate the management entrustment agreement;
 - (5) the Company undertakes a capital reduction (other than a capital reduction caused by employee stock ownership scheme, equity incentives, or a necessary share repurchase made by the Company to maintain its value and the rights and interests of the Shareholders), merger, or other events that may result in a material adverse change to its solvency, it is necessary to resolve on or authorize the adoption of corresponding measures;

- (6) the Company is subject to division, receivership, dissolution, filing for bankruptcy or entering into bankruptcy proceedings in accordance with the law;
 - (7) there are material changes in the Guarantors (if any), collaterals (if any) or other debt repayment guarantee measures;
 - (8) the Company proposes a debt restructuring scheme;
 - (9) measures shall be taken in accordance with laws when the Company's capability of solvency of its debt faces material uncertainties due to the failure of the Company's management to fulfill its responsibilities and duties;
 - (10) the Company and the Bondholders who individually or jointly hold more than 10% of the total outstanding principal amount of the Convertible Bonds propose to convene a meeting in writing;
 - (11) other matters which may materially affect the substantial interests of the Bondholders; and
 - (12) other matters that shall be resolved by the Bondholders' Meetings pursuant to the requirements of the laws, regulations, normative documents, CSRC, Shenzhen Stock Exchange, or stipulated in the Offering Document and the rules governing the meeting of holders of the Convertible Bonds.
5. *The following entities or persons may propose a Bondholders' Meeting in writing*
- (1) the Board of the Company;
 - (2) trustees of the Convertible Bonds;
 - (3) the Bondholders that individually or jointly hold more than 10% of the total outstanding principal amount of the Convertible Bonds;
 - (4) other entities or persons prescribed by the laws, regulations, normative documents, CSRC and Shenzhen Stock Exchange.
6. *Investors who subscribe for, hold or are granted the Convertible Bonds are deemed to agree to all the provisions under the rules governing the meeting of holders of the Convertible Bonds and shall be bound by these rules.*

(XVII) Purpose of the Proceeds from This Offering

The total amount of proceeds to be raised from the public offering of A Share Convertible Corporate Bonds to non-specific investors shall not exceed RMB3,600,000,000 (inclusive). After deducting issuance expenses, the net proceeds are proposed to be allocated to the following projects:

Unit: RMB'0,000

No.	Name of Project	Total Investment	Proposed Proceed Allocation
1	Yunqing Intelligent Manufacturing Base Project (Phase II)	198,359.09	185,000.00
2	High-Layer-Count Printed Circuit Board Project	155,992.17	100,000.00
3	Supplement of Working Capital	75,000.00	75,000.00
	Total	429,351.26	360,000.00

Prior to the receipt of the proceeds from this offering of A Share Convertible Corporate Bonds, the Company will make upfront investments using its own funds or self-raised funds in light of the actual implementation progress of the invested projects. After the proceeds are received, such upfront investments will be replaced in accordance with procedures prescribed by relevant laws and regulations.

The portion of total project investment exceeding the net proceeds raised in this offering shall be funded by the Company through its own funds or self-financing methods. Within the scope of the aforesaid invested projects, the Board of the Company or its authorized representatives may appropriately adjust the specific funding amount allocated to each invested project based on actual conditions including project progress and capital requirements.

(XVIII) Guarantee

No guarantee is provided for the Convertible Bonds issued in the Issuance.

(XIX) Rating

The Convertible Bonds issued in the Issuance will be entrusted to qualified credit rating agencies for credit rating and follow-up rating.

(XX) Deposit and custody of proceeds

The Company has formulated relevant systems for the management of proceeds. The proceeds from the Issuance of A Share Convertible Bonds will be deposited into a special account for proceeds designated by the Board of the Company. The specific matters regarding the opening of the account will be determined by the Board of the Company or the person authorized by the Board prior to the issuance, and the relevant information of the special account for proceeds will be disclosed in the issuance announcement.

(XXI) Validity period of the issuance plan

The validity period of the Company's Convertible Bond Issuance Plan is twelve months, which is calculated from the date when the Issuance Plan is considered and approved by the general meeting.

III. Financial Accounting Information and Management Discussion and Analysis

The Company's 2023 annual financial report was audited by Grant Thornton Zhitong Certified Public Accountants LLP, which issued a standard unqualified audit report numbered "Zhitong Shen Zi [2024] No. 441A015215." The Company's 2024 and 2025 annual financial reports were audited by RSM China Certified Public Accountants (Special General Partnership), which issued standard unqualified audit reports numbered "RSM Shen Zi [2025] No. 518Z0041" and "RSM Shen Zi [2026] No. 519Z0008," respectively. The Company's financial report for January to June 2026 has not been audited.

Unless otherwise specified, the Plan is based on data from the consolidated financial statements for 2023, 2024, 2025, and January to June 2026.

(I) Consolidated financial statements for the Recent Three Years and the Recent Period**1. Consolidated balance sheet**

Unit: RMB0'000

Item	June 30, 2026	December 31, 2025	December 31, 2024	December 31, 2023
Current assets:				
Cash and cash equivalents	264,232.70	51,978.94	72,128.07	43,126.79
Financial assets held for trading	–	19,046.83	29,106.98	–
Derivative financial assets	1,320.21	304.45	–	–
Notes receivable	13,102.04	11,348.79	12,828.45	4,697.84
Trade receivables	283,372.52	193,662.93	116,467.01	83,967.87
Receivables financing	54.30	1,186.55	104.78	1,301.17
Prepayments	1,929.21	1,296.20	303.87	137.56
Other receivables	2,928.65	552.95	1,212.89	1,282.76
Inventories	138,362.77	76,444.57	45,855.02	39,691.36
Other current assets	15,946.51	13,560.17	6,860.74	6,064.77
Total current assets	721,248.91	369,382.37	284,867.81	180,270.12
Non-current assets:				
Long-term equity investments	2,020.31	1,180.35	–	–
Fixed assets	373,612.67	302,931.58	178,200.70	152,424.77
Construction in progress	84,467.31	25,459.50	73,957.32	25,509.03
Right-of-use assets	250.34	291.33	39.24	982.40
Intangible assets	20,475.07	20,459.24	16,293.87	15,701.27
Long-term deferred expense	1,760.98	1,293.93	785.86	364.64
Deferred income tax assets	14,908.57	5,494.53	7,565.25	5,110.86
Other non-current assets	72,687.13	27,714.50	6,865.60	880.12
Total non-current assets	570,182.38	384,824.96	283,707.84	200,973.09
Total assets	1,291,431.29	754,207.32	568,575.65	381,243.21
Current liabilities:				
Short-term borrowings	25,237.09	26,796.21	10,012.18	7,871.22
Derivative financial liabilities	479.60	–	808.78	142.23
Notes payable	107,709.72	66,248.66	44,717.98	32,153.89
Trade payables	258,520.19	171,750.02	119,942.26	90,015.21
Contract liabilities	1,546.13	605.29	737.89	630.43
Employee benefits payable	11,621.23	12,350.91	10,754.32	8,556.24
Taxes payable	7,403.92	4,627.29	3,578.45	3,604.27
Other payables	6,843.05	6,420.33	6,914.87	2,661.81
Non-current liabilities due within one year	16,765.23	9,519.39	12,128.41	8,351.50
Other current liabilities	2,026.44	2,979.98	8,697.07	1,533.26
Total current liabilities	438,152.61	301,298.07	218,292.20	155,520.05

**PRELIMINARY PROPOSAL FOR THE ISSUANCE OF
A SHARE CONVERTIBLE CORPORATE BONDS TO
NON-SPECIFIC INVESTORS (REVISED VERSION)**

Item	June 30, 2026	December 31, 2025	December 31, 2024	December 31, 2023
Non-current liabilities:				
Long-term borrowings	39,330.46	31,800.07	19,167.80	22,204.48
Lease liabilities	193.07	231.44	–	43.32
Long-term payables	218.77	225.32	226.83	879.54
Deferred income	20,654.20	20,803.02	16,672.51	12,672.10
Deferred income tax liabilities	–	2,040.91	6,831.71	6,892.33
Total non-current liabilities	60,396.49	55,100.76	42,898.86	42,691.76
Total liabilities	498,549.10	356,398.82	261,191.06	198,211.81
Owner's equity:				
Share capital	47,256.88	42,566.43	42,526.50	38,000.00
Capital reserve	436,851.36	140,973.22	132,242.70	64,586.30
Less: Treasury shares	3,990.14	4,257.94	5,298.46	–
Other comprehensive income	-1,469.87	-148.34	416.21	–
Surplus reserve	21,283.21	21,283.21	16,359.33	9,328.00
Undistributed profits	292,950.75	197,391.92	121,138.31	71,117.10
Total equity attributable to the parent company	792,882.19	397,808.50	307,384.59	183,031.40
Total owner's equity	792,882.19	397,808.50	307,384.59	183,031.40
Total liabilities and owner's equity	1,291,431.29	754,207.32	568,575.65	381,243.21

2. Consolidated income statement

Unit: RMB0'000

Item	January to June 2026	2025	2024	2023
I. Total operating revenue	438,826.02	548,537.14	373,428.46	267,827.03
Including: Operating revenue	438,826.02	548,537.14	373,428.46	267,827.03
II. Total operating costs	323,863.97	427,101.41	288,103.35	211,136.08
Including: Operating costs	266,486.39	359,667.53	248,782.52	178,642.80
Taxes and surcharges	1,889.93	2,519.07	2,407.84	2,078.81
Selling expenses	10,116.11	12,874.28	10,662.05	8,528.71
Administrative expenses	10,493.08	21,156.09	13,194.52	9,566.22
Research and development expenses	23,010.51	27,979.30	17,919.75	12,058.87
Finance costs	11,867.96	2,905.14	-4,863.32	260.67
Including: Interest expense	915.73	1,657.09	1,586.67	1,392.71
Interest income	1,224.63	2,031.93	1,735.32	447.30
Add: Other income	1,187.95	3,063.86	2,212.17	1,905.92
Investment income (loss is represented by "-")	28.06	1,085.65	-122.23	-
Including: Investment income from associates and joint ventures	-60.04	-19.65	-	-
Gains from changes in fair value (loss is represented by "-")	1,729.04	351.28	-1,073.45	-4,153.74
Impairment losses on credit (loss is represented by "-")	-5,118.62	-4,325.78	-1,787.01	-1,149.46
Impairment losses on assets (loss is represented by "-")	-5,140.81	-7,617.45	-7,927.21	-3,405.96
Gains on disposal of assets (loss is represented by "-")	43.08	-139.96	-63.06	-58.20
III. Operating profit (loss is represented by "-")	107,690.75	113,853.33	76,564.32	49,829.51
Add: Non-operating income	19.31	48.63	15.28	12.67
Less: Non-operating expenses	29.94	212.04	331.50	153.93
IV. Total profit (total loss is represented by "-")	107,680.11	113,689.92	76,248.10	49,688.25
Less: Income tax expense	12,121.29	12,111.01	8,638.06	8,219.68

Item	January to June 2026	2025	2024	2023
V. Net profit (net loss is represented by "-")	95,558.82	101,578.90	67,610.04	41,468.57
(I) Classified by continuity of operations				
1. Net profit from continuing operations (net loss is represented by "-")	95,558.82	101,578.90	67,610.04	41,468.57
2. Net profit from discontinued operations (net loss is represented by "-")	-	-	-	-
(II) Classified by ownership of equity				
1. Net profit attributable to owners of the parent (net loss is represented by "-")	95,558.82	101,578.90	67,610.04	41,468.57
2. Gains or losses attributable to minority Shareholders (net loss is represented by "-")	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
VI. Net amount of other comprehensive income after tax	-1,321.52	-564.55	416.21	-
(I) Attributable to owners of the parent	-1,321.52	-564.55	416.21	-
(II) Attributable to minority Shareholders	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
VII. Total comprehensive income	94,237.30	101,014.35	68,026.25	41,468.57
(I) Attributable to owners of the parent	94,237.30	101,014.35	68,026.25	41,468.57
(II) Attributable to minority Shareholders				
VIII. Earnings per share				
(I) Basic earnings per share (RMB/share)	2.14	2.40	1.66	1.09
(II) Diluted earnings per share (RMB/share)	2.13	2.39	1.65	1.09

3. Consolidated statement of cash flows

Unit: RMB0'000

Item	January to June 2026	2025	2024	2023
I. Cash flows from operating activities				
Cash received from sales of goods or provision of labor services	335,158.49	468,863.02	355,899.07	247,244.75
Tax refunds received	28,437.77	23,293.96	18,476.90	11,654.97
Cash received relating to other operating activities	2,283.07	9,871.99	8,074.62	3,123.53
Sub-total of cash inflows from operating activities	365,879.33	502,028.97	382,450.59	262,023.25
Cash paid for purchase of goods and engagement of labor services	202,279.88	300,065.90	227,870.10	155,703.22
Cash paid to and for employees	47,272.08	69,430.72	48,340.33	37,610.62
Payments of all types of taxes	8,781.86	14,830.26	13,726.20	6,722.79
Cash paid relating to other operating activities	13,856.28	14,545.02	12,885.50	9,235.30
Sub-total of cash outflows from operating activities	272,190.09	398,871.91	302,822.12	209,271.93
Net cash flows from operating activities	93,689.24	103,157.06	79,628.46	52,751.32
II. Cash flows from investing activities				
Cash received from recovery of investments	46,000.00	111,380.00	102,600.00	–
Cash received from return on investments	1,600.09	1,071.00	750.40	–
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	728.07	525.37	13.70	170.90
Cash received relating to other investing activities	–	29.98	–	–
Sub-total of cash inflows from investing activities	48,328.16	113,006.35	103,364.10	170.90

Item	January to June 2026	2025	2024	2023
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	178,552.18	130,943.13	82,751.09	40,406.65
Cash paid for investments	27,900.00	102,580.00	131,600.00	–
Cash paid relating to other investing activities	8,793.16	667.48	1,386.51	2,250.60
Sub-total of cash outflows from investing activities	215,245.34	234,190.61	215,737.60	42,657.25
Net cash flows from investing activities	-166,917.18	-121,184.26	-112,373.50	-42,486.35
III. Cash flows from financing activities				
Cash received from accepting investments	284,827.87	1,104.27	73,323.96	–
Cash received from borrowings	32,917.15	39,555.85	22,080.09	32,036.94
Cash received relating to other financing activities	–	572.96	498.84	23,447.21
Sub-total of cash inflows from financing activities	317,745.02	41,233.07	95,902.89	55,484.15
Cash paid for repayment of debts	32,017.92	22,505.13	16,603.77	24,682.43
Cash payments for distribution of dividends, profits or interest repayment	855.71	22,094.09	11,952.38	1,429.98
Cash paid relating to other financing activities	45.78	3,556.15	6,439.79	25,058.55
Sub-total of cash outflows from financing activities	32,919.41	48,155.37	34,995.93	51,170.95
Net cash flows from financing activities	284,825.61	-6,922.30	60,906.95	4,313.20
IV. Effect of changes of exchange rate on cash and cash equivalents	-1,391.19	2,479.18	424.84	337.48
V. Net increase in cash and cash equivalents	210,206.48	-22,470.31	28,586.76	14,915.65
Add: Balance of cash and cash equivalent at the beginning of the period	41,036.79	63,507.11	34,920.35	20,004.70
VI. Balance of cash and cash equivalent at the end of the period	251,243.28	41,036.79	63,507.11	34,920.35

(II) Scope of consolidation of the consolidated statements and changes thereto**1. Scope of the consolidated financial statements at the end of the reporting period**

As of June 30, 2026, the subsidiaries within the scope of the consolidated financial statements of the Company are as follows:

No.	Name of subsidiary	Method of acquisition
1	Delton Precision Circuits (Huangshi) Inc.* (黃石廣合精密電路有限公司)	Established by way of investment
2	DELTON TECHNOLOGY INTERNATIONAL LIMITED	Established by way of investment
3	Delton Numerical Control Technology (Dongguan) Co., Ltd.* (東莞廣合數控科技有限公司)	Established by way of investment
4	Delton Investment Holdings Limited	Established by way of investment
5	Delton Technology (Thailand) Co., Ltd	Established by way of investment
6	Delton Technology Inc.	Established by way of investment

* For identification purposes only

2. Changes in the scope of the consolidated financial statements

During the reporting period, the changes in the scope of the consolidated financial statements of the Company are as follows:

Name of subsidiary	Change	Method of acquisition	Period of change
Delton Technology Inc	Addition	Established by way of investment	2025
Delton Investment Holding Limited	Addition	Established by way of investment	2023
Delton Technology (Thailand) Co., Ltd	Addition	Established by way of investment	

(III) Key financial indicators of the Company**1. Key financial indicators**

During the reporting period, key financial indicators of the Company are as follows:

Item	June 30, 2026	December 31, 2025	December 31, 2024	December 31, 2023
Current ratio (times)	1.65	1.23	1.30	1.16
Quick ratio (times)	1.33	0.97	1.09	0.90
Asset-liability ratio (consolidated)	38.60%	47.25%	45.94%	51.99%

Item	January-June 2026	2025	2024	2023
Trade receivables turnover (times/year)	3.50	3.36	3.54	3.53
Inventory turnover (times)	4.61	5.20	5.01	4.05
Cash flow from operating activities per share	1.98	2.42	1.87	1.39
Net cash flow per share (RMB/share)	4.45	-0.53	0.67	0.39

Note: The above indicators are calculated based on the consolidated financial statements. Unless otherwise stated, the specific calculation methods for the above indicators are as follows:

1. Current ratio = Current assets / Current liabilities
2. Quick ratio = Quick assets / Current liabilities (Quick assets = Current assets – Inventories)
3. Asset-liability ratio = Total liabilities / Total assets
4. Trade receivables turnover = Operating revenue / (Opening trade receivables balance + Closing trade receivables balance) / 2
5. Inventory turnover = Cost of sales / (Opening inventory balance + Closing inventory balance) / 2
6. Net cash flow from operating activities per share = Net cash flow from operating activities for the year / Total share capital at the end of the period
7. Net cash flow per share = Net increase in cash and cash equivalents for the year / Total share capital at the end of the period
8. The trade receivables turnover and inventory turnover for January-June 2026 have been annualised

2. *Return on net assets and earnings per share*

In accordance with the requirements of the China Securities Regulatory Commission's Compiling Rule on Information Disclosure for Companies Offering Their Securities to the Public No. 9 — Calculation and Disclosure of Return on Net Assets and Earnings Per Share (2010 Amendments) (China Securities Regulatory Commission Announcement [2010] No. 2) and the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No.1 – Non-recurring Gains or Losses (2023 Amendments) (China Securities Regulatory Commission Announcement [2023] No. 65), the Company has calculated the return on net assets and earnings per share as follows:

Item	Period	Weighted Average Return on Equity	Earnings Per Share (RMB/share)	Diluted Earnings Per Share
			Basic Earnings Per Share	
Net profit attributable to ordinary Shareholders of the Company	January-June 2026	16.05%	2.14	2.13
	2025	29.24%	2.40	2.39
	2024	25.87%	1.66	1.65
	2023	25.60%	1.09	1.09
Net profit attributable to ordinary Shareholders of the Company after deducting non-recurring profit or loss	January-June 2026	15.78%	2.10	2.10
	2025	28.44%	2.34	2.32
	2024	25.95%	1.66	1.66
	2023	26.88%	1.15	1.15

3. *Brief analysis of the financial position of the Company*

(1) Analysis of the assets composition

During the reporting period, the assets composition of the Company was as follows:

Unit: RMB0'000

Item	June 30, 2026		December 31, 2025		December 31, 2024		December 31, 2023	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
CURRENT ASSETS:								
Cash and cash equivalents	264,232.70	20.46%	51,978.94	6.89%	72,128.07	12.69%	43,126.79	11.31%
Trading financial assets	-	-	19,046.83	2.53%	29,106.98	5.12%	-	-
Derivative financial assets	1,320.21	0.10%	304.45	0.04%	-	-	-	-
Bills receivable	13,102.04	1.01%	11,348.79	1.50%	12,828.45	2.26%	4,697.84	1.23%
Trade receivables	283,372.52	21.94%	193,662.93	25.68%	116,467.01	20.48%	83,967.87	22.02%
Receivables financing	54.30	0.00%	1,186.55	0.16%	104.78	0.02%	1,301.17	0.34%
Prepayments	1,929.21	0.15%	1,296.20	0.17%	303.87	0.05%	137.56	0.04%
Other receivables	2,928.65	0.23%	552.95	0.07%	1,212.89	0.21%	1,282.76	0.34%
Inventories	138,362.77	10.71%	76,444.57	10.14%	45,855.02	8.06%	39,691.36	10.41%
Other current assets	15,946.51	1.23%	13,560.17	1.80%	6,860.74	1.21%	6,064.77	1.59%
Total current assets	721,248.91	55.85%	369,382.37	48.98%	284,867.81	50.10%	180,270.12	47.28%
NON-CURRENT ASSETS:								
Long-term equity investment	2,020.31	0.16%	1,180.35	0.16%	-	-	-	-
Fixed assets	373,612.67	28.93%	302,931.58	40.17%	178,200.70	31.34%	152,424.77	39.98%
Construction in progress	84,467.31	6.54%	25,459.50	3.38%	73,957.32	13.01%	25,509.03	6.69%
Right-of-use assets	250.34	0.02%	291.33	0.04%	39.24	0.01%	982.40	0.26%
Intangible assets	20,475.07	1.59%	20,459.24	2.71%	16,293.87	2.87%	15,701.27	4.12%
Long-term deferred expenses	1,760.98	0.14%	1,293.93	0.17%	785.86	0.14%	364.64	0.10%
Deferred income tax assets	14,908.57	1.15%	5,494.53	0.73%	7,565.25	1.33%	5,110.86	1.34%
Other non-current assets	72,687.13	5.63%	27,714.50	3.67%	6,865.60	1.21%	880.12	0.23%
Total non-current assets	570,182.38	44.15%	384,824.96	51.02%	283,707.84	49.90%	200,973.09	52.72%
TOTAL ASSETS	1,291,431.29	100.00%	754,207.32	100.00%	568,575.65	100.00%	381,243.21	100.00%

As at the end of each reporting period, the Company's total assets amounted to RMB3,812.4321 million, RMB5,685.7565 million, RMB7,542.0732 million and RMB12,914.3129 million, respectively, showing an overall upward trend.

As at the end of each reporting period, the Company's current assets amounted to RMB1,802.7012 million, RMB2,848.6781 million, RMB3,693.8237 million and RMB7,212.4891 million, respectively, accounting for 47.28%, 50.10%, 48.98% and 55.85% of total assets, respectively. The Company's current assets were primarily comprised of cash and cash equivalents, trade receivables and inventories.

As at the end of each reporting period, the Company's non-current assets amounted to RMB2,009.7309 million, RMB2,837.0784 million, RMB3,848.2496 million and RMB5,701.8238 million, respectively, accounting for 52.72%, 49.90%, 51.02% and 44.15% of total assets, respectively. The Company's non-current assets were primarily comprised of property, plant and equipment, construction in progress and other non-current assets.

(2) Analysis of the composition of liabilities

The composition of the Company's liabilities as at the end of each reporting period is set out below:

Unit: RMB0'000

Item	June 30, 2026		December 31, 2025		December 31, 2024		December 31, 2023	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Current Liabilities:								
Short-term loan	25,237.09	5.06%	26,796.21	7.52%	10,012.18	3.83%	7,871.22	3.97%
Derivative financial liabilities	479.60	0.10%	-	-	808.78	0.31%	142.23	0.07%
Bills payables	107,709.72	21.60%	66,248.66	18.59%	44,717.98	17.12%	32,153.89	16.22%
Accounts payable	258,520.19	51.85%	171,750.02	48.19%	119,942.26	45.92%	90,015.21	45.41%
Contract liabilities	1,546.13	0.31%	605.29	0.17%	737.89	0.28%	630.43	0.32%
Employee benefits payable	11,621.23	2.33%	12,350.91	3.47%	10,754.32	4.12%	8,556.24	4.32%
Taxes payable	7,403.92	1.49%	4,627.29	1.30%	3,578.45	1.37%	3,604.27	1.82%
Other payables	6,843.05	1.37%	6,420.33	1.80%	6,914.87	2.65%	2,661.81	1.34%
Non-current liabilities due within								
one year	16,765.23	3.36%	9,519.39	2.67%	12,128.41	4.64%	8,351.50	4.21%
Other current liabilities	2,026.44	0.41%	2,979.98	0.84%	8,697.07	3.33%	1,533.26	0.77%
Total current liabilities	438,152.61	87.89%	301,298.07	84.54%	218,292.20	83.58%	155,520.05	78.46%

Item	June 30, 2026		December 31, 2025		December 31, 2024		December 31, 2023	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Non-current liabilities:								
Long-term borrowings	39,330.46	7.89%	31,800.07	8.92%	19,167.80	7.34%	22,204.48	11.20%
Lease liabilities	193.07	0.04%	231.44	0.06%	–	–	43.32	0.02%
Long-term payables	218.77	0.04%	225.32	0.06%	226.83	0.09%	879.54	0.44%
Deferred income	20,654.20	4.14%	20,803.02	5.84%	16,672.51	6.38%	12,672.10	6.39%
Deferred income tax liabilities	–	–	2,040.91	0.57%	6,831.71	2.62%	6,892.33	3.48%
Total non-current liabilities	60,396.49	12.11%	55,100.76	15.46%	42,898.86	16.42%	42,691.76	21.54%
Total liabilities	498,549.10	100.00%	356,398.82	100.00%	261,191.06	100.00%	198,211.81	100.00%

As at the end of each reporting period, the Company's total liabilities amounted to RMB1,982.1181 million, RMB2,611.9106 million, RMB3,563.9882 million and RMB4,985.4910 million, respectively. The Company's liabilities were primarily current liabilities, mainly comprising trade payables and bills payable, with current liabilities accounting for 78.46%, 83.58%, 84.54% and 87.89% of total liabilities, respectively. As at the end of each reporting period, the Company's non-current liabilities accounted for 21.54%, 16.42%, 15.46% and 12.11% of total liabilities, respectively, primarily comprising long-term borrowings and deferred income.

(3) Analysis of Solvency and Operating Capacity

During the Reporting Period, the Company's key solvency indicators are set out below:

Financial Indicators	June 30, 2026	December 31, 2025	December 31, 2024	December 31, 2023
Current ratio (times)	1.65	1.23	1.30	1.16
Quick ratio (times)	1.33	0.97	1.09	0.90
Asset-liability ratio (consolidated)	38.60%	47.25%	45.94%	51.99%

Note: The above indicators are calculated using the following formulas:

- (1) Current ratio = Current assets / Current liabilities;
- (2) Quick ratio = (Current assets – Inventories) / Current liabilities;
- (3) Asset-liability ratio = Total liabilities / Total assets

As at the end of each reporting period, the Company's asset-liability ratio was 51.99%, 45.94%, 47.25% and 38.60%, respectively, which remained at a relatively low level and showed an overall downward trend during the Reporting Period, indicating a strong solvency. The current ratios were 1.16, 1.30, 1.23 and 1.65, respectively, and the quick ratios were 0.90, 1.09, 0.97 and 1.33, respectively. Overall, the Company's current assets were highly realisable, with low short-term solvency risk.

During the reporting period, the Company's asset-liability ratio continued to decline, while the current ratio and quick ratio increased, primarily due to the increase in cash and cash equivalents, trade receivables and inventories, resulting in a higher growth rate of total assets and current assets as compared to total liabilities and current liabilities.

During the reporting period, the financial indicators relating to the Company's asset turnover capacity were as follows:

Financial Indicators	January-June			
	2026	2025	2024	2023
Trade receivables turnover (times/year)	3.50	3.36	3.54	3.53
Inventory turnover (times/year)	4.61	5.20	5.01	4.05

Note: The trade receivables turnover and inventory turnover for January-June 2026 have been annualised.

During each of the reporting periods, the Company's trade receivables turnover was 3.53 times/year, 3.54 times/year, 3.36 times/year and 3.50 times/year, respectively, remaining relatively stable.

During each of the reporting periods, the Company's inventory turnover was 4.05 times/year, 5.01 times/year, 5.20 times/year and 4.61 times/year, respectively, remaining relatively stable.

(4) Profitability analysis

During the Reporting Period, the Company's revenue and net profit are set out below:

Unit: RMB0'000

Items	January to June 2026	2025	2024	2023
Revenue	438,826.02	548,537.14	373,428.46	267,827.03
Total profit	107,680.11	113,689.92	76,248.10	49,688.25
Net profit	95,558.82	101,578.90	67,610.04	41,468.57
Net profit attributable to owners of the parent company	95,558.82	101,578.90	67,610.04	41,468.57

During each reporting period, the Company's revenue amounted to RMB2,678.2703 million, RMB3,734.2846 million, RMB5,485.3714 million and RMB4,388.2602 million, respectively, reflecting sustained and rapid growth of the Company during the Reporting Period, primarily attributable to the Company's ability to capitalise on the high-growth business opportunities in the global computing hardware industry, which drove a significant increase in order volume.

During each reporting period, the Company recorded net profits attributable to owners of the parent company of RMB414.6857 million, RMB676.1004 million, RMB1,015.7890 million and RMB955.5882 million, respectively. Net profit demonstrated a solid upward trend in line with revenue growth.

IV. Purpose of the Proceeds from the Issuance of A Share Convertible Bonds to Non-specific Investors

The total amount of proceeds to be raised from the public offering of A Share Convertible Corporate Bonds to non-specific investors shall not exceed RMB3,600,000,000 (inclusive). After deducting issuance expenses, the net proceeds are proposed to be allocated to the following projects:

Unit: RMB0'000

No.	Names of projects	Total Investment	Proposed Proceed Allocation
1	Yunqing Intelligent Manufacturing Base Project (Phase II)	198,359.09	185,000.00
2	High-Layer-Count Printed Circuit Board Project	155,992.17	100,000.00
3	Supplement of Working Capital	75,000.00	75,000.00
	Total	429,351.26	360,000.00

Prior to the receipt of the proceeds from this offering of A Share Convertible Bonds, the Company will make upfront investments using its own funds or self-raised funds in light of the actual implementation progress of the invested projects. After the proceeds are received, such upfront investments will be replaced in accordance with procedures prescribed by relevant laws and regulations.

The portion of total project investment exceeding the net proceeds raised in this offering shall be funded by the Company through its own funds or self-financing methods. Within the scope of the aforesaid invested projects, the Board or its authorized representatives may appropriately adjust the specific funding amount allocated to each invested project based on actual conditions including project progress and capital requirements.

V. The Company's Profit Distribution Policy and Cash Dividends**(1) The Company's profit distribution policy**

In accordance with the relevant provisions of the Opinions of the General Office of the State Council on Further Strengthening the Protection of the Legitimate Rights and Interests of Small and Medium Investors in the Capital Market (Guo Ban Fa [2013] No. 110) and the Guidelines for the Supervision of Listed Companies No. 3 — Cash Dividends of Listed Companies (Amended in 2025) and to further enhance

the Company's cash dividends and comprehensive risk management, the Company's Articles of Association in effect has clearly stipulated the Company's profit distribution policy. The Company's current profit distribution policy is as follows:

"Article 162 The Company implements an active profit distribution policy, and the details are as follows:

(1) *Principles of profit distribution*

The Company adopts a sustainable and steady profit distribution policy. The Company shall fully regard reasonable returns to investors as an important matter in profit distribution, while taking into account the sustainable development of the Company.

(2) *Methods of profit distribution*

The Company may distribute dividends in the form of cash, shares or a combination of cash and shares.

The Company shall give priority to cash dividends. If the Board deems it necessary, it may propose and implement a stock dividend distribution.

(3) *Intervals of profit distribution*

In principle, profit distribution shall be made once in each fiscal year, and interim cash dividends or bonus share may also be distributed where necessary.

(4) *Conditions of profit distribution*

1. Conditions of cash dividends

If the Company satisfies the conditions for cash dividends, priority shall be given to profit distribution by means of cash dividends. The conditions of cash dividends are as follows:

- (1) The distributable profit of the Company for the current year (i.e. profit after tax of the Company after offsetting losses and allocating to reserves) and its accumulated undistributed profit shall be a positive number;
- (2) The auditing body has issued an audit report with standard unqualified opinion on the Company's financial report for the current year;

- (3) The Company does not expect there to be any circumstances where significant capital expenditure projects (excluding projects funded by raised capital) to be incurred in the next twelve months will, on an accumulated basis, amount to or exceed 30% of the Company's latest audited net assets;
- (4) The distribution of profits in cash will not affect the normal operations and sustainable development of the Company.

2. Conditions for distributing dividends in shares

Provided that the Company is in good operational conditions, the Board believes that the share prices of the Company do not match the scale of its share capital, that there are true and reasonable factors such as the growth of the Company and the dilution of net assets per share, and that the distribution of bonus shares is in line with the overall interests of the Shareholders as a whole, and on the premise of complying with the aforesaid provisions on cash profit distribution, the Company may propose to distribute dividends in shares.

(5) *Proportions of dividend distribution in cash*

Under the conditions permitting cash dividend distribution, the Company shall distribute no less than 10% of the distributable profits realized in the current year as cash dividends, and the accumulated distribution of cash dividends over the last 3 years shall not be less than 30% of the average distributable profits for the last 3 years.

The Board of Directors of the Company shall comprehensively take into account factors including the characteristics of the industry of the Company, the Company's development stage, its own business model, profitability, and if there are any substantial capital expenditure arrangements, etc., to distinguish the following situations and propose a differentiated cash dividend distribution policy according to the procedures as stipulated in the Articles of Association:

- (1) If the Company's development is in maturity stage without any substantial capital expenditure arrangement, the proportion of cash dividends of the profit distribution shall not be less than 80%;
- (2) If the Company's development is in maturity stage and has substantial capital expenditure arrangements, the proportion of cash dividends of the profit distribution shall not be less than 40%;

- (3) If the Company's development is in growth stage and has substantial capital expenditure arrangements, the proportion of cash dividends of the profit distribution shall not be less than 20%;
- (4) If the development stage of the Company cannot be easily identified but there are substantial capital expenditure arrangements, it can be carried out in accordance with the preceding paragraph.
- (6) *Implementation of profit distribution*

The distribution of dividends (or shares) shall be completed within two months after a resolution is made at the general meeting on the profit distribution plan, or after the Board of the Company has formulated a specific plan based on the conditions and maximum amount of interim dividends for the following year as considered and approved at the annual general Meeting. If the specific plan cannot be implemented within 2 months due to the requirements of the laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, the implementation date of the specific plan may be adjusted accordingly in accordance with such regulations and the actual situations.

Article 163 Decision-making Procedures and Mechanisms for Profit Distribution

(I) Formulation of the Profit Distribution Plan

When the Board formulates a profit distribution plan based on the Company's operating conditions, it shall fully take into account the opinions of independent directors, minority Shareholders and the Audit Committee. Before the general meeting considers the specific cash dividend plan, the Company shall actively communicate with Shareholders, particularly institutional investors and minority Shareholders, by means of telephone, internet or other methods, and respond to the relevant questions raised by Shareholders in a timely manner.

(II) Decision-making procedures

1. When deliberating on the profit distribution plan, the Board shall carefully study and discuss the timing, conditions, ratio and conditions for adjustment with respect to the Company's cash dividend distribution, and shall fully consider the opinions of the Audit Committee. Independent directors shall express their explicit opinions.
2. The profit distribution plan shall be submitted to the general meeting for deliberation and approval after being approved by the Board.

Where the Company, under special circumstances, is unable to determine the profit distribution plan for the year in accordance with the established cash dividend policy or minimum cash dividend ratio, the specific reasons and the explicit opinions of the independent directors shall be disclosed in the annual report. The profit distribution plan of the Company for the year shall be approved by more than two-thirds of the voting rights held by the Shareholders present at the general meeting.

(III) Supervision of profit distribution

The Audit Committee shall supervise the Board's implementation of the cash dividend policy and the shareholder return plan, and review whether the Board has complied with the corresponding decision-making procedures and fulfilled its information disclosure obligations. If the Audit Committee identifies any of the following circumstances on the part of the Board, it shall express its explicit opinion and urge the Board to rectify such issues in a timely manner:

1. Failure to strictly implement the cash dividend policy and the shareholder return plan;
2. Failure to strictly comply with the corresponding decision-making procedures for cash dividend distribution;
3. Failure to truly, accurately and completely disclose the cash dividend policy and its implementation.

Article 164 Adjustment Mechanism for the Profit Distribution
Policy

- (I) If, based on the Company's production and operating conditions, investment plans, long-term development needs, or changes in the external operating environment, it becomes necessary to adjust the profit distribution policy, the adjusted profit distribution policy shall not violate the relevant requirements of the securities regulatory authorities and stock exchanges where the Company's shares are listed.
- (II) The proposal for adjusting the profit distribution policy shall be formulated by the Board and may only be submitted to the Board for deliberation after being approved by the Audit Committee and by more than one-half of the independent directors. The independent directors shall express their independent opinions on the adjustment of the profit distribution policy.
- (III) The proposal for adjusting the profit distribution policy shall be submitted to the Board and the general meeting for deliberation respectively. After being considered and approved by the Board, it shall be submitted to the general meeting for approval. The Company shall facilitate the participation of public Shareholders in the general meeting by providing online voting methods, including the stock exchange trading system and the internet voting system. The proposal for adjusting the profit distribution policy at the general meeting shall be approved by more than two-thirds of the voting rights held by the Shareholders present at the general meeting. The independent directors of the Company may, prior to the general meeting, solicit from the Company's public Shareholders their voting rights at the general meeting. The exercise of the above authority by the independent directors shall be subject to the consent of more than one-half of all independent directors. If the independent directors consider that the specific cash dividend plan may prejudice the interests of the Company or minority Shareholders, they shall have the right to

express their independent opinions. If the Board does not adopt, or does not fully adopt, the opinions of the independent directors, the opinions of the independent directors and the specific reasons for non-adoption shall be recorded in the board resolution, and disclosed.”

(II) Amount and payment ratio of cash dividend distribution of the Company for the recent three years

The profit distribution of the Company in the recent three years is as follows:

Unit: RMB0'000

Dividend Year	Dividend Type	Implementation Year	Profit Distribution Plan/Share Repurchase Details	Dividend Amount (Tax-inclusive)
2023	Annual profit distribution	2024	RMB2.50 (tax-inclusive) per 10 shares, based on the total share capital of 422,300,000 shares before the implementation of the plan, with an aggregate cash dividend of RMB105.575 million	10,557.50
2024	Annual profit distribution	2025	RMB4.80 (tax-inclusive) per 10 shares, based on the share capital of 425,235,000 shares (being the total share capital as at the disclosure date of the profit distribution proposal after deducting 30,000 restricted shares under the equity incentive plan proposed to be repurchased and cancelled), with an aggregate cash dividend of RMB204.1128 million	20,411.28
2025	Annual profit distribution	2026	RMB6.46 (tax-inclusive) per 10 shares, based on the total share capital of 426,709,164 A Shares before the implementation of the plan, with an aggregate cash dividend of RMB305.2005 million	30,520.05

Note: According to Rule 18 of the Rules Governing the Repurchase of Shares by the Listed Companies, where listed company repurchases its shares by means of offer or centralized auctions with the consideration in cash, it shall be deemed as cash dividend of the listed company and be counted in the calculation of relevant proportion of cash dividend.

The aggregate dividends distributed in cash by the Company in the recent three years amounted to RMB614.8883 million, representing 87.57% of the average annual net profit attributable to owners of the parent company as reported in the consolidated financial statements for the recent three years, which was RMB702.1917 million. The details of the actual dividend implementations are as follows:

Unit: RMB0'000

Items	2025	2024	2023
Amount of cash dividend (tax inclusive)	30,520.05	20,411.28	10,557.50
Net profit attributable to owners of the parent company	101,578.90	67,610.04	41,468.57
Accumulated undistributed profits (parent company)	202,578.34	136,676.47	83,951.99
Cash dividend/Net profit attributable to owners of the parent company	30.05%	30.19%	25.46%
Cash dividend/Accumulated undistributed profits	15.07%	14.93%	12.58%
Cumulative amount of cash dividend for the recent three years			61,488.83
Annual average net profit attributable to owners of the parent company for the recent three years			70,219.17
Cumulative amount of cash dividend for the recent three years/Annual average net profit attributable to owners of the parent company for the recent three years			87.57%

Note: The cash dividend amount for each year includes the amount distributed in cash through profit distribution and the amount of share repurchases carried out by way of centralized bidding with cash consideration.

In each of the recent three years, the proportion of profit distributed in cash to the accumulated undistributed profits of that year was 12.58%, 14.93% and 15.07%, respectively. The aggregate cash dividends distributed in the recent three years amounted to RMB614.8883 million, representing 87.57% of the average annual distributable profit of RMB702.1917 million in those three years. The Company's profit distribution is in compliance with the relevant provisions of the China Securities Regulatory Commission and the Company's Articles of Association.

(III) Shareholders' Dividends Return Plan for the Next Three Years (2026-2028)

Pursuant to the relevant laws, regulations and the Company's Articles of Association, including the Supervisory Guidelines for Listed Companies No. 3 – Cash Dividend Distribution by Listed Companies issued by the China Securities Regulatory Commission, and having regard to the Company's actual conditions and future development needs, the Company has formulated the Shareholders' Dividend Return Plan for the Next Three Years (2026-2028), which is subject to approval by the general meeting. Details are set out in the relevant announcements and documents disclosed by the Company on the same day.

VI. Statement by the Board on the Absence of Dishonesty

Pursuant to the Memorandum of Cooperation on Joint Disciplinary Measures Against Dishonest Entities subject to Enforcement (Fagai Caijin [2016] No. 141) and the Memorandum of Cooperation on the Implementation of Joint Disciplinary Measures Against Dishonest Enterprises Identified by Customs (Fagai Caijin [2017] No. 427), and upon enquiries through the Credit China website, the National Enterprise Credit Information Publicity System, and other relevant platforms, neither the Company nor its subsidiaries has been included in the list of general dishonest enterprises, dishonest enterprises identified by customs or other dishonest judgment debtors, nor has it engaged in any dishonest conduct that may affect this Issuance of A Share Convertible Bonds to non-specific investors.

VII. Statement by the Board on the Company's Refinancing Plans for the Next Twelve Months

Other than this Issuance of A Share Convertible Bonds to non-specific investors, with respect to any other refinancing plans in the next twelve months, the Board makes the following statement: "From the date on which the proposal for this Issuance of A Share Convertible Bonds to non-specific investors is approved by the general meeting, the Company shall, within the next twelve months, decide whether to implement other refinancing plans based on its business development."

The Board of Delton Technology (Guangzhou) Inc.

August 7, 2026



廣州廣合科技股份有限公司

Delton Technology (Guangzhou) Inc.

(No.22 Baoying South Road, Bonded Zone, Huangpu District, Guangzhou,
Guangdong Province)

**DEMONSTRATION AND ANALYSIS REPORT ON
THE PROPOSED SCHEME FOR
THE ISSUANCE OF A SHARE CONVERTIBLE
CORPORATE BONDS TO
NON-SPECIFIC INVESTORS (REVISED VERSION)**

August 2026

Delton Technology (Guangzhou) Inc. (“**Delton Technology**”, the “**Company**” or the “**Issuer**”) is a company listed on the Main Board of the Shenzhen Stock Exchange. In order to satisfy the capital needs of the Company’s business development, expand its business scale, enhance its overall competitiveness, and improve its profitability, the Company, having taken into account its actual circumstances, proposes to raise funds by means of issuing A Share Convertible Corporate Bonds (the “**Convertible Bonds**” or the “**Issuance**”) to non-specific investors, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Securities Law of the People’s Republic of China (the “**Securities Law**”), the Measures for the Administration of Registration of Securities Offering by Listed Companies (the “**Measures for the Administration of Registration**”) and other applicable laws, regulations and normative documents.

(Unless otherwise specified in this Demonstration and Analysis Report, terms used herein shall have the same meanings as those defined in the Plan on Issuance of A Share Convertible Corporate Bonds to Non-Specific Investors by Delton Technology (Guangzhou) Inc.)

SECTION I NECESSITY OF THE ISSUANCE AND SELECTION OF THE TYPE OF SECURITIES

I. Type of Securities to be Issued under the Issuance

The type of securities to be issued under the Issuance is A Share Convertible Corporate Bonds which are convertible into the Company’s A Shares and are issued to non-specific investors. Such Convertible Bonds and the A Shares into which they are converted in the future will be listed on the Shenzhen Stock Exchange.

II. Necessity of the Selection of the Type of Securities under the Issuance

The Convertible Bonds to be issued under the Issuance are convertible into the Company’s shares upon satisfaction of the relevant conditions, which is equivalent to attaching an option to the issuance of corporate bonds, and therefore possess both equity and debt characteristics. Convertible Bonds generally carry a lower coupon rate, which can significantly reduce the Company’s financing costs.

The Company is currently in a phase of relatively rapid development and has a substantial demand for long-term capital. Accordingly, the Issuance of A Share Convertible Bonds will reduce the Company’s financing costs, generate more substantial returns to its Shareholders, and lay a solid foundation for the Company’s sustainable long-term development.

SECTION II APPROPRIATENESS OF THE SCOPE OF SELECTION, QUANTITY AND STANDARD OF THE TARGET SUBSCRIBERS OF THE ISSUANCE

I. Appropriateness of the Scope of Selection of the Target Subscribers of the Issuance

The specific method of the Issuance of the Convertible Bonds shall be determined by the Board or its authorized persons as authorized by the general meeting of the Company through negotiation with the sponsor (the lead underwriter). The target subscribers of the Convertible Bonds are natural persons, legal persons, securities investment funds and other investors in compliance with legal requirements who have maintained securities accounts at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (excluding those prohibited by the PRC laws and regulations).

The existing Shareholders of the Company are entitled to subscribe for the Convertible Bonds in priority. The existing Shareholders shall be entitled to waive such pre-emptive rights. The proportion of subscription in priority by the existing Shareholders shall be determined by the Board or its authorized persons as authorized by the general meeting of the Company through negotiation with the sponsor (the lead underwriter) based on market conditions prior to the Issuance and shall be disclosed in the announcement(s) in relation to the Issuance of Convertible Bonds.

The remaining Convertible Bonds which are not subject to the abovementioned pre-emptive rights of the existing Shareholders and are not subscribed by the existing Shareholders will be offered to institutional investors offline and/or issued by way of online pricing through the trading system of the Shenzhen Stock Exchange, with the remaining balance to be underwritten by the underwriter. Specific issuance method shall be determined by the Board or its authorized persons as authorized by the general meeting of the Company through negotiation with the sponsor (the lead underwriter) based on market conditions prior to the Issuance.

In summary, the scope of selection of the target subscribers of the Issuance complies with the relevant provisions of the Measures for the Administration of Registration and other applicable laws, regulations and normative documents, and the scope of selection is appropriate.

II. Appropriateness of the Quantity of the Target Subscribers of the Issuance

The target subscribers of the Convertible Bonds are natural persons, legal persons, securities investment funds and other investors in compliance with legal requirements who have maintained securities accounts at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (excluding those prohibited by the PRC laws and regulations). The quantity standard of the target subscribers of the Issuance complies with the relevant provisions of the Measures for the Administration of Registration and other applicable laws, regulations and normative documents, and the quantity of the target subscribers is appropriate.

III. Appropriateness of the Standard of the Target Subscribers of the Issuance

The target subscribers of the Convertible Bonds shall possess certain risk identification capabilities and risk-bearing capacities, as well as the corresponding financial strength. The standard of the target subscribers of the Issuance complies with the relevant provisions of the Measures for the Administration of Registration and other applicable laws and regulations, and the standard of the target subscribers of the Issuance is appropriate.

SECTION III RATIONALITY OF THE PRINCIPLES, BASIS, METHODS AND PROCEDURES FOR THE PRICING OF THE ISSUANCE

I. Rationality of the Pricing Principle of the Issuance

The Company will determine the Issuance period after completing the registration for the Issuance with the China Securities Regulatory Commission (the “CSRC”) and upon consultation with the sponsor (lead underwriter).

The specific pricing principles of the Issuance are as follows:

(i) *Coupon rate*

The determination method of the coupon rate of the Convertible Bonds under the Issuance and the final interest rate for each interest accrual year shall be determined by the Board of Directors (or persons authorised by the Board of Directors), as authorised by the Company’s general meeting, prior to the Issuance, based on state policies, market conditions and the Company’s specific circumstances, and upon consultation with the sponsor (lead underwriter).

In the event of adjustments to bank deposit interest rates prior to the completion of the Issuance, the general meeting shall authorize the Board (or persons authorized by the Board) to make corresponding adjustments to the coupon rate.

(ii) *Determination and adjustment of the Conversion Price*

1. *Basis for determining the initial Conversion Price*

The initial Conversion Price of the Convertible Bonds under the Issuance shall not be lower than the average trading price of the Company’s shares for the 20 trading days prior to the date of the announcement of the Offering Document and the average trading price of the Company’s shares for the previous trading day. The specific initial Conversion Price shall be determined by the Board of Directors (or persons authorised by the Board of Directors), as authorised by the Company’s general meeting, prior to the Issuance based on market conditions and upon consultation with the sponsor (lead underwriter).

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In the event that the share price is adjusted due to ex-right and ex-dividend during such 20 trading days, the average trading price of shares on the trading days prior to the adjustment shall be calculated based on the price after such ex-right and ex-dividend.

The average trading price of shares for the immediately preceding 20 trading days = total trading amount of shares for the immediately preceding 20 trading days/total trading volume of shares for such 20 trading days. The average trading price of shares for the immediately preceding trading day = total trading amount of shares for the immediately preceding trading day/total trading volume of shares for such trading day.

2. *Method of adjustments and calculation formula to the Conversion Price*

The Conversion Price will be adjusted according to the following formula (rounded off to two decimal places) upon the Issuance of the Convertible Bonds in case of changes in the Shares due to certain events, such as distribution of bonus Shares, conversion or increase of share capital, issuance of new Shares (excluding the increase in share capital resulting from the conversion of the Convertible Bonds under the Issuance) or rights issue or distribution of cash dividends:

Distribution of bonus Share or conversion or increase of share capital:
 $P1 = P0 / (1 + n)$

Issuance of new Shares or rights issue: $P1 = (P0 + A \times k) / (1 + k)$

The two events above occurring concurrently: $P1 = (P0 + A \times k) / (1 + n + k)$

Distribution of cash dividends: $P1 = P0 - D$

The three events above occurring concurrently:
 $P1 = (P0 - D + A \times k) / (1 + n + k)$

Where: P0: denotes the Conversion Price before adjustment; n: denotes the rate of distribution of bonus Share or conversion or increase of share capital; k: denotes the rate of issuance of new Shares or rights issue; A: denotes the price of issuance of new Shares or rights issue; D: denotes the cash dividend per Share; and P1: denotes the adjusted Conversion Price.

Upon occurrence of any of the abovementioned events, the Company shall adjust the Conversion Price based on the order of occurrence, and publish an announcement on the media for information disclosure of listed companies. Such announcement shall indicate the date of adjustment to the Conversion Price, adjustment method and suspension period of share conversion (if necessary). If the Conversion Price adjustment date is on or

after the date on which the Convertible Bondholders apply for the conversion but before the registration date of shares to be issued upon conversion, such conversion shall be executed based on the Conversion Price adjusted by the Company.

In the event that the creditor's interests or the interests derived from share conversion of the Convertible Bondholders are affected by the change in the Company's share class, quantity and/or Shareholders' interests due to any possible share repurchase, consolidation, division or any other circumstances, the Company shall adjust the Conversion Price based on the actual situations and in accordance with the principles of fairness, justice and equality so as to fully protect the interests of the Convertible Bondholders. The details of adjustments to the Conversion Price and its implementation measures shall be determined in accordance with relevant prevailing PRC laws, regulations and the relevant requirements of the securities regulatory authorities and the Shenzhen Stock Exchange.

II. Reasonableness of the Pricing Basis of the Issuance

The initial Conversion Price of the Convertible Bonds under the Issuance shall not be lower than the average trading price of the Company's shares for the 20 trading days prior to the date of the announcement of Offering Document and the average trading price of the Company's shares for the previous trading day. The specific initial Conversion Price shall be determined by the Company's general meeting authorizing the Board (or persons authorized by the Board) prior to the Issuance based on market conditions and upon consultation with the sponsor (lead underwriter).

In the event that the A Share price was adjusted due to ex-right and ex-dividend during such 20 trading days, the average trading price of A Shares on the trading days prior to the adjustment shall be calculated based on the price after such ex-right and ex-dividend.

The average trading price of the Company's shares for the 20 trading days prior to such date = total trading amount of the Company's shares for the 20 trading days prior to such date / total number of shares traded during such 20 trading days; the average trading price of the Company's shares for the previous trading day = total trading amount of the Company's shares for the previous trading day / total number of shares traded on the previous trading day.

The pricing basis of the Issuance complies with the relevant provisions of laws and regulations such as the Measures for Administration of Registration, and the pricing basis of the Issuance is reasonable.

III. Rationality of Methods and Procedures for the Pricing of the Issuance

The pricing methods and procedures for the Issuance of A Share Convertible Bonds to non-specific investors are formulated in compliance with the relevant provisions of the Measures for Administration of Registration and other laws and regulations. Matters relating to the Issuance of Convertible Bonds has been considered and approved at the meeting of the Board of the Company, and the relevant announcements have been disclosed on the website of the Shenzhen Stock Exchange and the designated information disclosure media and will be submitted for deliberation at the Company's general meeting.

The methods and procedures for the pricing of the Issuance meet the requirements of the Measures for Administration of Registration and other laws and regulations, and are reasonable.

In view of the above, the principles, basis, methods and procedures for the pricing of the Issuance meet the requirements of relevant laws and regulations, and are compliant and reasonable.

SECTION IV FEASIBILITY OF THE ISSUANCE METHOD

The method of the Issuance of A Share Convertible Bonds to non-specific investors complies with the relevant issue conditions stipulated under the Securities Law and Measures for Administration of Registration.

I. The Issuance Complies with Relevant Provisions of the Issuance of Convertible Corporate Bonds to Non-Specific Investors Stipulated under the Securities Law

(I) It has a sound and well-operated organization

The Company has established a sound corporate operational and organizational structure in strict compliance with the requirements of the Company Law, the Securities Law and other relevant laws, regulations and regulatory documents. The Company has a well-operated organization with distinct structure, clear responsibilities of each department and position and specific departmental responsibilities.

The Company complies with the requirements of "(I) It has a sound and well-operated organization" under Article 15 of the Securities Law.

(II) The average distributable profit in the last three years is sufficient to pay a year's interest on the corporate bonds

The net profit of the Company attributable to owners of the parent company for the year of 2023, 2024 and 2025 (before and after deducting non-recurring gains and losses, whichever is lower) amounted to RMB414.6857 million, RMB676.1004 million and RMB988.0477 million, respectively. The average distributable profit amounted to 692.9446 million. The average distributable profit of the Company in the last three years is reasonably estimated to be sufficient to pay a year's interest on the convertible bonds, based on the proceeds of RMB3.6 billion and with reference to the recent interest rate level in the convertible bonds issuance market.

The Company complies with the requirements of “(II) The average distributable profit in the last three years is sufficient to pay a year's interest on the corporate bonds” under Article 15 of the Securities Law.

(III) The use of proceeds raised complies with the requirements

The proceeds raised from the Issuance will be used for the “Yunqing Intelligent Manufacturing Base Project (Phase II)”, the “High-Layer-Count Printed Circuit Board Project” and “Supplement of Working Capital”. The investment projects are in compliance with the requirements of national industrial policies and laws and administrative regulations. The proceeds raised from the Issuance of A Share Convertible Bonds to non-specific investors shall be used in accordance with the use of the proceeds as set out in the Offering Document; any change in the use of the proceeds must be resolved by resolution at a meeting of Bondholders; the proceeds raised from the Issuance of Convertible Bonds to non-specific investors shall not be used to make up for losses or non-productive expenditures.

The Company complies with the requirements of “The proceeds from the public issuance of corporate bonds shall be used in accordance with the use of proceeds set out in the rules for issuance of corporate bonds; changes to the use of proceeds shall be resolved by the Bondholders' meeting. The proceeds from the public issuance of corporate bonds shall not be used to make up for losses or non-productive expenditures” under Article 15 of the Securities Law.

(IV) Ability to continue as a going concern

The Company has the ability to continue as a going concern and complies with Article 15 of the Securities Law: “The issuance of convertible corporate bonds by a listed company shall not only meet the requirements as provided for in paragraph 1 herein but also meet the requirements of paragraph 2 of Article 12 of this law.” For details, please refer to “II. The Issuance Complies with the General Requirements of the Measures for the Administration of Registration on the Issuance of Corporate Bonds to Non-specific Investors” in this Section, specifically paragraph (6) “It has a complete business system and the ability to operate independently in the market, and there are no circumstances that would have a material adverse effect on its ability to continue as a going concern.”

(V) Absence of disqualifying circumstances for further public issuance of Corporate Bonds

As of the date of this demonstration and analysis report, the Company has existed none of the following circumstances, under which no more public issuance of corporate bonds may be carried out under Article 17 of the Securities Law: (1) Default of publicly issued corporate bonds or other debts or delay in payment of principals and interests and the default/delay is still on-going; (2) Violation of the provisions of the Securities Law and change in the use of proceeds raised from public issuance of corporate bonds.

In view of the above, the Issuance of A Share Convertible Bonds to non-specific investors complies with the relevant provisions of the Securities Law regarding the issuance conditions for listed companies to issue convertible bonds to non-specific investors.

II. The Issuance Complies with the General Requirements of the Measures for the Administration of Registration on the Issuance of Corporate Bonds to Non-specific Investors

(I) It has a sound organisational structure that is operating effectively

The Company has strictly complied with the requirements of the Company Law, the Securities Law, and other relevant laws, regulations and normative documents by establishing general meetings and a board of directors, appointing independent directors, and engaging senior management personnel including general manager, chief financial officer and board secretary, thereby establishing a standardised corporate governance structure. Concurrently, the Company has put in place relatively comprehensive organisational structure and internal control systems, with clearly defined responsibilities for each department and position, all of which are operating effectively.

The Company complies with the requirement of “(I) It has a sound organisational structure that is operating effectively” as stipulated under Article 13 of the Measures for the Administration of Registration.

(II) The Average Distributable Profit in the Last Three Years is sufficient to pay a year’s interest on the Corporate Bonds

The Company satisfies the requirement of “(II) The average distributable profit in the last three years is sufficient to pay a year’s interest on the corporate bonds” as stipulated under Article 13 of the Measures for the Administration of Registration. For details, please refer to “(II) The average distributable profit in the last three years is sufficient to pay a year’s interest on the corporate bonds” under “I. The Issuance Complies with the Relevant Provisions of the Securities Law on the Issuance of Corporate Bonds to Non-specific Investors” of this section.

(III) It has a reasonable asset-liability structure and normal cash flows

As at the end of 2023, 2024 and 2025 and the end of June 2026, the Company’s asset-liability ratios were 51.99%, 45.94%, 47.25% and 38.60%, respectively. The Company’s asset-liability structure remained at a reasonable level with no material debt repayment risks. For the years 2023, 2024 and 2025 and the six months ended 31 June 2026, the net cash flows generated from operating activities of the Company amounted to RMB527.5132 million, RMB796.2846 million, RMB1,031.5706 million and RMB936.8924 million, respectively. The net cash flows generated from operating activities remained positive and represented an increasing trend, reflecting a relatively sound cash flow position. The Issuance of A Share Convertible Bonds aims to raise proceeds up to RMB3,600.00 million. The Company’s net assets as at the end of the most recent period amounted to RMB7,928.8219 million. The cumulative balance of corporate bonds upon the completion of the issuance of the convertible bonds will not exceed 50% of the net assets as at the end of the most recent period, and the asset-liability structure will remain at a reasonable level.

The Company complies with the requirement of “(III) It has a reasonable asset-liability structure and normal cash flows” as stipulated under Article 13 of the Measures for the Administration of Registration.

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(IV) It shall have recorded profits for each of the most recent three financial years, and its weighted average return on net assets for the most recent three financial years shall average not less than 6%

For the years 2023, 2024 and 2025, the Company's realized net profit attributable to ordinary Shareholders of the parent (the lower of the amounts before and after deduction of non-recurring gains and losses) amounted to RMB414.6857 million, RMB676.1004 million and RMB988.0477 million, respectively.

The Company has remained profitable for the last three consecutive years. The Company's return on net assets for the last three years is set out in the table below:

Item	2025	2024	2023
Weighted average return on net assets before deduction of non-recurring gains and losses	29.24%	25.87%	25.60%
Weighted average return on net assets after deduction of non-recurring gains and losses	28.44%	25.95%	26.88%
Average of the weighted average return on net assets for the last three years (the lower of the amounts before and after deduction of non-recurring gains and losses)		26.64%	

The Company satisfies the requirement of "(IV) Where a company listed on the Main Board of a stock exchange issues convertible bonds to non-specific investors, it shall have recorded profits for each of the most recent three financial years, and its weighted average return on net assets for the most recent three financial years shall average not less than 6%. Net profit shall be calculated based on the lower of the amounts before and after deduction of non-recurring gains and losses" as stipulated under Article 13 of the Measures for the Administration of Registration.

(V) *Its incumbent directors and senior management comply with the qualification requirements prescribed by laws and administrative regulations*

The incumbent Directors and senior management of the Company possess the requisite qualifications, are able to perform their duties with loyalty and diligence, and comply with the qualification requirements prescribed by laws and administrative regulations. They have not committed any acts in violation of Articles 181 and 188 of the Company Law, nor have they been subject to any administrative penalties imposed by the CSRC within the last 36 months and any public censure by a stock exchange within the last 12 months.

The Company satisfies the requirement of “(II) Its incumbent directors and senior management comply with the qualification requirements prescribed by laws and administrative regulations” as stipulated under Article 9 of the Measures for the Administration of Registration.

(VI) *It has a complete business system and the ability to operate independently in the market, and there are no circumstances that would have a material adverse effect on its ability to continue as a going concern*

The Company possesses an independent and complete principal business and independent operating capability, and conducts its operations in strict compliance with the requirements of the Company Law, the Securities Law, the Articles of Association, and other relevant laws and regulations. The Company is independent in respect of personnel, assets, business, organisation and finance, and has independent and complete procurement, production, sales and research and development systems. It is independent of its substantial Shareholders and other enterprises controlled by them in terms of business, personnel, organisation and finance, possessing a complete business system and the ability to operate independently in the market, and there are no circumstances that would have a material adverse effect on its ability to continue as a going concern.

The Company satisfies the requirement of “(III) It has a complete business system and the ability to operate independently in the market, and there are no circumstances that would have a material adverse effect on its ability to continue as a going concern” as stipulated under Article 9 of the Measures for the Administration of Registration.

(VII) Its accounting practices are standardised, its internal control system is sound and effectively implemented, the preparation and disclosure of its financial statements comply with the requirements of the Accounting Standards for Business Enterprises and the relevant information disclosure rules, its financial statements fairly reflect, in all material respects, the financial position, operating results and cash flows of the listed company, and its financial reports for the most recent three years have each been issued with an unqualified audit opinion

The Company has established a sound internal control system in strict compliance with the requirements of the Company Law, the Securities Law, the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Self-Regulatory Guidelines No. 1 for Companies Listed on the Shenzhen Stock Exchange – Standardized Operation for Companies Listed on Main Board and other relevant laws, regulations and normative documents. The Company has a clearly defined organizational structure, with well-defined responsibilities for each department and position, and has established specific departmental work duties. The Company has established a dedicated financial management system, which imposes strict regulations and controls over organizational structure, job responsibilities, accounting training, financial approval, budget and cost management, and other relevant aspects. The Company implements a strict internal audit system and employs full-time auditors to conduct internal audit supervision on the Company’s financial revenues and expenditures and economic activities.

The Company has maintained effective internal control related to the preparation of financial statements in all material aspects in accordance with the system of norms for the internal control of enterprises. The financial report for the year of 2023 of the Company has been audited by Grant Thornton Zhitong Certified Public Accountants (Special General Partnership), who has issued the standard unqualified audit reports (Zhi Tong Shen Zi [2024] No. 441A015215). The financial reports for the years of 2024 and 2025 have been audited by RSM China Certified Public Accountants (Special General Partnership), who has issued respective standard unqualified audit reports (Rong Cheng Shen Zi [2025] No. 518Z0041 and Rong Cheng Shen Zi [2026] No. 519Z0008). The financial statements are prepared and disclosed in accordance with the provisions of the Accounting Standard for Business Enterprises and relevant information disclosure rules, and fairly reflect the financial status, operating results and cash flows of the Company in all material aspects.

The Company complies with the provisions of Article 9 of the Administrative Measures for Registration: “(4) Its accounting practices are standardised, its internal control system is sound and effectively implemented, the preparation and disclosure of its financial statements comply with the requirements of the Accounting Standards for Business Enterprises and the relevant information

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disclosure rules, its financial statements fairly reflect, in all material respects, the financial position, operating results and cash flows of the listed company, and its financial reports for the most recent three years have each been issued with an unqualified audit opinion”.

(VIII) No financial investments with large amount at the end of the latest period

The Company did not have any financial investments with large amount at the end of the latest period.

The Company complies with Article 9 of the Administrative Measures for Registration: “(5) Save for financial enterprises, an issuer shall not hold financial investments with large amount at the end of the latest period”.

(IX) There is no circumstance under which the Company is prohibited from issuing convertible bonds to non-specific investors

As of the date of issuance of this Demonstration and Analysis Report, the Company has none of the circumstances set forth in Article 10 of the Administrative Measures for Registration that would prohibit the issuance of shares or convertible bonds to non-specific investors, as detailed below:

1. There are no circumstances in which a listed company changes the use of proceeds raised previously without authorization, and fails to make rectification or obtain approval of the General Meeting;
2. There are no circumstances in which a listed company or its current directors and senior management have received administrative punishment imposed upon by the CSRC in the last three years, or are denounced by the stock exchange in the last year, or are under official investigation by the judicial authority for any suspected crime or by the CSRC for any suspected violation of laws and regulations;
3. There are no circumstances in which a listed company or its controlling shareholder or actual controller failed to fulfill the public commitments to investors in the last year;
4. There are no circumstances in which a listed company or its controlling shareholder or actual controller committed a criminal crime of corruption, bribery, embezzlement of property, misappropriation of property, or disruption of the socialist market economic order, or any major illegal act that seriously harms the interests of the listed company, investors’ lawful rights and interests, or public interest in the last three years.

The Company complies with the relevant provisions of Article 10 of the Administrative Measures for Registration.

(X) *There is no circumstance under which the Company is prohibited from the issuance of convertible bonds*

As of the date of this Demonstration and Analysis Report, the Company does not fall under any of the circumstances specified in the provisions of Article 14 of the Administrative Measures for Registration that would prohibit the issuance of convertible bonds, as detailed below:

1. There are no circumstances in which the company commits a default on or delays the payment of the principal and interest of the publicly issued corporate bonds or other debts, and the company is still on-going;
2. There are no circumstances in which the company changes the use of proceeds from the public issuance of the company's bond in violation of the Securities Law.

The Company complies with the relevant provisions of Article 14 of the Administrative Measures for Registration.

(XI) *The use of proceeds of the Company complies with provisions*

1. *Complying with provisions of the national industrial policies and other laws and administrative regulations on environmental protection and land management*

The investment projects to be funded by the proceeds raised of the issuer do not fall under restricted or eliminated industries, and comply with provisions of national industrial policies and laws and administrative regulations on environmental protection and land management.

2. *Except for financial enterprises, the use of the proceeds shall not be held for financial investment, and shall not directly or indirectly invest in companies whose primary business is the trading of securities*

The issuer's use of the proceeds raised does not involve holding financial investments, nor does it involve direct or indirect investment in companies whose primary business is the trading of securities.

3. *Upon the implementation of a fund-raising project, there will be no new horizontal competition or obviously unfair related party transaction with the controlling shareholders, de facto controllers and other enterprises controlled by them that will cause significant adverse effects, or serious impact on the independence of the company's production and operation*

Upon the implementation of the fund-raising project, there will be no new horizontal competition or obviously unfair related party transaction of the Company with its controlling shareholders, de facto controllers and other enterprises controlled by them that will cause significant adverse effects, or serious impact on the independence of its production and operation.

4. *Proceeds raised shall not be used to cover losses and unproductive expenditure*

The net proceeds from the Issuance will be used for Yunqing Intelligent Manufacturing Base Project (Phase II), High-Layer-Count Printed Circuit Board Project and Supplement of Working Capital, and shall not be used to cover losses and unproductive expenditure. The use of the Company's proceeds complies with the requirements of Articles 12 and 15 of the Administration Measures for Registration.

(XII) The Listed Company shall raise funds rationally, determine the financing scale reasonably, and mainly invest funds raised in its main business

Based on the Company's strategic development planning, the funding needs for project construction, and other relevant factors, and in accordance with applicable regulations, the Company intends to raise no more than RMB3.6 billion (RMB3.6 billion inclusive) from the Issuance of A Share Convertible Bonds. The investment projects funded by the proceeds are in line with the Company's main business, and the amount of proceeds and investment are reasonable. Therefore, the Issuance complies with the requirements of "a listed company shall make rational financing and reasonably determine the scale of financing."

III. The Issuance Complies with the Special Requirements of Underwriting of Convertible Bonds of the Administration Measures for Registration

- (I) *Convertible Bonds shall have such elements as term, nominal value, interest rate, rating, rights of bondholders, conversion price and adjustment principle, redemption and resale, and downward adjustment to conversion price, etc.*

The Issuance complies with the provisions of Article 61 of the Registration Administrative Measures that “Convertible Bonds shall have such elements as term, nominal value, interest rate, rating, rights of bondholders, conversion price and adjustment principle, redemption and resale, and downward adjustment to conversion price, etc. The interest rate of the Convertible Bonds issued to non-specific investors shall be determined by the Listed Company and the lead underwriter through consultation in accordance with the law.” Details are as follows:

1. *Type of securities to be issued*

The type of the securities to be issued is convertible bonds which are to be issued to non-specific investors and can be converted into A Shares of the Company. Such convertible bonds and the A Shares to be converted in the future will be listed on the Shenzhen Stock Exchange.

2. *Par value and issue price*

The Convertible Bonds under the Issuance will be issued at par with a nominal value of RMB100.00 each.

3. *Term of the bonds*

The term of the Convertible Bonds under the Issuance will be six years from the date of the Issuance.

4. *Coupon rate of the bonds*

The method for determination of coupon rate of the Convertible Bonds under the Issuance and the final interest rate for interest accrual year shall be determined by the Board of the Company or its authorized persons as authorized by the general meeting through negotiation with the sponsor (the lead underwriter) in accordance with national policies, market conditions and the actual conditions of the Company prior to the Issuance.

In the event of any adjustment to the bank deposit interest rate before the completion of the Issuance of Convertible Bonds, the coupon rate shall be adjusted accordingly by the Board or its authorized person as authorized by the general meeting.

5. *Conversion period*

The conversion period of the Convertible Bonds under the Issuance shall commence on the first trading day immediately following the expiry of the six-month period after the completion date of the Issuance of Convertible Bonds, and end on the maturity date of the Convertible Bonds.

6. *Conversion Price and principles of adjustments*

(1) Determination of the initial Conversion Price

It is stipulated in the Issuance Plan that: “The initial Conversion Price of the Convertible Bonds under the Issuance shall not be lower than the average trading price of the Shares for the 20 trading days immediately preceding the date of publication of the Offering Document and the average trading price of the Shares on the immediately preceding trading day. The specific initial Conversion Price shall be determined by the Board or its authorized persons as authorized by the general meeting through negotiation with the sponsor (the lead underwriter) based on market conditions prior to the Issuance.

In the event that the Share price was adjusted due to ex-right and ex-dividend during such 20 trading days, the average trading price of the Shares on the trading days prior to the adjustment shall be calculated based on the price after such ex-right and ex-dividend.

The average trading price of the Shares for the immediately preceding 20 trading days = total trading amount of the Shares for the immediately preceding 20 trading days/total trading volume of the Shares for such 20 trading days. The average trading price of the Shares for the immediately preceding trading day = total trading amount of the Shares for the immediately preceding trading day/total trading volume of the Shares for such trading day”.

(2) Method of adjustments and calculation formula to the Conversion Price

The Conversion Price will be adjusted according to the following formula (rounded off to two decimal places) upon the Issuance of the Convertible Bonds in case of changes in the Shares due to certain events, such as distribution of bonus shares, conversion or increase of share capital, issuance of new shares (excluding any increase in the share capital as a result of conversion of the Convertible Bonds under the Issuance) or rights issue or distribution of cash dividends:

Distribution of bonus share or conversion or increase of share capital: $P1 = P0 / (1+n)$

Issuance of new shares or rights issue: $P1 = (P0 + A \times k) / (1+k)$

The above two events occurring concurrently: $P1 = (P0 + A \times k) / (1+n+k)$

Distribution of cash dividends: $P1 = P0 - D$

The above three events occurring concurrently: $P1 = (P0 - D + A \times k) / (1+n+k)$

In which, P0 denotes the Conversion Price before adjustment, n denotes the rate of distribution of bonus share or conversion or increase of share capital, k denotes the rate of issuance of new shares or rights issue, A denotes the price of issuance of new shares or rights issue, D denotes the cash dividend per Share, P1 denotes the adjusted Conversion Price.

Upon occurrence of any of the abovementioned events, the Company shall adjust the Conversion Price based on order of occurrence, and publish an announcement on the media for information disclosure of listed companies. Such announcement shall indicate the date of adjustment to the Conversion Price, adjustment method and suspension period of share conversion (if necessary). If the Conversion Price adjustment date is on or after the date on which a Convertible Bondholder applies for the conversion but before the registration date of the Shares to be issued upon conversion, such conversion shall be executed based on the Conversion Price adjusted by the Company.

In the event that the creditors' interests or the interests derived from share conversion of the Convertible Corporate Bondholders are affected by the change in the Company's share class, quantity and/or Shareholders' interests due to any possible share repurchase, consolidation, division or any other circumstances, the Company shall adjust the Conversion Price based on the actual situations and in accordance with the principles of fairness, justice and equality so as to fully protect the interests of the Convertible Bondholders. The details of adjustments to the Conversion Price and its implementation measures shall be determined in accordance with relevant prevailing PRC laws, regulations and the relevant requirements of the securities regulatory authorities and the Shenzhen Stock Exchange.

7. *Method for determining the number of conversion shares*

Where a Convertible Bondholder applies for the conversion during the conversion period under the Issuance, the formula for calculating the number of conversion shares to be issued upon conversion is as below: $Q = V/P$, rounded down to the nearest whole number.

In which, Q: denotes the number of Shares to be converted; V: denotes the aggregate nominal value of Convertible Bonds in respect of which the Convertible Bondholder applies for conversion; and P: denotes the prevailing Conversion Price as at the date of application for conversion.

The number of conversion shares to be converted shall be in whole number where the Convertible Bondholder applies for this conversion. Where the remaining balance of the Convertible Bonds is insufficient to be converted into one conversion share upon the application of conversion made by the Convertible Bondholders under the Issuance, within five trading days from the date of conversion by the Convertible Bondholders, the Company shall pay the Bondholders in cash an amount equal to the par value of such Convertible Bonds and the accrued interest thereof for the current period in accordance with the relevant requirements of the CSRC, Shenzhen Stock Exchange, China Securities Depository and Clearing Corporation Limited and other authorities. (For the method of calculating accrued interest for the current period, see the relevant provisions in 8. Terms of redemption).

8. *Terms of redemption*

(1) Terms of redemption upon maturity

Within five trading days upon the maturity of the Convertible Bonds under the Issuance, the Company shall redeem all the Convertible Bonds which have not been converted into conversion shares by then. The specific redemption price shall be determined by the Board or its authorized persons as authorized by the general meeting of the Company through negotiation with the sponsor (the lead underwriter) based on the market conditions upon the Issuance.

(2) Terms of conditional redemption

During the conversion period of the Convertible Bonds under the Issuance, in the event of any of the following two circumstances, the Company shall have the right to redeem the whole or part of the outstanding Convertible Bonds, at a price equal to the nominal value of the Convertible Bonds plus the then accrued interest:

- 1) The closing prices of the Company's shares on at least 15 trading days out of any 30 consecutive trading days during the conversion period are no less than 130% (130% inclusive) of the prevailing Conversion Price;
- 2) The balance of the outstanding Convertible Bonds under the Issuance is lower than RMB30 million.

The formula for calculating the accrued interest for the current period is as follows: $IA = B \times i \times t / 365$

IA: denotes the accrued interest for the current period;

B: denotes the aggregate nominal value of the Convertible Bonds to be redeemed held by such Bondholders under the Issuance;

i: denotes the coupon rate of the Convertible Bonds for the current year;

t: denotes the number of days on which interest is accrued, i.e. in respect to redemption date prior to the first interest payment day, it refers to the actual number of calendar days from the commencement date of interest accrual (inclusive) to the redemption date of the current interest accrual year (excluding the redemption date); and in respect to redemption date after the first interest payment day, it refers to the

actual number of calendar days from the preceding interest payment date (inclusive) to the redemption date of the current interest accrual year (excluding the redemption date).

The redemption period of the Convertible Bonds is the same as the conversion period, i.e. from the first trading day upon the expiry of six months from the completion of the Issuance to the maturity date of the Convertible Bonds.

In the event that an adjustment to the Conversion Price is made during the aforementioned 30 consecutive trading days, in respect of the trading days prior to the adjustment, the calculation shall be based on the unadjusted Conversion Price and the closing price of conversion shares on each such day, and in respect of the trading days on or after the adjustment, the calculation shall be based on the adjusted Conversion Price and the closing price of conversion shares on each such day.

9. *Terms of sale back*

(1) Terms of conditional sale back

During the last two interest accrual years within the term of the Convertible Bonds under the Issuance, if the closing prices of the shares on any 30 consecutive trading days are lower than 70% of the prevailing Conversion Price, the Convertible Bondholders are entitled to sell back the whole or part of the Convertible Bonds they hold to the Company at par plus the then accrued interest.

In the event that an adjustment to the Conversion Price is made due to distribution of bonus Shares, conversion or increase of share capital, issuance of new Shares (excluding any increase in the share capital as a result of conversion of the Convertible Bonds under the Issuance) or rights issue, distribution of cash dividends during the aforementioned trading days, in respect of the trading days prior to the adjustment, the calculation shall be based on the unadjusted Conversion Price and the closing price of conversion shares on each such day, and in respect of the trading days on or after the adjustment, the calculation shall be based on the adjusted Conversion Price and the closing price of conversion shares on each such day. In the event that there is a downward adjustment to the Conversion Price, the aforesaid "30 consecutive trading days" shall be re-counted from the first trading day following the adjustment to the Conversion Price.

For the calculation of accrued interest for the current period, please refer to the paragraph headed "Terms of redemption".

The Convertible Bondholders may exercise their sale back rights once every year when the sale back conditions have been initially satisfied according to the abovementioned agreed terms in the last two interest accrual years within the term of the Convertible Bonds. Where the sale back conditions are initially satisfied and the Convertible Bondholders do not apply for and exercise their sale back rights during the sale back declaration period then announced by the Company, no sale back rights may be exercised during such interest accrual year. The Convertible Bondholders shall not be allowed to exercise part of their sale back rights for multiple times.

(2) Additional terms of sale back

Where the actual use of the proceeds raised from the Convertible Bonds under the Issuance significantly differs from the undertakings of the use of proceeds set out by the Company in the Offering Document, and such difference is considered by the CSRC or the Shenzhen Stock Exchange as a change in the use of proceeds, the Convertible Bondholders under the Issuance shall be entitled to a one-off right to sell the whole or part of the Convertible Bonds they hold back to the Company at par plus the then accrued interest. Under the foregoing circumstances, the Bondholders may sell their Convertible Bonds back to the Company during the additional sale back declaration period as announced by the Company. If the Bondholders do not exercise their sale back rights during such period, no such right may be exercised.

For the calculation of accrued interest for the current period, please refer to the paragraph headed "Terms of redemption".

10. *Terms of downward adjustment to Conversion Price*

(1) Authorization and magnitude of adjustment

If, during the term of the Convertible Bonds under the Issuance, the closing prices of the Shares on at least 15 trading days out of any 30 consecutive trading days are lower than 85% of the prevailing Conversion Price, the Board is entitled to propose a downward adjustment to the Conversion Price and submit the same to the general meeting for consideration and approval.

The abovementioned proposal is subject to the approval of more than two-thirds of Shareholders with voting rights who attend the general meeting. Shareholders who hold the Convertible Bonds under the Issuance shall abstain from voting at such general meeting. The adjusted Conversion Price shall be no less than the higher of the average trading price of the Shares for 20 trading days immediately preceding

the date of such a general meeting and the average trading price of the Shares on the trading day immediately preceding the date of such a general meeting. In addition, the adjusted Conversion Price shall not be lower than the latest audited net asset value per Share and the par value of the Share.

In the event of an adjustment to the Conversion Price during the aforementioned 30 consecutive trading days, in respect of the trading days prior to the adjustment to the Conversion Price, the calculation shall be based on the unadjusted Conversion Price and the closing price of the Shares on each such day, and in respect of the days on which adjustment to the Conversion Price is made and the trading days afterwards, the calculation shall be based on the adjusted Conversion Price and the closing price of the Shares on each such day.

(2) Procedures of adjustment

In the event that the Company decides to adjust the Conversion Price downwards, the Company shall publish an announcement on the media designated by the CSRC for information disclosure of listed companies. Such announcement shall disclose information including the magnitude of the adjustment, the registration date of shares, the suspension period of share conversion, if necessary, and other relevant information. Application for conversion at adjusted Conversion Price shall be resumed upon the first trading day after the registration date, i.e. the Conversion Price adjustment date.

If the Conversion Price adjustment date is on or after the date on which a Bondholder applies for the conversion but before the registration date of the shares to be issued upon conversion, then such conversion shall be executed based on the adjusted Conversion Price.

11. *Rights of bondholders*

The Company has formulated the Rules of Procedure for Meetings of Holders of Convertible Corporate Bonds, which set out the measures for protecting the rights of Bondholders, as well as the rights, procedures and conditions for the effectiveness of resolutions of the meetings of Bondholders.

12. *Bond rating*

The Convertible Bonds under the Issuance will be subject to credit rating and tracking rating by a qualified credit rating agency appointed for such purpose.

In light of the foregoing, the Issuance is in compliance with the relevant requirements set out in Article 61 of the Administrative Measures for Registration.

- (II) *The Convertible Bonds shall not be convertible into Shares of the Company until six months after the date of completion of the Issuance, and the conversion period shall be determined by the Company having regard to the duration of the Convertible Bonds and the financial position of the Company. Bondholders shall have the right to elect whether to convert or not, and shall become Shareholders of the Listed Company on the day immediately following the date of conversion*

The conversion period of the Convertible Bonds under the Issuance shall commence on the first trading day after the expiry of six months from the date of completion of the Issuance of the Convertible Bonds and shall terminate on the maturity date of the Convertible Bonds. Bondholders shall have the right to elect whether to convert or not, and shall become Shareholders of the Company on the day immediately following the date of conversion.

Therefore, the Issuance is in compliance with Article 62 of the Administration Measures for Registration, which stipulates that “the Convertible Bonds shall not be convertible into Shares of the Company until six months after the date of completion of the Issuance, and the conversion period shall be determined by the Company having regard to the duration of the Convertible Bonds and the financial position of the Company. Bondholders shall have the right to elect whether to convert or not, and shall become Shareholders of the Listed Company on the day immediately following the date of conversion”.

- (III) *The Conversion Price of the Issuance of Convertible Bonds to non-specific investors shall not be lower than the average trading price of the Shares of the Listed Company for the 20 trading days immediately preceding the date of publication of the Offering Document and the average trading price of the Shares on the immediately preceding trading day*

The initial Conversion Price of Convertible Bonds under the Issuance shall not be lower than the average trading price of the Shares for the 20 trading days immediately preceding the date of publication of the Offering Document and the average trading price of the Shares on the immediately preceding trading day. The specific initial Conversion Price shall be determined by the Board or its authorized persons by the general meeting through negotiation with the sponsor (the lead underwriter) based on market conditions prior to the Issuance.

In the event that the Share price was adjusted due to ex-right and ex-dividend during such 20 trading days, the average trading price of the Shares on the trading days prior to the adjustment shall be calculated based on the price after such ex-right and ex-dividend.

The average trading price of the Shares for the immediately preceding 20 trading days = total trading amount of the Shares for the immediately preceding 20 trading days/total trading volume of the Shares for such 20 trading days. The average trading price of the Shares for the immediately preceding trading day = total trading amount of the Shares for the immediately preceding trading day/total trading volume of the Shares for such trading day.

Therefore, the Issuance is in compliance with Article 64 of the Administration Measures for Registration, which stipulates that “the Conversion Price of the Issuance of Convertible Bonds to non-specific investors shall not be lower than the average trading price of the Shares of the Listed Company for the 20 trading days immediately preceding the date of publication of the Offering Document and the average trading price of the Shares on the immediately preceding trading day”.

IV. The Issuance complies with the relevant provisions of the Legal Application Opinion No. 18 on Securities and Futures

1. The Company does not have any financial investments of a large amount as at the end of the latest period.
2. In the past three years, neither the Company nor its controlling shareholder and de facto controller has committed any material illegal act that seriously damages the interests of the listed company, the lawful rights and interests of investors, or the public interest.
3. The Issuance is an issuance of A Share Convertible Bonds to non-specific investors, and therefore the provision that “for a listed company applying for the issuance of A Shares to specific investors, the number of shares to be issued shall, in principle, not exceed 30% of the total share capital before the Issuance” does not apply to the Issuance.
4. Pursuant to the understanding and application of Article 40 of “Rational Financing and Reasonable Determination of Financing Scale” under the Legal Application Opinion No. 18 on Securities and Futures, “for a listed company applying for additional issuance, rights issue, or issuance of Shares to specific investors, the date of the board resolution for the Issuance shall, in principle, be no less than 18 months after the date of receipt of the previous proceeds. If the previous proceeds have been basically used up or the investment direction of the proceeds has not changed and is invested as planned, the corresponding interval shall, in principle, be no less than 6 months. The previous proceeds include those from initial public offering, additional issuance, rights issue, and issuance of Shares to specific investors. The above provisions do not apply to the issuance of convertible bonds, preference shares, the issuance of Shares for the acquisition of assets with ancillary fund-raising, and the application of simplified procedures by a listed company.” The Issuance is an issuance of A Share Convertible Bonds to non-specific investors, and the

APPENDIX VI DEMONSTRATION AND ANALYSIS REPORT ON THE PROPOSED SCHEME FOR THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS (REVISED VERSION)
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Company has disclosed the number of securities to be issued, the amount of proceeds and the use of proceeds in the preliminary proposal for the Issuance. The Issuance complies with the requirement that “a listed company shall make rational financing and reasonably determine the scale of financing”.

5. The Issuance is an issuance of A Share Convertible Bonds to non-specific investors, which falls under the category of fund-raising through other methods. The total amount of proceeds to be raised from the Issuance shall not exceed RMB3,600,000,000 (inclusive). After deducting issuance expenses, the net proceeds are proposed to be invested in the “Yunqing Intelligent Manufacturing Base Project (Phase II)”, the “High-Layer-Count Printed Circuit Board Project” and the “Supplement of Working Capital”. The proportion of the proceeds used for supplementing working capital and repaying debts does not exceed 30% of the total amount of proceeds, which complies with the above requirements.
6. As of June 30, 2026, the Company’s net assets amounted to RMB7,928,821,900 and the accumulated bond balance was RMB0. Assuming that the A Share Convertible Bonds of RMB3,600,000,000 are fully recorded as bonds payable at their par value upon the Issuance, the Company’s accumulated bond balance after the completion of the Issuance will be RMB3,600,000,000, which does not exceed 50% of the net assets as at the end of the latest period. Through the Issuance, the Company will further optimize its capital structure, and the Company has sufficient cash flow to pay the principal and interest of the corporate bonds. The Company complies with the requirement under Article 3 of the Legal Application Opinion No. 18 for Securities and Futures that a listed company issuing convertible bonds shall have “a reasonable asset-liability structure and normal cash flows”.

In summary, the Company complies with the relevant provisions of the Legal Application Opinion No. 18 for Securities and Futures, and the issuance method meets the requirements of the relevant laws and regulations, and is legal, compliant and feasible.

- V. The Company does not fall within the scope of enterprises subject to punishment under the Memorandum of Cooperation on Joint Disciplinary Measures against Dishonest Entities Subject to Enforcement and the Memorandum of Cooperation on the Implementation of Joint Disciplinary Measures against Dishonest Enterprises Identified by Customs, and is not a general dishonest enterprise or a dishonest enterprise identified by customs**

Upon self-inspection, the Company does not fall within the scope of enterprises subject to punishment under the Memorandum of Cooperation on Joint Disciplinary Measures against Dishonest Entities Subject to Enforcement and the Memorandum of Cooperation on the Implementation of Joint Disciplinary Measures against Dishonest Enterprises Identified by Customs, and is not a general dishonest enterprise or a dishonest enterprise identified by customs.

- VI. On any day within the 20 trading days preceding the Board meeting for the preliminary proposal of the Issuance, the Company did not experience any trading below the initial public offering price or below the net asset value per share; the Company did not incur losses for two consecutive accounting years; the Company did not have a relatively high proportion of financial investments; the use of previous proceeds complied with the applicable requirements and has been substantially utilised; and the investment projects to be funded with the proceeds from the Issuance are for the Company's existing principal business and do not involve cross-sector or diversified investment**

- (i) On any day within the 20 trading days preceding the date of the Board meeting for the refinancing preliminary proposal, the closing price of the Company's Shares (with the closing price calculated on a backward-adjusted basis using the initial public offering date as the reference date) was not lower than the issue price at the time of the initial public offering and listing, and was also not lower than the net asset value per share attributable to the shareholders of the issuer as at the end of the reporting period.
- (ii) The Company's net profit attributable to the parent for the most recent two accounting years (calculated based on the lower of the amounts before and after deduction of non-recurring gains and losses) were both positive, and the Company did not incur losses for two consecutive accounting years.
- (iii) As of June 30, 2026, the Company did not have a relatively high proportion of financial investments.

- (iv) The use of the previous proceeds complied with the applicable requirements and has been substantially utilised as at the end of June 2026.
- (v) The proceeds from the Issuance (after deducting issuance expenses) will be used for the “Yunqing Intelligent Manufacturing Base Project (Phase II)”, the “High-Layer-Count Printed Circuit Board Project” and the “Supplement of Working Capital”, which are closely related to the existing principal business. There is no cross-sector or diversified investment involved.

SECTION 5 FAIRNESS AND REASONABLENESS OF THE PLAN OF THE ISSUANCE

The plan of the Issuance has been approved by the Board after careful study. The implementation of the plan will help expand the Company’s business scale, enhance its profitability, and increase the interests of all Shareholders.

The plan of the Issuance of A Share Convertible Bonds to non-specific investors and related documents have been disclosed on the website of the Shenzhen Stock Exchange and in the designated information disclosure media, thereby ensuring Shareholders’ right to be informed.

The Company will convene a general meeting to consider the plan of the Issuance, at which Shareholders will be able to vote fairly on the Company’s Issuance of A Share Convertible Bonds to non-specific investors on a pari passu basis. Resolutions on matters relating to the Issuance of A Share Convertible Bonds to non-specific investors must be passed by not less than two-thirds of the voting rights held by Shareholders present at the meeting. The votes of minority investors will be counted separately, and Shareholders may exercise their rights either in person at the meeting or through online voting.

In view of the above, the plan of the Issuance of A Share Convertible Bonds to non-specific investors has been approved by the Board after careful study, and it is believed that the plan is in the interests of all Shareholders. Relevant disclosure procedures have been fulfilled for the plan of the Issuance and related documents, and the Shareholders’ right to know has been guaranteed. At the same time, the plan of the Issuance of A Share Convertible Bonds to non-specific investors shall be subject to the fair voting of Shareholders present at the general meeting, which is fair and reasonable.

SECTION 6 DILUTIVE IMPACT OF THE ISSUANCE ON IMMEDIATE RETURNS AND SPECIFIC MEASURES FOR COMPENSATION

The Issuance may result in a dilution of investors' immediate return. To protect the interests of investors, the Company intends to adopt a variety of measures to enhance its competitiveness so as to compensate the returns of Shareholders. The specific measures include:

I. Strengthening the Management of Proceeds Raised and Promoting the Construction of Investment Projects Funded by Proceeds

The Board of the Company has fully demonstrated the feasibility of the Issuance of A Share Convertible Bonds to non-specific investors. The investment projects funded by proceeds are centered on the Company's main business, in line with relevant national industrial policies and industry development trends, and consistent with the Company's development philosophy that takes technological innovation as the core driving force. The investment projects funded by proceeds have favorable market prospects and expected benefits.

Upon receipt of the proceeds from the Issuance, the Company will strictly standardize the deposit and use of the proceeds in accordance with the requirements of relevant laws and regulations and the Company's management system for proceeds, so as to ensure the rational and standardized use of the proceeds. The Company will also push forward the construction of the investment projects funded by proceeds on schedule, striving for their early implementation and realization of expected benefits.

II. Strengthening Operation and Management and Internal Control Construction to Improve Operating Efficiency

The Company will continuously improve its governance structure to ensure that Shareholders can fully exercise their rights, the Board can perform its functions and powers in accordance with the provisions of laws, regulations and the Articles of Association, and independent directors can earnestly perform their duties to safeguard the overall interests of the Company. The Company will continue to improve its operation and management, strengthen internal control to give full play to the efficiency of corporate management and control; strengthen cost management, enhance the supervision of budget implementation, and on the basis of strictly controlling various expenses, improve the efficiency of operation and management, control the risks of operation and management, and enhance the overall operation efficiency and profitability.

III. Further Improving and Strictly Implementing the Profit Distribution Policy to Optimize the Investor Return Mechanism

In accordance with the requirements of relevant documents such as the Guidelines for the Supervision of Listed Companies No. 3 — Cash Dividends of Listed Companies (Revised in 2025) issued by the CSRC and the Articles of Association, the Company will continue to strictly implement its dividend policy after the completion of the Issuance of A Share Convertible Bonds to non-specific investors in consideration of the Shareholder Dividend Return Plan for the Next Three Years (2026-2028) of Delton Technology (Guangzhou) Inc. formulated by the Company, in order to further improve the Company's profit distribution policy and provide Shareholders with sustained, stable and reasonable investment returns. Under the premise of meeting the conditions for profit distribution, the Company will actively give reasonable returns to investors to ensure that the interests of the Company's Shareholders, especially minority Shareholders, are effectively protected.

The Board of the Company has earnestly demonstrated, analyzed and deliberated on the dilutive impact of the Issuance on the original Shareholders' equity or immediate return, as well as the specific measures to make up for such dilution. To ensure the effective implementation of the compensation measures, the Directors, senior management, controlling shareholder and de facto controller of the Company have also made relevant undertakings. For details, please refer to the Announcement on the Dilutive Impact of the Issuance of A Share Convertible Corporate Bonds to Non-specific Investors on Immediate Returns and Measures for Compensation and the Relevant Undertakings by Responsible Parties of Delton Technology (Guangzhou) Inc. (Revised Version) publicly released by the Company on the same day.

SECTION 7 CONCLUSION

In conclusion, the Company's Issuance of A Share Convertible Corporate Bonds to non-specific investors is necessary and feasible. The plan of the Issuance is fair and reasonable, in line with the requirements of relevant laws and regulations, will help enhance the Company's sustainable operation capability and overall strength, aligns with the Company's development strategy, and in the interests of the Company and the Shareholders as a whole.

The Board of Delton Technology (Guangzhou) Inc.
August 7, 2026



**廣州廣合科技股份有限公司
Delton Technology (Guangzhou) Inc.**

**(No.22 Baoying South Road, Bonded Zone, Huangpu District, Guangzhou,
Guangdong Province)**

**FEASIBILITY ANALYSIS REPORT ON
THE USE OF PROCEEDS FROM THE ISSUANCE OF
A SHARE CONVERTIBLE CORPORATE BONDS TO
NON-SPECIFIC INVESTORS (REVISED VERSION)**

August 2026

APPENDIX VII FEASIBILITY ANALYSIS REPORT ON THE USE OF PROCEEDS FROM THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS (REVISED VERSION)
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APPENDIX VII FEASIBILITY ANALYSIS REPORT ON THE USE OF PROCEEDS FROM THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS (REVISED VERSION)
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DEFINITIONS

In the Report, unless otherwise specified, the following terms have the meanings set forth below:

Delton Technology, Company, Issuer, Listed Company	Delton Technology (Guangzhou) Inc.
Convertible Bonds	convertible corporate bonds
Issuance, Issuance of Convertible Bonds to non-specific investors	the Issuance of A Share Convertible Corporate Bonds to non-specific investors by Delton Technology (Guangzhou) Inc.
Report	feasibility analysis report on the use of proceeds from the Issuance of A Share Convertible Corporate Bonds to non-specific investors by Delton Technology (Guangzhou) Inc.
RMB, RMB million	RMB yuan, RMB million

SECTION 1 PLAN FOR PURPOSE OF THE PROCEEDS FROM THIS ISSUANCE

The total amount of proceeds to be raised from the Issuance of A Share Convertible Corporate Bonds to non-specific investors shall not exceed RMB3,600,000,000 (inclusive). After deducting issuance expenses, the net proceeds are proposed to be allocated to the following projects:

Unit: RMB'0,000

No.	Project Name	Total Investment	Proposed Proceed Allocation
1	Yunqing Intelligent Manufacturing Base Project (Phase II)	198,359.09	185,000.00
2	High-Layer-Count Printed Circuit Board Project	155,992.17	100,000.00
3	Supplement of Working Capital	75,000.00	75,000.00
	Total	429,351.26	360,000.00

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Prior to the receipt of the proceeds from the Issuance of A Share Convertible Bonds, the Company will make upfront investments using its own funds or self-raised funds in light of the actual implementation progress of the invested projects. After the proceeds are received, such upfront investments will be replaced in accordance with procedures prescribed by relevant laws and regulations.

The portion of total project investment exceeding the net proceeds shall be funded by the Company through its own funds or self-financing methods. Within the scope of the aforesaid invested projects, the Board of the Company or its authorized representatives may appropriately adjust the specific funding amount allocated to each invested project based on actual conditions including project progress and capital requirements.

SECTION 2 DETAILS OF THE INVESTED PROJECTS FOR THIS ISSUANCE

I. Yunqing Intelligent Manufacturing Base Project (Phase II)

(i) Project overview

A total of RMB1,983.5909 million is intended to be invested to this project, of which RMB1,850.0000 million is proposed to be funded from the Issuance of A Share Convertible Corporate Bonds to non-specific investors. The project involves the acquisition of high-end PCB production, inspection and ancillary equipment to expand the production capacity of high-layer-count boards and high-order HDI boards primarily used in the server sector, so as to meet the technological upgrade needs of the industry, optimise the regional production capacity layout and strengthen the Company's overall competitiveness. This project will be implemented by Delton Technology.

(ii) Necessity of project implementation

1. Meeting market demand and expanding supply capacity

With the accelerating development of artificial intelligence and the digital economy, global computing power infrastructure construction has been comprehensively accelerated, and the AI server market has experienced rapid growth. According to Trend Force, global AI server shipments in 2024 increased by 40% over 2023, reaching 1.655 million units, and are expected to grow to 2.413 million units by 2026, representing a compound annual growth rate of 28.8% from 2022 to 2026. The expansion of the AI server industry will substantially drive demand for computing power-related PCB products such as high-layer-count boards and high-order HDI boards.

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The Company has already established a product presence in the server sector, including achieving volume production capabilities for high-speed motherboard products equipped with the PCIe 6.0 platform, and has commenced mass production of 400G/800G switch PCB boards in the data centre switch segment. As downstream key customers continue to scale up their procurement, the Company is in urgent need of increasing capital and production capacity investments to further expand its supply capacity in line with market demand. Upon completion of this project, the Company will add an aggregate annual production capacity of 111,500 square metres for high-end HDI boards and high-layer count boards for AI applications, enabling it to fully meet the industry's large-scale procurement requirements, capitalise on the growth opportunities arising from the computing power industry, and further increase its market share in high-end computing power PCB products.

2. *Meeting industry technological upgrade needs and enhancing flexible production capabilities*

As a core foundational component of the electronic information industry, printed circuit boards deeply empower frontier fields such as artificial intelligence, high-performance computing, 6G communications and low-orbit satellites, and the pace of technological iteration in the industry continues to accelerate. In particular, in the AI server sector, the growing demand for computing power and data exchange is driving PCBs towards higher layer counts, higher integration and high-speed transmission. High-end circuit boards for AI applications are subject to much higher control standards in terms of layer-stack design, precision processing, raw material selection and long-term reliability compared with traditional products, and the industry's demand for technological upgrades has become increasingly urgent. At the same time, the pace of product iteration and renewal among downstream end-users has accelerated, and product parameters for high-layer count boards, such as layer-stack design, layer-count ratios and routing specifications, are subject to rapid changes. Downstream customers frequently adjust PCB design solutions based on product iteration and hardware upgrade requirements, which imposes higher demands on manufacturers' flexible production capabilities, including rapid changeover and flexible production line deployment.

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The Company has been deeply engaged in the PCB manufacturing sector for many years, with mature and comprehensive production systems and extensive manufacturing experience. However, some of its early production lines were designed based on the traditional standardized mass-production model, with limited versatility in equipment and manufacturing processes. When confronted with the complex technologies of high-layer-count boards and frequent specification adjustment demands, these lines suffer from insufficient line-switching efficiency and room for improvement in flexible deployment capabilities, which to some extent restricts the expansion of high-end products and business scale. This project plans to introduce advanced process equipment and precision testing devices. On one hand, it can fully meet the industry's high-end manufacturing and technological upgrading requirements, consolidating the manufacturing capacity for high-end products. On the other hand, it will greatly enhance the rapid line-switching and flexible deployment capabilities of the production lines, enabling the Company to easily cope with customers' rapid product specification change demands and comprehensively strengthen its comprehensive production competitiveness.

3. *Enhancing production capacity layout and competitiveness*

For years, the Company has been deeply engaged in the high-end PCB sector, having established a global production capacity layout system consisting of two major domestic production bases in Guangzhou and Huangshi, as well as an overseas production base in Thailand. Meanwhile, the Company is pushing forward the construction of the Yunqing Intelligent Manufacturing Base (Phase I). The two domestic production bases can not only supply products to overseas customers, with products sold to regions including Southeast Asia, Europe and the Americas, but also meet the production and delivery demands of the domestic market. Accordingly, the Company has already possessed relatively stable capabilities to ensure global supply and delivery.

In recent years, the vigorous development of the global computing power industry has driven the continuous expansion of the high-end server market, which further enlarges the market demand space for high-end computing power PCB products. Restricted by the layout of existing production bases, the Company cannot fully seize the broad development opportunities in the computing power PCB market. There are still deficiencies in the production capacity layout, and the market service capability needs to be further improved. The implementation of this project can effectively optimize the order delivery efficiency, reinforce the production and technical service capabilities, and enhance the Company's comprehensive competitiveness in the high-end computing power PCB sector.

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(III) *Implementation Feasibility of the Project*

1. Broad market prospects and solid market foundation for project implementation

The sustained prosperity of downstream industries such as computing power and communications has effectively driven the steady expansion of global and domestic demand for PCB products. In terms of the overall market size of the industry, according to data as set out in the First Quarterly Report of 2026 issued by Prismark, the global PCB market size will reach USD85.836 billion in 2025, while the PCB market size in Chinese Mainland will simultaneously rise to USD49.652 billion. It is estimated that the global PCB market size will increase to USD144.610 billion in 2030, and the PCB market size in Chinese Mainland is expected to reach USD81.764 billion, demonstrating strong overall growth momentum of the industry. From the perspective of downstream segments, the construction of computing power infrastructure will promote the structural optimization of the PCB segmented market, and the growth of PCB products for servers/data storage will stand out. According to Prismark, the global market size of such products reached USD15.975 billion in 2025, with a growth rate of 46.3%. It is expected that the market size will reach USD25.729 billion in 2029, driven by the upgrading of AI servers and the expansion of data center equipment. With the demand for artificial intelligence servers and high-speed networks, the proportion of high-end products such as HDI boards and high-layer multi-layer boards will continue to increase, and the industry is gradually developing towards the direction of high layer count, high frequency, high speed, and high reliability. In conclusion, the broad market prospects of the industry and downstream applications have laid a market foundation for the smooth implementation of this project.

2. Solid technical foundation for implementation of the Project

As a national high-tech enterprise, the Company has a provincial-level enterprise technology center, Guangdong provincial high-frequency and high-speed printed circuit board and other provincial-level R&D platforms. It has established a dedicated research institute that houses R&D units such as the materials application and research laboratory, the product R&D team, and the innovative process research team. Leveraging its robust R&D capabilities, the Company has successfully developed a series of core products, including high-layer-count boards and HDI boards tailored for GPU motherboards, stepped HDI server accelerator cards, and OAM boards, thereby establishing a comprehensive technological system. Among these, “Printed Circuit Boards for Server Motherboards” was recognized as a National-Level Single-Item Champion Product in the Manufacturing Sector; “Large BGA Server Motherboards for High-Performance Computing (HPC)” received the Second

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Prize in the Science and Technology Progress Award from the Guangdong High-Tech Enterprise Association; and the “AI Server Ultra-High-Tier High-Multilayer Composite Substrate Project” received the Third Prize of the Science and Technology Progress Award from the Chinese Institute of Electronics. Through R&D focused on various types of printed circuit boards for servers, the Company has accumulated multiple core technologies and established its own intellectual property system. Concurrently, it has developed high-precision mass production process capabilities and has now mastered key process technologies such as back-drilling precision control, electroplating with ultra-high thickness-to-diameter ratios, and precision impedance matching control. In summary, the Company has built a solid foundation of technical expertise, providing the technical foundation for the smooth implementation of the Project.

3. *Strong reputation and high-quality customer resources ensure absorption of the Project’s production capacity*

Leveraging superior product quality, concurrent R&D capabilities, and efficient service system, the Company has established long-term, stable partnerships with leading global server brands and EMS manufacturers, with collaborations spanning eight of the world’s top ten server manufacturers. Thanks to its stable supply capabilities, timely technical support, and deeply collaborative new product development services, the Company has won numerous honors, including “Outstanding Supplier of the Year,” “Best Supplier,” and the “Perfect Quality Award,” establishing a strong brand reputation in the PCB sector. At the same time, the Company continues to expand its customer base, actively entering fields such as consumer electronics, industrial control, security electronics, telecommunications, and automotive electronics, resulting in a diversified customer base and relatively stable partnerships. In summary, the Company’s strong reputation and high-quality customer resources within the industry lay a solid customer foundation for absorbing the Project’s production capacity.

(IV) *Project filing and approval status*

The Project is proposed to be implemented at Delton Technology’s existing site and does not involve the acquisition of new land. As of the date of this Report, the relevant procedures are still in progress.

(V) *Economic benefits of the Project*

Based on analysis and demonstration, the Project is expected to generate favourable economic benefits.

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II. High-Layer-Count Printed Circuit Board Project

(I) *Project overview*

The Project involves a planned investment of RMB1,559,921,700, of which RMB1,000,000,000 is proposed to be raised from the Issuance of A Share Convertible Bonds to non-specific investors. The Project is primarily intended to introduce new high-precision, highly automated equipment and ancillary devices suitable for multilayer board products. Upon completion of the Project, the Company's overall manufacturing capacity, product quality and product value-added will be significantly enhanced, enabling the Company to adequately meet downstream customers' demand for high-end product orders. The Project will be implemented by Delton Technology.

(II) *Necessity of the Project*

1. *Aligning with industry development trends and enhancing the technological content and value-added of products*

The Government is currently intensifying efforts to foster and develop new quality productive forces. The rapid development of emerging industries such as artificial intelligence, 6G communications, cloud computing, big data and intelligent connected vehicles presents significant opportunities for the domestic printed circuit board industry. As the core complete equipment for computing power, AI servers are undergoing continuous evolution in their technical architecture and supporting components, driven by the iterative upgrades of high-speed transmission protocols including PCIe 6.0, NVLink and 112G/224Gbps. Concurrently, the standards for critical hardware components, including GPU motherboards and AI accelerator cards, are being upgraded in tandem. The technical specifications of corresponding high-layer-count multilayer PCBs have become increasingly stringent, with core manufacturing processes such as ultra-fine circuits, deep micro-vias and high-precision impedance control posing significantly higher technical barriers. At the same time, extremely high requirements are imposed on the core production technologies of high-layer-count multilayer PCBs, including PCB's layer count, interlayer alignment accuracy, multilayer lamination processes and interlayer conduction stability. Advanced process capabilities and mass-production manufacturing capabilities for high-layer-count multilayer PCBs have become key competitive differentiators in the industry.

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Certain existing production lines of the Company are equipped with relatively conventional processes, which not only exhibit notable deficiencies in advanced manufacturing processes such as ultra-fine circuits, deep micro-vias and high-precision impedance control, but also concentrate its core production capacity and processes on the manufacturing of mid-to-low-layer count PCBs, with insufficient capacity for high-layer-count multilayer PCBs, thereby failing to meet the mass production and quality requirements for high-layer-count multilayer PCBs in the AI computing and high-end communications sectors. Accordingly, the Company will introduce advanced manufacturing processes and dedicated process equipment in a matching manner to improve production conditions, enhance process capabilities, and optimize the processing precision, operational stability and overall performance of its PCB products. Upon the implementation of the Project, the Company will be able to fully align with the technological development requirements of the industry, increase the proportion of high-end PCB products such as high-layer-count multilayer PCBs, enhance product value-added and unit price, and expand its production capacity for high-layer-count multilayer PCBs.

2. *Phasing out obsolete equipment to enhance product quality*

Certain of the Company's production lines have been in operation for an extended period, and the related equipment suffers from issues such as insufficient machining precision and weakened operational stability. These limitations prevent the Company from consistently ensuring uniformity across production batches, resulting in unstable product yields and relatively high production losses. At present, leading customers in high-end downstream sectors, including servers, high-speed communications and data centers, have established stringent qualification requirements for PCB products in terms of machining precision, operational stability, batch consistency and full-process quality traceability. Robust quality control has become a key prerequisite for enterprises seeking to enter the core supply chain and maintain long-term strategic partnerships.

The Project will introduce, on a large scale, intelligent, high-precision production and inspection equipment suitable for the manufacture of high-end products, including high-layer-count PCBs. Upon completion of the Project, the machining precision and standardization of the Company's core production processes will be substantially enhanced, thereby effectively improving product yield, reducing quality risks and customer complaints, and further strengthening the Company's market reputation and competitiveness within the supply chain.

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3. *Strengthening supporting capabilities for core customers and enhancing customer stickiness*

The business scale of key customers in downstream sectors such as AI servers, data centers and high-speed communications continues to expand, while their products are undergoing continuous upgrades and iterations. As a result, these customers have increasingly stringent requirements for upstream PCB suppliers in terms of high-end production capacity, stable supply, quality assurance and full-life-cycle service capabilities. The Company has established long-term strategic partnerships with leading customers in the industry. However, its existing high-end production capacity remains insufficient and its supporting production system requires further enhancement, making it difficult to continuously meet the growing and evolving supporting needs of core customers on a large-scale basis. This is not conducive to maintaining stable cooperation with existing customers or further deepening such strategic partnerships. In addition, customer qualification standards in the high-end PCB industry have become increasingly stringent. During the supplier selection process, potential high-quality customers place particular emphasis on factors such as the configuration of high-end production lines, flexible manufacturing capabilities, high-end mass production capacity and the supplier's capability and potential for technological upgrades. The limitations of the Company's existing production lines have, to a certain extent, constrained its ability to expand its high-quality customer base.

Upon completion of the Project, the Company will, on the one hand, be better positioned to meet the product upgrade and capacity expansion needs of its existing core customers by providing sustainable, stable and iterative high-end supporting supply capabilities. On the other hand, the Project will enable the Company to better satisfy the supplier qualification requirements of new high-quality customers, enhance its overall hardware capabilities and supporting qualifications, and lay a solid foundation for attracting additional high-end customers, expanding into new market opportunities and further optimizing its customer portfolio.

(III) *Implementation Feasibility of the Project*

1. *Favorable industrial policies and construction of the Project aligned with national industrial orientation*

In recent years, the PRC government has continuously promoted the high-end and self-reliant transformation and upgrading of the electronic information industry. Multiple ministries and commissions have successively issued a number of supportive policies, creating a favorable policy environment for the construction of the Project.

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In December 2023, “high-density interconnect printed circuit boards, specialized printed circuit boards, and flexible multilayer printed circuit boards” were included in the Catalogue of Industrial Strategic Emerging Industries (2023) published by the National Bureau of Statistics. In September 2025, the Ministry of Industry and Information Technology and the State Administration for Market Regulation jointly issued the Action Plan for Stable Growth of the Electronic Information Manufacturing Industry (2025–2026), proposing to accelerate the construction of advanced computing systems such as AI servers and high-efficiency storage, while simultaneously strengthening collaborative technological breakthroughs in complete machines, software, and hardware. In January 2026, eight departments including the Ministry of Industry and Information Technology jointly issued the Implementation Opinions on the “AI + Manufacturing” Special Action, clearly supporting breakthroughs in key technologies such as high-end training chips, edge-side inference chips, AI servers, high-speed interconnect, and intelligent computing cloud operating systems. In addition, multiple supporting policies—including the Opinions on Deepening the Implementation of the “AI+” Action, the Specification Conditions for the Printed Circuit Board Industry (2025 Edition), the Implementation Plan for Digital Transformation of the Electronic Information Manufacturing Industry, the Overall Layout Plan for Digital China Construction, the Several Policies on Promoting the High-Quality Development of the Integrated Circuit and Software Industry in the New Era, the Action Plan for Computing Power Interconnection, and the Catalogue of Guiding Industries for Structural Adjustment (2024 Edition)—support the healthy and stable development of this industry from multiple dimensions.

2. *Well-established management system and solid management foundation for the Project*

The Company places great emphasis on refined management and cost control throughout its production and operation processes. Having long been deeply engaged in the PCB manufacturing sector, the Company has established a mature and comprehensive production and operation management system. It continuously implements lean production and cost-reduction-efficiency-improvement management models, has set up an independent comprehensive cost accounting and evaluation system, and has established systematic data collection, analysis, and performance assessment incentive mechanisms. As a result, the Company possesses strong cost control and refined operational capabilities.

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The Company has established a quality management system covering the entire business chain, and has formulated full-process control specifications in strict accordance with system requirements, covering supplier certification, material inspection, production process control, order management, and customer service. Through routine internal audits and review mechanisms, the Company ensures the effective implementation and continuous optimization of its quality management system. At the same time, leveraging the ERP digital management system, the Company can perform full-process data recording and dynamic traceability across all stages—including material procurement, production and manufacturing, inspection and warehousing, and product delivery—providing reliable data support for production control, quality analysis, and process optimization.

3. *Outstanding team provides talent support for the Project*

The Company has assembled an excellent and capable core management, production, and technical team. All key members have been deeply engaged in the PCB industry for many years and possess profound experience in market assessment, technology R&D, production control, quality management, and other fields. They have a precise grasp of industry development trends and market dynamics, and are able to efficiently drive the application of new technologies and new products in response to customer needs.

The Company has continued to expand its R&D talent pool and refine its tiered workforce structure. As of the end of 2025, the Company had 530 R&D personnel, representing 10.60% of its total workforce, reflecting a year-on-year increase of 35.55%. In addition, the Company has established comprehensive systems for talent development, performance appraisal, and incentive and restraint mechanisms, and possesses flexible staff deployment capabilities, enabling it to transfer key operational personnel from its existing mature production bases to provide guidance for the construction and operation of the Project.

(IV) *Project filing and approval status*

The Project is proposed to be implemented through leasing of premises and does not involve the acquisition of additional land. As of the date of this Report, the relevant procedures are still in the process of being completed.

(V) *Economic Benefits of the Project*

Based on analysis and demonstration, the Project is expected to generate favourable economic benefits.

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III. Supplement of working capital

(I) Project overview

Taking into account its current development status, business strategy, financial condition, market financing environment and other internal and external conditions, the Company proposes to utilize RMB750.00 million of the proceeds from the Issuance of A Share Convertible Corporate Bonds to non-specific investors as a supplement of working capital (representing 20.83% of the total proceeds from the Issuance), so as to meet the growing working capital requirements arising from the continuous development of the Company's business, thereby facilitating the healthy and sustainable growth of its principal businesses and the achievement of its strategic development objectives.

(II) Necessity of supplement of working capital

Upon the successful completion and commencement of operations of the invested projects, the Company's production capacity will be effectively expanded, and its overall production and operational capabilities will be upgraded and enhanced. As production capacity is released and the scale of business operations continues to expand, the Company's working capital requirements in respect of its daily production and operations, procurement of raw materials, order fulfilment and other operational aspects will continue to increase. At the same time, in order to maintain and further enhance its core competitiveness and keep pace with the evolving trends of industry technologies, the Company is required to continuously increase R&D investment in new products, new technologies and new processes, steadily improve product portfolio, optimize product performance and further consolidate its market position in the industry.

Based on the Company's overall development plan encompassing future business expansion, technological innovation and market development, the Company's overall capital reserves and financial strength are subject to higher matching requirements. Through the supplement of working capital, the Company will be able to precisely cover the funding gaps in its key operational areas, effectively alleviate the financial pressures arising from business development, continuously enhance the core competitiveness of its products and its overall operational capabilities, and consolidate the business foundation for its scaled and high-quality development. This will, in turn, lay a solid financial foundation for the Company's medium- to long-term sound operation and sustained expansion. Accordingly, the implementation of the Project is fully necessary and justified.

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(III) Feasibility of supplementing working capital

The Company's use of the proceeds from the issuance of securities for supplementing working capital complies with the relevant requirements under the Administrative Measures for the Registration of Securities Issuance by Listed Companies and other domestic regulatory laws, regulations and industry normative documents. The use of the proceeds is lawful and the procedures are legitimate, and the implementation of the project is fully policy-feasible.

Since its establishment, the Company has continuously improved its modern enterprise operation and management system, and has established a standardised and well-established corporate governance structure, a comprehensive internal control system and a standardised operation and management mechanism, resulting in a corporate governance framework and internal control environment with clearly defined responsibilities and authorities, effective control and efficient operations, which can provide a robust institutional framework and management support for the standardised use of the proceeds.

In respect of the management of the proceeds, the Company has strictly followed the relevant regulatory requirements in formulating a dedicated proceeds management system, which sets out comprehensive and detailed institutional provisions on key matters such as the segregated deposit of proceeds in designated bank accounts, the approval of use, the direction of deployment, and monitoring and verification. Upon the full receipt of the proceeds, the Company will strictly comply with the requirements of the relevant national laws and regulations, regulatory normative documents and internal management policies, implement segregated account management and designated use of the proceeds, rigorously follow the approval procedures for the use of funds, strengthen the control and supervision over the use of proceeds throughout the process, effectively safeguard the lawful rights and interests of all investors, and ensure that the proceeds are used in a compliant, efficient and reasonable manner, thereby facilitating the sustainable and steady development of the Company. The implementation of the project is fully feasible.

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**SECTION III IMPACT OF THE ISSUANCE ON THE COMPANY'S OPERATIONS
AND MANAGEMENT AND FINANCIAL CONDITION**

**I. Impact of the Issuance of Convertible Bonds to Non-specific Investors on the
Company's Operations and Management**

The investment projects for the proceeds from the Issuance are primarily aligned with the Company's strategic development plan and are closely related to the Company's principal business. Upon the completion of the implementation of the project, the Company's core competitiveness in the computing server sector will be further enhanced, and its international standing and business scale will continue to grow, which will help to improve the profitability of the Company's principal business, promote the Company's long-term sustainable development, and propel the Company towards its vision of "becoming a global leader in the field of intelligent connectivity".

**II. Impact of the Issuance of Convertible Bonds to Non-specific Investors on the
Company's Financial Condition**

The Issuance will further expand the Company's asset base. If the convertible bonds issued in the Issuance are gradually converted into shares, the Company's gearing ratio will gradually decrease, its net assets will increase, its financial structure will be further optimised, and its risk resilience will be enhanced.

As the new project requires a certain period and process to generate returns, if the convertible bonds issued in the Issuance are converted into shares relatively quickly before the expected benefits from the investment projects are fully realised, certain financial indicators such as earnings per share may experience a modest decline in the short term. However, with the orderly implementation of the investment project funded by the proceeds from the Issuance, the Company's development strategy will be effectively executed, and the Company's future profitability and operating results will be improved.

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SECTION IV CONCLUSION ON FEASIBILITY ANALYSIS

The investment projects for the proceeds from the Issuance are closely related to the Company's principal business, in line with the relevant national industrial policies and the Company's overall development strategy, and generate favourable economic and social benefits, which are of significant importance to the Company's profit growth and sustainable development. Upon the successful implementation of the project, the Company's market competitiveness and profitability will be further enhanced, which is consistent with the Company's long-term development needs and the interests of all Shareholders. The use of proceeds from the Issuance of A Share Convertible Bonds in the Issuance is both necessary and feasible.

Board of Directors of Delton Technology (Guangzhou) Inc.
August 7, 2026

**RESOLUTION ON APPOINTMENT OF A SPECIAL AUDIT INSTITUTION FOR
THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO
NON-SPECIFIC INVESTORS**

Dear Directors,

To smoothly advance the Company's project of Issuance of A Share Convertible Corporate Bonds to non-specific investors (hereinafter referred to as the "Project"), the Company intends to appoint RSM China Certified Public Accountants (Special General Partnership) (hereinafter referred to as "RSM China CPA LLP") to provide special audit services for the Project. The audit scope includes the audit reports for the years 2023 to 2025, etc. The basic information of the proposed accounting firm is as follows:

(I) INSTITUTION INFORMATION**1. Basic Information**

RSM China CPA LLP is previously known as Huapu Tianjian Certified Public Accountants (Special General Partnership). It was initially established in August 1988 and restructured into a special general partnership on December 10, 2013. It is one of the earliest accounting firms in China approved to engage in securities service business and has long been engaged in securities service business. Its registered address is Rooms 1001-1 to 1001-26, 10th Floor, Building 1, No.22 Fuchengmenwai Avenue, Xicheng District, Beijing, and its chief partner is Liu Wei.

2. Personnel Information

As of December 31, 2025, RSM China CPA LLP has a total of 233 partners and 1,507 certified public accountants, among whom 856 have signed audit reports for securities service business.

3. Business Scale

For the year 2025, RSM China CPA LLP reported audited total revenue of RMB2,910,084,400, of which audit service revenue amounted to RMB2,637,195,600 and securities and futures-related service revenue amounted to RMB1,390,696,400.

RSM China CPA LLP undertook the 2025 annual report audit engagements for 557 listed companies, with aggregate audit fees of RMB575,502,300. Its clients are primarily concentrated in a wide range of industries, including manufacturing, information transmission, software and information technology services, wholesale and retail, scientific research and technology services, construction, and water conservancy, environment and public facilities management. RSM China CPA LLP serves 416 listed companies in the same industry as the Company.

4. Investor Protection Capabilities

RSM China CPA LLP has purchased professional indemnity insurance for certified public accountants, with an aggregate liability limit of not less than RMB250 million. The purchase of such professional insurance is in compliance with relevant regulations.

Details of civil liabilities arising from civil litigations in the course of practice during the past three years are as follows:

On September 21, 2023, Beijing Financial Court rendered a judgement in the securities misrepresentation liability dispute case [(2021) Jing 74 Min Chu No. 111] involving Leshi Internet Information & Technology Corp., Beijing (樂視網信息技術(北京)股份有限公司) (hereinafter referred to as “Leshi Internet”), ruling that Huapu Tianjian Consulting (Beijing) Co., Ltd. (華普天健諮詢(北京)有限公司) (hereinafter referred to as “Huapu Tianjian Consulting”) and RSM China CPA LLP shall be jointly and severally liable with the defendant Leshi Internet for the losses incurred by the plaintiff investors who purchased shares of Leshi Internet on or after March 17, 2011, to the extent of 1%. Upon receipt of the judgement, Huapu Tianjian Consulting and RSM China CPA LLP have filed an appeal. As of the date hereof, the case remains pending in the second-instance proceedings.

On March 16, 2026, Xiamen Intermediate People’s Court of Fujian Province rendered a first-instance judgement in the securities misrepresentation liability dispute case [(2025) Min 02 Min Chu No. 735 and (2025) Min 02 Min Chu No. 736] involving Red phase INC. (紅相股份有限公司) (hereinafter referred to as “Red phase”), ruling that Red phase shall bear full liability for the reasonable portion of the losses claimed by the plaintiffs (investors of Red phase), while RSM China CPA LLP shall bear joint and several liability to the extent of 25%. Upon receipt of the judgement, RSM China CPA LLP has filed an appeal. As of the date hereof, the case remains pending in the second-instance proceedings.

5. Integrity Record

RSM China CPA LLP has, in the past three years (being the latest three full calendar years and the current year), received 0 criminal penalties, 2 administrative penalties, 12 supervisory measures, 13 self-regulatory measures, 5 disciplinary actions and 1 self-disciplinary action in respect of its practising activities.

A total of 108 practitioners of the firm have, in the past three years (being the latest three full calendar years and the current year), received 0 criminal penalties, 5 administrative penalties (in respect of 3 projects), 20 supervisory measures, 1 industry disciplinary action, 11 disciplinary actions, 10 self-regulatory measures and 1 self-disciplinary action in respect of their practising activities.

(II) PROJECT INFORMATION

1. Basic Information

Proposed signatory project partner: Yang Ganlin (楊敢林), became a certified public accountant in 2000, commenced practising in listed company auditing in 1999, and commenced practising at RSM China CPA LLP in 2020. In the past three years, he has signed audit reports for listed companies including Wantai BioPharm (603392) and Uni-Trend (688628).

Project signatory certified public accountant: Lin Qingtao (林慶濤), became a certified public accountant in the PRC in 2024, commenced practising in listed company auditing in 2018, and commenced practising at RSM China CPA LLP in 2020. In the past three years, he has signed audit reports for listed companies including Sunmoon Microelectronics (688699) and Delton Technology (001389).

Project quality review partner: Yin Lifeng (殷李峰), became a certified public accountant in the PRC in 2019, commenced practising in listed company auditing in 2011, and commenced practising at RSM China CPA LLP in 2020. In the past three years, he has signed or reviewed audit reports for listed companies including Ways Electron, DelphiLaser, Heshun Petroleum and Huaxiang Group.

2. *Integrity Records of the Above Relevant Personnel*

During the past three years, Yang Ganlin (楊敢林) (the project partner), Lin Qingtao (林慶濤) (the signatory certified public accountant), and Yin Lifeng (殷李峰) (the project quality review partner) have not been subject to any criminal penalties, administrative penalties, regulatory measures, self-regulatory measures or disciplinary actions due to their professional conduct.

3. *Independence*

RSM China CPA LLP and the aforementioned personnel have not violated the requirements of the Code of Ethics for Chinese Certified Public Accountants or the Chinese Auditing Standards for Certified Public Accountants No. 1 – Requirements for Independence in Audit and Review Engagements of Financial Statements.

4. *Audit Fees*

The audit fee is determined based on various factors, including the Company's business scale, industry in which it operates and the complexity of its accounting treatments, as well as the number of audit personnel required, the amount of work to be undertaken and the fee standards of the accounting firm. It is proposed that the general meeting of the Company authorize the chairman of the Company or his/her authorized persons to determine the specific audit fee and execute the relevant documents according to the specific circumstances.

The above proposal is hereby submitted to the Board for consideration.

This resolution has been considered and approved at the third meeting of the Audit Committee of the third session of the Board of the Company in 2026 and is subject to consideration and approval at the second extraordinary general meeting of the Company in 2026.

The Board of Delton Technology (Guangzhou) Inc.
September 7, 2026

SPECIAL REPORT ON THE USE OF PROCEEDS PREVIOUSLY RAISED

According to the requirements of Guidelines for the Application of Regulatory Rules — Issuance No. 7 issued by the China Securities Regulatory Commission, Delton Technology (Guangzhou) Inc. (the “Company”) hereby presents the special report on the use of proceeds previously raised as at June 30, 2026 as follows:

I. INFORMATION ABOUT PROCEEDS PREVIOUSLY RAISED

(1) Amount of proceeds previously raised and date of receipt

Pursuant to the approval for registration granted by the China Securities Regulatory Commission in its Reply on Approving the Registration of Initial Public Offering by Delton Technology (Guangzhou) Inc. (Zheng Jian Xu Ke [2023] No. 2182), and approval from the Notice on the Listing of RMB Ordinary Shares of Delton Technology (Guangzhou) Inc. (Shen Zheng Shang [2024] No. 239) issued by the Shenzhen Stock Exchange, the Company has been approved to publicly issue 42,300,000.00 RMB ordinary Shares (A Shares). The par value of each RMB ordinary Share of the public issuance was RMB1.00 and the issue price was RMB17.43 per Share. The total proceeds raised by the Issuance was RMB737,289,000.00. After deducting issuance expenses, tax exclusive, of RMB83,830,482.69, the actual net proceeds was RMB653,458,517.31.

The aforementioned proceeds were received on March 28, 2024. The receipt of the aforementioned proceeds of the Company has been verified by Grant Thornton Zhitong Certified Public Accountants by issuing the Capital Verification Report (Zhi Tong Yan Zi (2024) No. 441C000092) as at March 28, 2024. The Company has stored and managed the proceeds in a special account.

(2) Deposit and management of proceeds previously raised

1. Use and management of proceeds previously raised

In accordance with relevant provisions of the Company Law of the PRC, the Securities Law of the PRC, the Self-regulatory Guideline No. 1 for Companies Listed on the Shenzhen Stock Exchange – the Standardized Operation of Companies Listed on the Main Board, and Regulatory Guideline No. 2 for Listed Companies – Regulatory Requirements for the Management and Use of Funds Raised by Listed Companies as well as in light of the Company’s actual conditions, the Company amended the Proceed Administrative System of Delton Technology (Guangzhou) Inc. (Draft) (the “Administrative System”). This system implements a special account system for proceeds and set forth provisions in relation to the deposit, use, project implementation management, change of investment project and supervision of use of proceeds. The Administrative System has been considered and

amended at the 2025 first extraordinary general meeting of the Company held as at May 16, 2025, taking effect from the listing date of the Company's overseas-listed shares (H Shares) on the Hong Kong Stock Exchange.

The Company and its sponsor, Guolian Minsheng Investment Banking Company Limited (hereinafter referred to as “**Guolian Minsheng Investment Banking**”), entered into the Tripartite Proceeds Custody Agreement with HSBC Bank (China) Company Limited Guangzhou Branch (匯豐銀行(中國)有限公司廣州分行), Shanghai Pudong Development Bank Co., Ltd. Guangzhou Dongshan Sub-branch(上海浦東發展銀行股份有限公司廣州東山支行), and China Merchants Bank Co., Ltd. Guangzhou Development Zone Sub-branch (招商銀行股份有限公司廣州開發區支行). In addition, the Company, Delton Precision Circuits (Huangshi) Inc. (a subsidiary responsible for implementing the proceed investment project), Minsheng Investment (the sponsor), and DBS Bank (China) Limited Guangzhou Branch (星展銀行(中國)有限公司廣州分行) entered into a Quadripartite Proceeds Custody Agreement. The Company manages the proceeds in accordance with the Administrative System and ensures that the proceeds are deposited in dedicated accounts and subject to dedicated use, rigorous administration and faithful disclosure.

As of June 30, 2026, the use of the proceeds is as follows:

Unit: RMB'0,000

Item	Amount
Total proceeds	73,728.90
Less: issuance expenses	8,383.05
Net proceeds	65,345.85
Add: interest income	330.92
Add: investment income	729.85
Less: project investment	53,926.09
Less: reimbursement of upfront investment in project with proceeds	3,175.55
Less: handling charges	0.04
Balance of proceeds as of June 30, 2026	<u>9,304.95</u>

Note: Figures shown in the report as totals may not be an arithmetic aggregation of the figures presented due to rounding adjustments.

As of June 30, 2026, the use of Company's proceeds is as follows: (1) prior to the receipt of the above proceeds, the Company had invested RMB31.7555 million of self-raised funds in the fundraising projects; after the receipt of the proceeds, the Company applied the proceeds to replace the self-raised funds that had been previously invested in the fundraising projects; (2) a total of RMB539.2609 million was directly invested in the fundraising projects, with handling charges of RMB0.4 thousand. As of June 30, 2026, the Company has utilised a total of RMB571.0164 million of the proceeds, and the cumulative interest income and investment income from designated proceeds accounts amounted to RMB10.6078 million. As of June 30, 2026, the remaining balance of the proceeds was RMB93.0495 million.

2. Balance of the proceeds from the previous fundraising project

In accordance with the Management Measures, the Company maintains dedicated accounts for the proceeds. As of June 30, 2026, the details of the proceeds deposited in the designated accounts are set out in the table below:

Unit: RMB'0,000

No.	Account Opening Entity	Opening Bank	Bank Account No.	Balance of the Proceeds
1	Delton Technology (Guangzhou) Inc.	HSBC Bank (China) Company Limited Guangzhou Branch	629356122050	48.08
2	Delton Technology (Guangzhou) Inc.	Shanghai Pudong Development Bank Co., Ltd. Guangzhou Dongshan Sub-branch	82040078801700002702	133.76
3	Delton Technology (Guangzhou) Inc.	China Merchants Bank Co., Ltd. Guangzhou Development Zone Sub-branch	120902003510008	656.86
4	Delton Precision Circuits (Huangshi) Inc.	DBS Bank (China) Limited Guangzhou Branch	30022352288	8,466.25
Total				<u>9,304.95</u>

II. EXPLANATION OF THE ACTUAL UTILIZATION OF FUNDS PREVIOUSLY RAISED**(I) Comparison table of the utilization of funds previously raised**

The Company has committed to invest in two projects: the Phase 1 Second Stage Project of the Multi-layer High-precision Circuit Board Project of Delton Precision Circuits (Huangshi) Inc.* (黄石廣合精密電路有限公司), and the replenishment of working capital and repayment of bank loans of Delton Technology (Guangzhou) Inc.. The comparison table of the use of funds previously raised is set out in Appendix 1 to this report.

(II) Explanation of changes in actual investment Projects of Funds Previously Raised

The Company has not changed any actual investment projects of the funds previously raised.

(III) Explanation of differences between actual total investment amount and committed amount of funds previously raised projects

The differences between the actual total investment amount and the committed amount of the funds previously raised projects are as follows:

Unit: RMB0'000

No.	Name of the Funds-Raised Project	Committed Investment Amount after Raising	Actual Investment Amount	Difference (Actual minus Committed)	Explanation
1	Phase 1 Second Stage Project of the Multi-layer High-precision Circuit Board Project of Delton Precision Circuits (Huangshi) Inc.* (黄石廣合精密電路有限公司)	47,552.18	39,307.97	-8,244.21	The project is under construction and funds have not yet been fully utilised
2	Replenishment of working capital and repayment of bank loans of Delton Technology (Guangzhou) Inc.	17,793.67	17,793.67	0.00	N/A

(IV) Explanation of transfer or replacement of previous funds-raised investment projects

Grant Thornton Zhitong Certified Public Accountants LLP* (致同會計師事務所 (特殊普通合伙)) has verified the Company's use of funds raised to replace self-raised funds previously invested in the raised-investment projects and issuance expenses, and issued the Verified Report on the Use of Self-raised Funds to Pre-invest in Funds-Raised Investment Projects and Pay Issuance Expenses by Delton Technology (Guangzhou) Inc. (Zhitong Zhuanzi [2024] No.441A009832).

Prior to the receipt of these funds raised, the Company had already invested self-raised funds in the funds-raised investment projects. As of April 22, 2024, the amount actually invested by the Company using self-raised funds was RMB31.7555 million. The Company used RMB31.7555 million of the funds raised to replace the aforementioned self-raised funds pre-invested in the projects. Details are as follows:

Unit: RMB0'000

Project Name	Amount	
	Pre-invested with Self-raised Funds	Replacement Amount using Funds Raised
Phase 1 Second Stage Project of the Multi-layer High-precision Circuit Board Project of Delton Precision Circuits (Huangshi) Inc.* (黃石廣合精密電路有限公司)	3,175.55	3,175.55

(V) Explanation of idle funds raised**1. Temporary use of idle funds raised to supplement working capital**

The Company has not used idle funds raised to temporarily supplement working capital.

2. Use of idle funds raised for cash management

On April 25, 2024, the Company convened the 6th meeting of the second session of the Board, which reviewed and approved the Proposal on Using Part of Temporarily Idle Proceeds for Cash Management. Upon deliberation, the Board approved the Company to use no more than RMB380 million in temporarily idle proceeds for cash management. On May 20, 2024, the Company convened a general meeting, which reviewed and approved the Proposal on Using Part of Temporarily Idle Proceeds for Cash Management.

Upon deliberation, the general meeting approved the Company to use no more than RMB380 million in temporarily idle proceeds for cash management. The above limit is valid for 12 months from the date of review and approval by the Company's general meeting, and can be used on a rolling and revolving basis. The principal shall be returned to the special account for the proceeds upon maturity.

On March 31, 2025, the Company convened the 12th meeting of the second session of the Board and the 10th meeting of the second session of the Board of Supervisors, which reviewed and approved the Proposal on Using Part of Temporarily Idle Proceeds for Cash Management, approving the Company and its subsidiaries to use no more than RMB290 million (inclusive) in temporarily idle proceeds for cash management. The above limit can be used on a rolling and revolving basis within 12 months from the date of review and approval by the Company's general meeting. Upon the maturity of the cash management of idle proceeds, the funds will be promptly returned to the special account for the proceeds.

On March 27, 2026, the Company convened the 23rd meeting of the second session of the Board. The Company and its subsidiaries plan to use no more than RMB100 million (inclusive) in temporarily idle proceeds for cash management. The usage period is valid for 12 months from the date of review and approval by the Board of the Company. Within the aforesaid limit and period, the funds can be used on a rolling and revolving basis. Upon the maturity of the cash management of temporarily idle proceeds, the funds will be promptly returned to the special account for the proceeds.

During the reporting period, all products for which the Company used part of the idle proceeds to conduct cash management are bank principal-guaranteed products. The usage limit complies with relevant requirements, and no circumstances have occurred that affect the construction of investment projects to be funded with the proceeds and the usage of the proceeds. As of June 30, 2026, the Company has accumulated cash management income of RMB10.6078 million. The redeemed principal and income upon maturity have all been returned to the special account for the proceeds, with no outstanding unexpired balance. The Company has fulfilled the information disclosure obligations in accordance with relevant regulations.

III. EXPLANATION ON ECONOMIC BENEFITS GENERATED FROM THE PREVIOUS FUNDRAISING INVESTMENT PROJECTS**(I) Comparison table of benefits realized by the previous fundraising projects**

Please refer to the Appendix 2 in this report for details of the comparison table of the benefits realized by the previous fundraising investment projects. The basis and methodology adopted for calculating the realised benefits set out in the comparison table are consistent with those adopted for calculating the committed benefits.

(II) Explanation on benefits realized by the previous fundraising investment projects which cannot be measured separately

Among the investment projects financed by the proceeds from the previous fundraising, the project “Supplementing the Working Capital of Delton Technology (Guangzhou) Inc. and Repayment of Bank Loans” was implemented to support the Company’s production and business operations. As such, the benefits generated therefrom cannot be measured separately.

(III) Explanation of the fundraising investment projects where the cumulative realised benefits are lower than the committed cumulative benefits

As at June 30, 2026, the Stage II of Phase I of the Multi-layer High-density PCB Project of Delton Precision Circuits (Huangshi) Inc. (黃石廣合精密電路有限公司廣合電路多高層精密線路板項目一期第二階段工程) had not yet reached its expected ready-for-intended-use status. Accordingly, there were no previous fundraising investment projects in respect of which the cumulative realised benefits were 20% or more below the committed cumulative benefits.

IV. EXPLANATION ON THE OPERATION OF ASSETS ACQUIRED BY WAY OF SUBSCRIPTION FOR SHARES IN THE PREVIOUS ISSUANCE

There was no subscription for Shares by way of assets in the previous issuance.

V. EXPLANATION ON THE CONSISTENCY BETWEEN THE ACTUAL USE OF THE PROCEEDS FROM THE PREVIOUS FUNDRAISING AND THE PUBLICLY DISCLOSED INFORMATION

There is no discrepancy between the actual use of the proceeds from the previous fundraising by the Company and the information disclosed in the Company's annual reports for the respective years and other disclosure documents.

Appendix:

1. Comparison Table of Use of Proceeds from Previous Fundraising
2. Comparison Table of Benefits Realized by the Previous Fundraising Projects

Board of Delton Technology (Guangzhou) Inc.
August 7, 2026

Appendix 1:

Comparison Table of Use of Proceeds from Previous Fundraising

As of June 30, 2026

Prepared by Delton Technology (Guangzhou) Inc.

Unit: RMB'0,000

Total amount of proceeds: 65,345.85

Accumulated total amount of proceeds used: 57,101.64

Total amount of proceeds that changes its use: –

Total amount of proceeds used from January to May, 2026:
13,037.95

Proportion of total amount of proceeds that changes its use: –

APPENDIX IX	SPECIAL REPORT ON THE USE OF PROCEEDS PREVIOUSLY RAISED
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APPENDIX IX	SPECIAL REPORT ON THE USE OF PROCEEDS PREVIOUSLY RAISED
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Investment project		Total amount of proceeds for investment			Cumulative investment amount of proceeds as of the cut-off date			The difference between the actual investment amount and the committed investment amount	Date on which the project is ready for its intended use
No.		Committed investment amount prior to the fundraising	Committed investment amount after the fundraising	Actual investment amount	Committed investment amount prior to the fundraising	Committed investment amount after the fundraising	Actual investment amount		
1	Committed investment projects Stage II of Phase I of the Multi-layer High-density PCB Project of Delton Precision Circuits (Huangshi) Inc.	66,810.52	47,552.18	39,307.97	66,810.52	47,552.18	39,307.97	-8,244.21	2027/4/1 (Note)
2	Supplementing the Working Capital of Delton Technology (Guangzhou) Inc. and Repayment of Bank Loans	25,000.00	17,793.67	17,793.67	25,000.00	17,793.67	17,793.67	-	/
	Total	91,810.52	65,345.85	57,101.64	91,810.52	65,345.85	57,101.64	8,244.21	/

Note: As considered and approved at the twenty-third meeting of the second session of the Board convened on March 27, 2026, the date on which the “Stage II of Phase I of the Multi-layer High-density PCB Project of Delton Precision Circuits (Huangshi) Inc.” is expected to be ready for its intended use has been postponed to April 1, 2027.

Appendix 2:

Comparison Table of Benefits Realized by the Previous Fundraising Projects

As of June 30, 2026

Prepared by Delton Technology (Guangzhou) Inc.

Unit: RMB0,000

No.	Actual investment projects Project name	Accumulated capacity utilization rate of investment projects as of cut-off date	Committed benefits (Annual profit before tax)	Actual benefits over the last three years			Accumulated realized benefits as of cut-off date	Whether or not the estimated benefits are achieved
				2023	2024	2025		
1	Stage II of Phase I of the Multi-layer High-density PCB Project of Delton Precision Circuits (Huangshi) Inc.	N/A	11,033.14	N/A	N/A	N/A	N/A	N/A
2	Supplementing the Working Capital of Delton Technology (Guangzhou) Inc. and Repayment of Bank Loans	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: As of June 30, 2026, the "Stage II of Phase I of the Multi-layer High-density PCB Project of Delton Precision Circuits (Huangshi) Inc." is still under construction, so no benefits have been realized yet.

DELTON TECHNOLOGY (GUANGZHOU) INC. RULES OF PROCEDURES FOR MEETINGS OF HOLDERS OF THE CONVERTIBLE CORPORATE BONDS

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules are formulated in accordance with the Securities Law of the People's Republic of China, the Company Law of the People's Republic of China, the Administrative Measures for the Registration of Securities Issuance by Listed Companies (hereinafter referred to as the "**Administrative Measures**"), the Administrative Measures for Convertible Corporate Bonds, the Self-Regulatory Guideline of the Shenzhen Stock Exchange for Listed Companies No. 15 – Convertible Corporate Bonds, the Shenzhen Stock Exchange Listing Rules, and other applicable laws, regulations and normative documents, as well as the Articles of Association of Delton Technology (Guangzhou) Inc.. (hereinafter referred to as the "**Articles of Association**"), and in light of the actual circumstances of the Company, for the purpose of regulating the organisation and decision-making procedures of the meetings of Convertible Corporate Bondholders of Delton Technology (Guangzhou) Inc. (hereinafter referred to as the "**Company**" or the "**Issuer**"), clarifying the functions and obligations of such meetings, and safeguarding the rights and interests of the Convertible Bondholders.

Article 2 The convertible corporate bonds under these Rules refer to the convertible corporate bonds (hereinafter referred to as the "**Convertible Bonds**" or the "**Bonds**") issued by the Company in accordance with the Offering Document of A Share Convertible Corporate Bonds to Non-specific Investors by Delton Technology (Guangzhou) Inc. (hereinafter referred to as the "**Offering Document**"). The bondholders are investors who have obtained and hold the Convertible Bonds by way of subscription, purchase or other lawful means. The Company will engage the underwriter of the offering of the Convertible Bonds or other institutions recognised by the China Securities Regulatory Commission (hereinafter referred to as the "**CSRC**") to act as the trustee for the Convertible Bonds (hereinafter referred to as the "Bond Trustee").

The basic terms and key provisions of the Convertible Bonds, including but not limited to the bond abbreviation and code, issue date, redemption date, interest rate, issue size, embedded option terms and investor protection provisions, shall be as set out in the Offering Document and other relevant documents.

Article 3 The Bondholders' Meeting shall be composed of all bondholders (including all bondholders who attend the meeting, who do not attend the meeting, who vote against a resolution or waive their voting rights, who hold the Convertible Bonds without voting rights, and who acquire the Convertible Bonds after the adoption of the relevant resolution; the same applies hereinafter) in accordance with these Rules. The Bondholders' Meeting shall be convened and held in accordance with the procedures prescribed in these Rules, and shall deliberate and vote on matters within the scope of its authority as stipulated in these Rules in accordance with the law.

Bondholders shall cooperate with the convener of the Bondholders' Meeting in relation to the convening of the meeting, actively participate in the Bondholders' Meeting, consider the proposed resolutions, exercise their voting rights, and facilitate the implementation of duly adopted resolutions of the Bondholders' Meeting so as to safeguard their lawful rights and interests in accordance with the law. Bondholders attending the meeting shall not use any information obtained through their attendance to engage in insider dealing, market manipulation, transfer of benefits, securities fraud or any other unlawful or non-compliant activities that prejudice the lawful rights and interests of other Bondholders. Where any attending Bondholder breaches the foregoing undertaking and thereby causes losses to other Bondholders, such Bondholder shall be liable for the corresponding compensation.

Article 4 Resolutions duly passed by the Bondholders' Meeting in accordance with these Rules shall be equally binding on all Bondholders.

Article 5 Any investor who subscribes for, holds or acquires the Convertible Bonds shall be deemed to have agreed to all the provisions of these Rules and to be bound thereby.

CHAPTER II RIGHTS AND OBLIGATIONS OF BONDHOLDERS

Article 6 Rights of Bondholders of the Convertible Bonds:

- (I) to receive agreed-upon interest based on the amount of Convertible Bonds held;
- (II) to attend, or appoint a proxy to attend, Bondholders' Meetings and exercise voting rights in accordance with the applicable laws, administrative regulations and other relevant requirements;
- (III) to convert the Convertible Bonds held by them into Shares of the Company in accordance with the agreed terms and conditions;
- (IV) to exercise the put option in accordance with the agreed terms and conditions;
- (V) to transfer, give or pledge the Convertible Bonds held by them in accordance with the applicable laws, administrative regulations and the Articles of Association;
- (VI) to obtain relevant information in accordance with the applicable laws, administrative regulations and the Articles of Association;
- (VII) to require the Company to repay the principal of and pay interest on the Convertible Bonds in accordance with the agreed timing and manner; and
- (VIII) such other rights conferred upon them as creditors of the Company under the applicable laws, administrative regulations and the Articles of Association.

Article 7 The Bondholders of the Convertible Bonds shall have the following obligations:

- (I) to comply with the terms and conditions governing the Company's issue of the A Share Convertible Bonds;
- (II) to pay the subscription monies in respect of the Convertible Bonds subscribed for by them;
- (III) to comply with the valid resolutions passed at Bondholders' Meetings;
- (IV) except as otherwise provided by the applicable laws, administrative regulations and the Offering Document, not to require the Company to repay the principal of or pay interest on the Convertible Bonds prior to maturity; and
- (V) such other obligations imposed on Bondholders of the Convertible Bonds under the applicable laws, administrative regulations and the Articles of Association.

CHAPTER III EXTENTS OF AUTHORITY OF THE BONDHOLDERS' MEETINGS

Article 8 The extents of authority of the Bondholders' Meetings are as follows:

- (I) to resolve whether to approve the Company's proposal of modifying the plan contained in the Offering Document, despite of the fact that the Bondholders' Meetings shall not resolve to agree the Company in not paying the principal and interest of the Bonds, modifying the interest rate and term of the Bonds or cancelling the terms of redemption or put option set out in the Offering Document;
- (II) to resolve whether to approve the solutions to the failure to pay the principal and interest of the Convertible Bonds on time by the Company, to resolve on the enforcement of repaying the principal and interest of the Convertible Bonds by the Company and the guarantors (if any) through litigation and other procedures, to resolve whether to participate in the legal procedures of the Company including rectification, settlement, reorganisation or bankruptcy;
- (III) to resolve whether to accept the Company's proposal in relation to a capital reduction (other than a capital reduction caused by employee stock ownership scheme, equity incentives, or a necessary share repurchase made by the Company to maintain its value and the rights and interests of the Shareholders), merger, division, dissolution or filings for bankruptcy and to resolve on the plan of exercising the rights entitled to the Bondholders according to the laws;

- (IV) to resolve on the plan of exercising the rights entitled to the Bondholders according to the laws in case any material adverse change arises from the guarantors (if any) or the collateral (if any);
- (V) to resolve on the plan of exercising the rights entitled to the Bondholders according to the laws in case any event having a material impact on the interests of Bondholders happens;
- (VI) to resolve on the change or dismissal of the Bond Trustee or the material terms of the trust agreement;
- (VII) to resolve on the amendments to the Rules as permitted by the laws;
- (VIII) other circumstances which are required to be resolved at the Bondholders' Meetings in accordance with the laws, regulations and normative documents.

CHAPTER IV BONDHOLDERS' MEETINGS

Section I Convening of the Bondholders' Meetings

Article 9 During the term of the Convertible Bonds, a Bondholders' Meeting shall be convened upon the occurrence of any of the following events:

- (I) the Company proposes to change the terms under the Offering Document;
- (II) the Company fails to pay the principal and interest of the Convertible Bonds on time;
- (III) the Company proposes to amend the Rules for the Meetings of Convertible Corporate Bondholders;
- (IV) the Company proposes to change or dismiss the Bond Trustee, proposes to change the material terms of the trust agreement or the terminate the trust agreement;
- (V) The Company undergoes a capital reduction (excluding reductions resulting from share repurchases under employee share ownership schemes, equity incentive or share repurchases necessary to preserve corporate value and Shareholders' interests), merger, or similar events that may cause a material adverse change in solvency, requiring a decision or authorization to implement corresponding measures;
- (VI) The Company undergoes division, receivership and dissolution, files for bankruptcy, or enters bankruptcy proceedings in accordance with the law;

- (VII) Material changes occur in the guarantor (if any), collateral (if any) or other guarantee measures;
- (VIII) The Company proposes a debt restructuring plan;
- (IX) The Company's management is unable to perform its duties normally, resulting in serious uncertainty regarding the Company's ability to discharge its debts, and it is necessary to take action according to laws;
- (X) Written proposal to convene a meeting is submitted by the Company or the Bondholders holding, individually or jointly, more than 10% of the total outstanding principal amount of the Convertible Bonds;
- (XI) Occurrence of other events materially affecting the rights and interests of Bondholders;
- (XII) Occurrence of other events that shall be considered and determined by the meeting of Bondholders in accordance with requirements of laws and regulations, normative documents, CSRC, the Shenzhen Stock Exchange, Offering Document and these Rules.

Article 10 The following institutions or persons may propose in writing to convene the Bondholders' Meetings:

- (I) The Board of the Company;
- (II) The Bond Trustee;
- (III) The Bondholders individually or jointly holding more than 10% of the total outstanding principal amount of the Convertible Bonds;
- (IV) Other institutions or persons as prescribed by laws and regulations, normative documents, CSRC, and the Shenzhen Stock Exchange.

Article 11 Bondholders' Meetings are convened by the Board of the Company or the Bond Trustee.

Article 12 During the term of the Convertible Bonds, the Board of the Company or the Bond Trustee shall, within 30 days after the proposal of convening a Bondholders' Meeting has been raised or received by the Board or the Bond Trustee, convene the Bondholders' Meeting. A notice of meeting to all Bondholders and the relevant attendees shall be issued in 15 days prior to the meeting in the form of an announcement.

Article 13 During the term of the Convertible Bonds, within 15 days after the events mentioned in Article 9 of these Rules occur, in the event that the Board of the Company or the Bond Trustee fails to perform its duties under these Rules, the Bondholders individually or jointly holding more than 10% of the total outstanding principal amount of the Convertible Bonds are entitled to publish a notice of convening the Bondholders' Meeting in the form of an announcement.

Article 14 After a notice of Bondholders' Meeting is published, no change shall be made to the Bondholders' Meeting time or the proposals stated in the notice and the meeting shall not be cancelled unless there is a force majeure or other legitimate reasons. In the event that there is a change in the meeting time or the proposals stated in the notice or the meeting is cancelled due to force majeure, the convenor shall notify all Bondholders with reasons provided in the form of an announcement within at least 5 trading days prior to the original date of convening such Bondholders' Meeting. However, no change shall be made to the record date of the Bondholders. The supplementary notice of the Bondholders' Meeting shall be published on the same designated media as the meeting notice.

After a notice of Bondholders' Meeting is given, where the proposal to be approved at the Bondholders' Meeting to be convened is cancelled, the convenor shall publish a notice of cancellation of convening the Bondholders' Meeting in the form of an announcement and provide the reasons for such cancellation.

Article 15 The convenor of a Bondholders' Meeting shall publish a notice of Bondholders' Meeting. The notice shall comprise the following contents:

- (1) the date, time, venue, method of convening and way of voting of the meeting;
- (2) matters to be considered at the meeting;
- (3) explicit text stating that all Bondholders are entitled to attend and vote at the Bondholders' Meeting, either in person or by proxy;
- (4) necessary documents and formalities required for attending the meeting, including but not limited to the power of attorney authorizing the proxy to attend the meeting on behalf of the Bondholders;
- (5) the record date to determine the Bondholders who are entitled to attend the Bondholders' Meeting;
- (6) the name of the convenor and the names and telephone numbers of the contact persons for the affairs of the meeting;
- (7) other matters required to be notified by the convenor.

Article 16 The Bondholders' Meeting shall be held on-site at a designated venue. The Company may also provide facilities for Bondholders to attend the meeting via internet, communication or other means. Bondholders attending the meeting through such means shall be deemed to be present. On-site Bondholders' Meetings shall in principle be held at the domicile of the Company or a place designated by the Board of the Company. The venue shall be provided by the Company or the convener of the Bondholders' Meetings.

Article 17 An institution or a person who issues a notice of Bondholders' Meeting under the Rules is the convener of such meeting.

Article 18 When convening a meeting of Bondholders, the convener shall engage a lawyer to issue a legal opinion on the following matters:

- (I) whether the convening and holding procedures of the meeting comply with the provisions of laws, regulations and the Rules;
- (II) whether the qualifications of the persons attending the meeting and the qualification of the convener are lawful and valid;
- (III) whether the voting procedures and voting results of the meeting are lawful and valid; and
- (IV) such other matters as may be requested by the convener to issue a legal opinion.

Section II Proposals, Attendees and Their Rights at the Meeting of Bondholders

Article 19 Proposals to be submitted to the meeting of Bondholders for consideration shall be prepared by the convener. The content of the proposals shall comply with the provisions of laws and regulations, fall within the scope of authority of the meeting of Bondholders, and contain clear topics and specific matters for resolution.

Article 20 Matters to be considered at the meeting of Bondholders shall be determined by the convener in accordance with Articles 10 and 11 of the Rules.

Bondholders who individually or jointly hold more than 10% of the total outstanding principal amount of the Convertible Bonds shall have the right to submit interim proposals to the meeting of Bondholders. The Company and its related parties may attend the meeting of Bondholders and submit interim proposals. The interim proposer shall submit the complete interim proposal to the convener no later than 10 days prior to the convening of the meeting of Bondholders, and the convener shall, within 5 days from the date of receipt of such interim proposal, issue a supplemental notice of the meeting of Bondholders and announce the name(s) of the Bondholder(s) submitting the interim proposal, the proportion of bonds held by them and the content of the interim proposal. The supplemental notice shall be published on the same designated media as the meeting notice.

Except as provided above, after the convener has issued the notice of the meeting of Bondholders, no amendments to the proposals already set out in the meeting notice or additional proposals may be made. Proposals not set out in the notice of the meeting of Bondholders (including supplemental notices adding interim proposals) or proposals that do not comply with the content requirements of the Rules shall not be voted on or resolved.

Article 21 The record date for determining the entitlement of holders of the Bonds to attend a Bondholders' Meeting shall be no earlier than 10 days prior to the date of such Bondholders' Meeting and no later than 3 days prior to the date of such Bondholders' Meeting. Holders of the outstanding Convertible Bonds as at the close of trading on the record date, whose names are registered in the custody register maintained by China Securities Depository and Clearing Corporation Limited or any other institution prescribed by applicable laws, shall be entitled to attend such Bondholders' Meeting.

Article 22 Unless otherwise provided by laws and regulations, a Bondholder may attend and vote at a Bondholders' Meeting in person or appoint a proxy to attend and vote on his/her behalf. Any travelling expenses, accommodation expenses and other expenses incurred by the Bondholders and their proxies in attending the Bondholders' Meeting shall be borne by the Bondholders themselves.

Article 23 Where a Bondholder attends the meeting in person, such Bondholder shall present his/her identity document and the securities account card evidencing his/her holding of the outstanding Bonds or other documents prescribed by applicable laws. Where the legal representative or responsible person of a Bondholder attends the meeting, such legal representative or responsible person shall present his/her identity document, valid proof of his/her qualification as the legal representative or responsible person and the securities account card evidencing the holding of the outstanding Bonds or other documents prescribed by applicable laws.

Where a proxy is appointed to attend the meeting, such proxy shall present his/her identity document, the power of attorney duly issued by the appointing Bondholder (or its legal representative or responsible person) in accordance with the law, the identity document of the appointing Bondholder, and the securities account card evidencing the appointing Bondholder's holding of the outstanding Bonds or other documents prescribed by applicable laws.

Article 24 A power of attorney issued by a Bondholder for appointing another person to attend a Bondholders' Meeting shall contain the following particulars:

- (1) the name and identity card number of the proxy;
- (2) the scope of authority of the proxy, including but not limited to whether the proxy has voting rights;
- (3) specific instructions on voting for, against or abstaining from voting on each matter to be considered as set out in the agenda of the Bondholders' Meeting;

- (4) the date of issue and validity period of the power of attorney;
- (5) the signature or seal of the appointing Bondholder.

The power of attorney shall specify whether, in the absence of specific instructions from the Bondholder, the proxy of the Bondholder may vote at his/her own discretion. The power of attorney shall be delivered to the convener of the Bondholders' Meeting at least 24 hours prior to the convening of such meeting.

Article 25 The convener and the legal counsel shall jointly verify the qualifications and legitimacy of Bondholders present at the meeting based on the register of holders of the Convertible Bonds as of the close of business on the record date provided by the securities registration and clearing institution, and record the names of Bondholders and/or proxies attending the meeting and the number of Convertible Bonds held by them with the right to vote.

The above-mentioned register of Bondholders shall be obtained by the Company from the securities registration and clearing institution, and the Company shall actively assist the convener in obtaining such register of Bondholders and provide it to the convener free of charge.

Section III Holding of a Bondholders' Meeting

Article 26 A Bondholders' Meeting shall be held in the form of onsite meeting, and may be convened via internet or communication tools or by other means. Bondholders who participate in the meeting through the above methods shall be deemed as present.

Article 27 A Bondholders' Meeting convened by the bond trustee shall be chaired and presided over by a representative designated or appointed by the bond trustee. A Bondholders' Meeting convened by the Board of the Company shall be chaired and presided over by an authorized representative appointed by the Board of the Company to attend the meeting. If the Board of the Company or the bond trustee fails to perform its duties, the Bondholders (or their proxies) attending the meeting shall elect one Bondholder (or proxy) with more than half of the voting rights of the Bonds represented at the meeting to serve as the chairman and preside over the meeting. If, within one hour after the start of such meeting, the chairman cannot be jointly elected in accordance with the foregoing provisions, then the Bondholder (or proxy) holding the largest total number of voting rights of the outstanding Bonds among those attending the meeting shall serve as the chairman and preside over the meeting.

Article 28 At the request of the Bondholders who individually or jointly hold more than 10% of the total voting rights of the Convertible Bonds under the Issuance, the Company shall appoint directors or senior management personnel to attend the meetings of Bondholders. Except for matters involving trade secrets or as restricted by applicable laws and the information disclosure requirements for listed companies, the directors or senior management personnel attending the meeting shall respond to or provide explanations for the enquiries and suggestions raised by the Bondholders.

Article 29 The convener shall be responsible for the preparation of the sign-in register of the persons attending the meeting. The sign-in register shall set out the name of the Bondholders attending the meeting, the name and identification document number of the attending agent, the domicile address, the outstanding principal amount under the Issuance held or represented, and the name of the represented person, among other matters.

Before the meeting chairman announces the number of Bondholders and agents attending the on-site meeting and the total number of the Convertible Bonds under the Issuance held or represented by them, the registration for the meeting shall be closed.

Article 30 The following institutions and persons may attend the meetings of Bondholders as observers: the Issuer of the Convertible Bonds (i.e., the Company) or its authorized representatives, the directors and senior management personnel of the Company, trustees of the Convertible Bonds, the guarantor of the Convertible Bonds under the Issuance (if any), and other important parties related to the Convertible Bonds under the Issuance as approved by the meeting chairman.

Article 31 The meeting chairman shall have the right to decide on the adjournment, resumption and change of venue of the meeting with the consent of the meeting. Upon the request of a resolution of the meeting, the meeting chairman shall amend the meeting time and change the meeting venue in accordance with such resolution. Upon resumption of the meeting after adjournment, no resolutions shall be made on matters beyond the scope of the original meeting proposals.

Section IV Voting, Resolutions and Minutes of the Meetings of Bondholders

Article 32 Each proposal submitted to the meeting shall be voted on by the Bondholders attending the meeting who are entitled to attend the Meetings of Bondholders or their duly authorized agents. Each outstanding Bond (with a par value of RMB100) shall have one vote.

Article 33 Each proposed matter to be considered as set out in the published meeting notice, or each separate issue under the same proposed matter, shall be deliberated and voted on separately and individually. Except for the suspension of the meeting or the inability to pass resolutions due to special circumstances such as force majeure, the meeting shall not shelve or refrain from voting on the proposed matters set out in the meeting notice. Where different proposals are submitted on the same matter, voting shall be conducted in the chronological order in which the proposals were submitted, and resolutions shall be adopted accordingly.

The Bondholders' Meeting shall not vote on matters that have not been announced. No change shall be made to the matters to be considered at the Bondholders' Meeting, and any change to the matters to be considered shall be deemed as a new matter to be considered and shall not be voted on at this meeting.

Article 34 Voting at the Bondholders' Meetings shall take place by way of open ballot. When the Bondholders or their proxies vote for the matters to be considered, they shall only vote for or against or abstain. The un-filled, wrongly-filled, illegible votes shall be considered as spoilt votes and shall not be included in the voting results. Un-voted votes shall be deemed as the voters' waiver of voting rights and shall not be included in the voting results. The same voting right shall only be exercised by selecting to vote at the scene, online or otherwise. If the same right to vote has been exercised for multiple times, only the first voting result shall prevail.

Article 35 The following bondholders may express their views at the Bondholders' Meeting without the voting right, and the number of convertible bonds represented by them is not counted in the number of bonds represented by the bondholders present at the Bondholders' Meeting who are entitled to vote:

- (1) The Bondholders are the Company's Shareholders representing more than 5% of the corporate shares;
- (2) The related parties of the aforesaid Shareholders, the Company and guarantors, if any.

The record date for determining the Shareholders of the aforesaid issuer shall be the same as the record date for the bondholders.

Upon the approval from the chairman of the meeting, the guarantor (if any) or other important relevant parties of the Convertible Bonds may attend the Bondholders' Meeting and have the right to explain relevant matters, but have no voting right.

Article 36 The meeting has one teller and one scrutineer, respectively responsible for counting and supervising the votes at the meeting. The teller and scrutineer shall be recommended by the chairman of the meeting and assumed by the Bondholder (or the proxy thereof) present at the meeting. The Bondholder and the proxy thereof related to the Company shall not act as a teller or scrutineer.

Where any votes are cast for each matter to be considered, at least two Bondholders (or the proxy thereof) and an authorized representative of the Company shall take part in the counting of votes, and the counter shall announce the voting results on the spot. Lawyers are responsible for witnessing the voting process.

Article 37 The chairman of the meeting shall confirm whether the resolutions at the Bondholders' Meeting are passed based on the voting results and announce the voting results at the meeting. The voting results for the resolutions shall be included in the minutes of the meeting.

Article 38 In the event that the chairman of the meeting has any doubt to the voting results of the resolution, he/she may recount the casted votes. In the event that the chairman of the meeting does not propose to recount the votes, Bondholders (or proxies of Bondholders) attending the meeting and disagreeing on the results announced by the chairman of the meeting shall have the right to demand for recounting the votes immediately upon the announcement of voting results, and the chairman of the meeting shall arrange to recount the votes immediately

Article 39 Unless otherwise stipulated in the Rules, in order to be valid, the resolutions passed at the Bondholders' Meetings shall be agreed by the Bondholders holding (or proxies of the Bondholders) more than half of the total par value of the outstanding Bonds attending the meetings (including attending on-site, online or by other methods).

Article 40 The resolutions passed at the Bondholders' Meetings shall be effective from the date of passing the resolutions. Those needed to be approved by the authorities shall be effective from the date of approval or the date otherwise determined by the relevant approval. Pursuant to the relevant laws, regulations, Offering Document and the Rules, the resolutions passed at the Bondholders' Meetings by voting shall be legally binding on all Bondholders as of the effective date of the resolution (including those who do not attend the meeting or hold different views towards the results).

In the event that any resolution in relation to the Convertible Bonds causes any change in the rights and obligations between the Company and the Bondholders, in addition to those made by the Bondholders being binding on the Company as clearly stated in laws, departmental regulations, rules and the Offering Document:

- (1) If such resolution is made based on a proposal from the Bondholders, it shall be legally binding on the issuer and all Bondholders after being passed at the Bondholders' Meetings by voting and obtaining a written consent of the issuer;
- (2) If such resolution is made based on a proposal from the issuer, it shall be legally binding on the issuer and all Bondholders after being passed at the Bondholders' Meetings by voting.

Article 41 The convenor of a Bondholders' Meeting shall make an announcement of the resolutions within 2 trading days after the resolutions are passed at a Bondholders' Meeting on the media designated by the regulatory authorities. The announcement shall contain the date, time, venue, method, convenor and presiding person of the meeting, the number of Bondholders and proxies attending the meeting, the number of Convertible Bonds with voting rights represented by Bondholders and proxies attending the meeting and its percentage to the total number of the Convertible Bonds, the voting results of each of the matters considered and the details of each of the resolutions passed.

Article 42 Minutes shall be prepared for the Bondholders' Meetings and shall contain the following particulars:

- (1) time, venue and agenda of the meetings and the name of convenor;
- (2) name of the presiding person of the meetings, persons who attend or present at the meetings and witnessing lawyer, vote counter, scrutineer and vote checker of the meetings;
- (3) number of Bondholders and proxies attending the meetings, the number of Convertible Bonds with voting rights represented by them, and the percentage of such number to the total number of the Convertible Bonds;
- (4) the main points for each of the matters considered;
- (5) the voting results of each of the matters voted for;
- (6) the enquiries and suggestions from the Bondholders and the reply and explanation from the Directors or senior management of the Company; and
- (7) any other particulars considered to be necessary to be included in the minutes of the Bondholders' Meetings according to the laws, regulations and regulatory documents.

Article 43 The convenor and presiding person of the meetings shall guarantee the truthfulness, accuracy and completeness of the minutes of the Bondholders' Meetings. The minutes shall be signed by the presiding person, convenor (or his/her/its representative), witness lawyer, recorder, vote counter and scrutineer who attend the meetings. The board of the issuer shall keep the minutes, casted votes, signature books of attendees, power of attorney, legal opinions issued by lawyers and other documents and information in relation to the Bondholders' Meetings for ten years.

Article 44 The convenor shall guarantee the proceeding of the Bondholders' Meetings until a final resolution is formed. In the event that the meetings are interrupted, cannot proceed normally or are unable to resolve a resolution due to special reasons such as force majeure and unexpected events, necessary measures shall be taken to resume or directly terminate the meetings as soon as possible and an announcement shall be made for such circumstances. At the same time, the convenor shall report to the branch of the CSRC in where the Issuer operates and the Shenzhen Stock Exchange. Measures shall be taken to stop the behaviours which interrupt the meeting, provoke troubles and infringe the legitimate rights of the Bondholders, and a report shall be made to the relevant authorities for investigation and punishment in a timely manner.

Article 45 The Board of the Issuer shall execute the resolutions passed at the Bondholders' Meetings in a strict manner, communicate with the relevant parties on behalf of the Bondholders with respect to the relevant resolutions in a timely manner and procure the concrete implementation of the resolutions passed at the Bondholders' Meetings.

CHAPTER V SUPPLEMENTAL PROVISIONS

Article 46 If there are any specific provisions on the Rules for the Convertible Corporate Bondholders' Meetings in the laws, administrative regulations and regulatory documents, such provisions shall be complied with. Without the consent of the Company and being resolved and passed at a Bondholders' Meeting (if any), no change shall be made to the Rules.

Article 47 The matters to be announced under the Rules shall be announced on the website of the Shenzhen Stock Exchange and the statutory media designated by the Company for information disclosure.

Article 48 In the Rules, the expressions of "above" and "within" shall be inclusive of the stated figure while the expressions of "over" and "exceeding" shall be exclusive of the stated figure.

Article 49 The "outstanding bonds" mentioned in the Rules refers to all issued bonds other than the following bonds:

- (i) the bonds of which principal and interest have been settled;
- (ii) the bonds which fall due for principal and interest with such payment being paid by the Issuer to the payment agent and becoming available to pay principal and interest to the Bondholders. The payment shall comprise any interest and principal of such bonds payable under the terms of the bonds as at the date of payment;
- (iii) the bonds which have been converted to the Shares of the Company; and
- (iv) the bonds which have been repurchased and cancelled by the Issuer as agreed.

Article 50 Any disputes arising from the legitimacy and validity of the convening, holding, voting procedures and resolutions of Bondholders' Meetings shall be resolved through litigation at the People's Court having the right of jurisdiction in where the Company's domicile is located.

Article 51 The Rules shall be effective from the date of issuing the Convertible Bonds upon the consideration and approval at a general meeting of the Company. The Rules shall be interpreted by the Board of the Company.

Delton Technology (Guangzhou) Inc.
June 18, 2026

Delton Technology (Guangzhou) Inc.
ANNOUNCEMENT ON THE DILUTION OF IMMEDIATE RETURNS,
REMEDIAL MEASURES AND RELATED PARTIES' UNDERTAKINGS IN
CONNECTION WITH ISSUANCE OF A SHARE CONVERTIBLE
CORPORATE BONDS TO NON-SPECIFIC INVESTORS (REVISED VERSION)

The Board of Directors of the Company and all directors warrant that there are no false representations or misleading statements contained in, or material omissions from, this announcement, and accept legal responsibilities for the truthfulness, accuracy and completeness of this announcement.

SPECIAL REMINDERS:

The following hypothetical analysis and descriptions of the principal financial indicators of Delton Technology (Guangzhou) Inc. (hereinafter referred to as the "Company" or "Delton Technology") after the issuance of Convertible Corporate Bonds to non-specific investors do not constitute the Company's profit forecast. Investors should not make investment decisions solely based on such analysis and descriptions. The Company shall not bear any liability for any losses incurred by investors as a result of making investment decisions based on the foregoing. The remedial measures formulated by the Company do not constitute a guarantee of the Company's future profits. Investors are advised to pay attention to investment risks.

Pursuant to the requirements of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Opinions of the General Office of the State Council on Further Strengthening the Protection of the Legitimate Rights and Interests of Small and Medium Investors in the Capital Market (Guobanfa [2013] No. 110) (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》(國辦發[2013] 110號)), as well as the relevant provisions of laws, regulations and normative documents including the Several Opinions of the State Council on Further Promoting the Healthy Development of the Capital Market (Guo Fa [2014] No. 17)* (《國務院關於進一步促進資本市場健康發展的若干意見》(國發[2014]17號)) and the Guiding Opinions on Matters Concerning Dilution of Immediate Return by Initial Public Offering, Refinancing, and Material Assets Reorganization (CSRC Announcement [2015] No. 31)* (《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》(中國證監會公告[2015]31號)), in order to safeguard the right to information of small and medium-sized investors and protect their interests, the Company has conducted a thorough analysis of the impact of this issuance of Convertible Corporate Bonds to non-specific investors on the dilution of immediate returns and has formulated corresponding remedial measures. The relevant parties have made undertakings to ensure the effective implementation of the remedial measures. The details are as follows:

I. The Impact of the Dilution of Immediate Returns Due to the Issuance of Convertible Corporate Bonds to Non-specific Investors on the Key Financial Indicators of The Company

(I) Principal assumptions for calculation

1. It is assumed that no material adverse change occurs in, among other things, the macroeconomic environment, social environment, industrial policies, and the market conditions of the industry in which the Company operates;
2. It is assumed that the Issuance will be completed by the end of December 2026 (such completion date is used solely for the purpose of calculating the impact of the Issuance on the dilution of immediate returns on key financial indicators and does not constitute a commitment as to the actual completion date; the final timing shall be subject to the actual completion date of the Issuance after the application has been reviewed and approved by the Shenzhen Stock Exchange and registered with the China Securities Regulatory Commission), and it is assumed two scenarios: all Convertible Corporate Bonds are converted (i.e. the conversion rate is 100% and all shares are converted at one time) on June 30, 2027 and all Convertible Corporate Bonds are not converted (i.e. the conversion rate is 0%) as of December 31, 2027 (such dates are used solely for the purpose of calculating the dilutive impact of the issuance on immediate returns, and the final timing shall be subject to the actual date on which the convertible bond holders complete the conversion);
3. It is assumed that the total proceeds from the Issuance amount to RMB3.6 billion, without taking into account the impact of issuance expenses and other factors. The actual amount of proceeds from the Issuance received shall be finally determined based on the registration approval by the regulatory authorities, subscription results, issuance expenses and other relevant factors.
4. It is assumed that the conversion price of the convertible bonds issued in the Issuance is RMB173.24, which is not lower than the higher of the average trading price of the Company's A shares over the 20 trading days prior to the date of the second meeting of the third session of the Board of the Company (i.e., August 7, 2026) and the average trading price of the Company's A shares on the trading day immediately preceding such meeting date. Such conversion price is used solely for the purpose of calculating the impact of the Issuance on the dilution of immediate returns on key financial indicators and does not constitute a forecast of the actual conversion price; the final initial conversion price

shall be determined by the Board of the Company based on the authorization of the general meeting, in accordance with market conditions prior to the Issuance;

5. The impact on the Company's operation and financial status (such as financial expenses and investment income) after the proceeds from the Issuance are received is not considered for the estimation;
6. The assumption does not take into account the impact of the coupon rate of the Convertible Bonds and is for simulation calculation purpose only and does not constitute a numerical forecast of the actual coupon rate;
7. It is assumed that the forecast of the total share capital of the Company is based on the total share capital of 472,568,764 shares of the Company as of June 30, 2026. It only takes into account the impact of the number of shares after the completion of the Issuance and the conversion on the share capital and does not take into account the changes in share capital caused by share repurchases and profit distribution of the Company or other factors; and it is assumed that no conversion into share capital and distribution of dividend in shares will take place in 2026. The impact of dividend payment on the conversion price is not considered;
8. It is assumed that apart from the Issuance, no other actions that may affect or potentially affect the Company's total share capital, such as the grant of restricted shares, are taken into account;
9. The net profit attributable to the Shareholders of the parent company for 2025 amounted to RMB1,015.7890 million, and the net profit attributable to the parent company after deducting non-recurring profit or loss amounted to RMB988.0477 million; assuming that the net profit attributable to the Shareholders of the parent company before deducting non-recurring profit or loss and the net profit attributable to the Shareholders of the parent company after deducting non-recurring profit or loss for 2026 and 2027 are estimated in the following three scenarios:
 - (1) the same as that in the previous year;
 - (2) 10% higher than that in the previous year;
 - (3) 20% higher than that in the previous year.

The above profit data do not represent the Company's estimation on future profit and is only used for calculating the effect of the dilution on immediate returns by the issuance of the Convertible Bonds on the major indicators. Investors should not make investment decisions in reliance thereon;

(II) Impact on main indicators of the Company

The comparison of the impact of the dilution on immediate returns under the Issuance on the major financial indicators of the Company based on the assumptions above is as follows:

Items	Year 2025/ December 31, 2025	Year 2026/ December 31, 2026	Year 2027/December 31, 2027	
			All unconverted as at the end of 2027	All converted as at the end of June 2027
Total share capital (share)	425,664,252	472,568,764	472,568,764	493,349,184
Scenario 1: Assuming that the net profit attributable to shareholders of the parent before and after deduction of non-recurring gains or losses for 2026 and 2027 remains unchanged from the previous year, respectively				
Net profit attributable to shareholders of the parent (RMB'0,000)	101,578.90	101,578.90	101,578.90	101,578.90
Net profit attributable to shareholders of the parent after deduction of non-recurring gains or losses (RMB'0,000)	98,804.77	98,804.77	98,804.77	98,804.77
Basic earnings per share (RMB/share)	2.40	2.22	2.16	2.11
Diluted earnings per share (RMB/share)	2.39	2.20	2.06	2.06
Basic earnings per share after deduction of non-recurring gains or losses (RMB/share)	2.34	2.16	2.10	2.06
Diluted earnings per share after deduction of non-recurring gains or losses (RMB/share)	2.32	2.14	2.00	2.00
Scenario 2: Assuming that the net profit attributable to shareholders of the parent before and after deduction of non-recurring gains or losses for 2026 and 2027 increases by 10% as compared to the previous year, respectively				
Net profit attributable to shareholders of the parent (RMB'0,000)	101,578.90	111,736.79	122,910.47	122,910.47

APPENDIX XI	ANNOUNCEMENT ON THE MEASURES TO MITIGATE THE DILUTIVE IMPACT OF THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS ON IMMEDIATE RETURNS AND THE RELEVANT UNDERTAKINGS BY RESPONSIBLE PARTIES (REVISED VERSION)
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Items	Year 2025/ December 31, 2025	Year 2026/ December 31, 2026	Year 2027/December 31, 2027	
			All unconverted as at the end of 2027	All converted as at the end of June 2027
Net profit attributable to shareholders of the parent after deduction of non-recurring gains or losses (RMB'0,000)	98,804.77	108,685.25	119,553.77	119,553.77
Basic earnings per share (RMB/share)	2.40	2.44	2.61	2.56
Diluted earnings per share (RMB/share)	2.39	2.42	2.49	2.49
Basic earnings per share after deduction of non-recurring gains or losses (RMB/share)	2.34	2.37	2.54	2.49
Diluted earnings per share after deduction of non-recurring gains or losses (RMB/share)	2.32	2.36	2.42	2.42
Scenario 3: Assuming that the net profit attributable to shareholders of the parent before and after deduction of non-recurring gains or losses for 2026 and 2027 increases by 20% as compared to the previous year, respectively				
Net profit attributable to shareholders of the parent (RMB'0,000)	101,578.90	121,894.68	146,273.62	146,273.62
Net profit attributable to shareholders of the parent after deduction of non-recurring gains or losses (RMB'0,000)	98,804.77	118,565.73	142,278.87	142,278.87
Basic earnings per share (RMB/share)	2.40	2.66	3.11	3.04
Diluted earnings per share (RMB/share)	2.39	2.64	2.96	2.96
Basic earnings per share after deduction of non-recurring gains or losses (RMB/share)	2.34	2.59	3.03	2.96
Diluted earnings per share after deduction of non-recurring gains or losses (RMB/share)	2.32	2.57	2.88	2.88

Note: Earnings per share are calculated in accordance with the relevant provisions of the Compiling Rule on Information Disclosure for Companies Offering Their Securities to the Public No. 9 — Calculation and Disclosure of Return on Net Assets and Earnings Per Share.

II. Risk Alert in Connection with Dilution of Immediate Returns Under the Issuance

Upon completion of the Issuance, the Company's total asset size will increase to a certain extent. After the proceeds are received, the Company will utilize them in a reasonable and effective manner to enhance its operational capabilities, thereby improving its long-term profitability.

However, due to the impact of the national macro economy and industry developments, there is a certain degree of uncertainty regarding the Company's profitability in the short term. In addition, as the construction of the investment projects to be funded with the proceeds requires a certain period of time, the returns to Shareholders during the construction period will still be mainly generated through the existing business.

After the Convertible Bonds held by investors are partially or fully converted into shares, the total share capital of the Company will increase accordingly. As it takes a certain period of time for the investment projects to be funded with the proceeds to generate returns, if the Company's operating revenue and net profit do not achieve simultaneous growth immediately, the conversion of the Convertible Bonds under the Issuance may lead to a decrease in earnings per share and return on net assets, and there is a risk that the Company's performance may be diluted in the short term.

In addition, a downward adjustment clause for Conversion Price has been provided under the Convertible Bonds. When the clause is triggered, the Company may apply for adjusting the Conversion Price downward, which will enlarge the share capital increased as a result of conversion of the Convertible Bonds and hence expand the potential dilution effects of the conversion on the existing ordinary Shareholders of the Company.

III. Necessity and Reasonableness of the Issuance of Convertible Corporate Bonds to Non-Specific Investors

For the analysis of the necessity and reasonableness of the use of proceeds from the Issuance, please refer to the announcement of the Company titled *Demonstration and Analysis Report on the Proposed Scheme for the Issuance of Convertible Corporate Bonds to Non-Specific Investors by Delton Technology (Guangzhou) Inc. (Revised Version)*.

IV. Relationship Between Investment Projects to Be Funded with the Proceeds and Existing Businesses of the Company as well as the Reserve of Personnel, Technology, Market and Other Aspects of the Company for Engagement in Those Projects

(I) Relationship between the proposed investment projects funded by the proceeds and the Company's existing business

The Company is principally engaged in the research and development, manufacturing and sale of multilayer PCBs. Its products are primarily positioned in the mid-to-high-end application market and are widely used in servers, consumer electronics, industrial control, security electronics, telecommunications, automotive electronics and other sectors. The proposed investment projects to be funded by the proceeds are closely aligned with the Company's principal business and future development strategy, and are in line with industry development trends and the business development needs of the Company. The implementation of these projects will further enhance the Company's manufacturing capacity, optimize its product mix and improve its market responsiveness. The implementation of the proposed investment projects funded by the proceeds will not result in any change to the Company's existing principal business or business model. Instead, it will further strengthen the Company's competitive advantages in the mid-to-high-end PCB industry and enhance its sustainable profitability and overall competitiveness.

(II) The Company's reserves for the proposed investment projects funded by the proceeds in terms of personnel, technology and market

The proceeds from the Issuance will be used entirely for the Company's existing principal business. The Company has already established the reserves in terms of personnel, technology and market development for the implementation of the proposed investment projects funded by the proceeds. Details are as follows:

1. Personnel

The Company has established a professional workforce, together with an independent human resources and remuneration management system and a well-structured performance evaluation framework, providing organizational and personnel support for the implementation of the proposed investment projects funded by the proceeds. The Company places great emphasis on employee development and capability enhancement. It has established a standardized training programme covering induction training, on-the-job training, customized training and career advancement, and has developed tailored training systems for employees at different positions and

levels. The Company has established a comprehensive talent development and management mechanism and possesses sufficient personnel resources to support the implementation of the proposed investment projects funded by the proceeds.

2. *Technology*

The Company is a state-level high-tech enterprise and has accumulated extensive experience in the research, development and production of PCBs over many years, with a dedicated focus on high-speed PCB research. The Company, by virtue of possessing multiple core technologies applicable to various types of server PCBs, has established independent intellectual property rights, and has mastered corresponding high-precision manufacturing processes. The Company has made adequate technological preparations for the implementation of the proposed investment projects funded by the proceeds.

3. *Market aspect*

PCBs serve as a carrier and connection medium for various electronic components, and the electrical performance of PCBs are directly associated with the performance of end products, particularly for customers in the mid-to-high-end PCB segment represented by servers. To ensure high stability and reliability of their products and to support their continuous iteration requirements, customers tend to establish stable and robust relationships with PCB suppliers.

The Company has forged enduring and solid cooperation with leading global server brands and EMS providers, covering eight of the world's top ten server manufacturers. Its products are widely used in AI servers, general-purpose servers, and HPC scenarios, positioning the Company to capitalize on market opportunities arising from the growth in global demand for computing power. The Company actively participates in the collaborative development of new products with its customers, providing stable and reliable supply assurance and timely, attentive technical support, thereby earning widespread recognition and favor from customers. It has repeatedly received awards from customers such as "Annual Outstanding Supplier," "Best Supplier," and "Perfect Quality Award," establishing a strong brand image in the computing power server PCB market. Furthermore, the Company actively expands its customer base into sectors such as consumer electronics, industrial control, security electronics, communications, and automotive electronics. The accumulation of the above customer resources provides a solid market foundation for the implementation of the proceeds investment projects.

In conclusion, the Company's proceeds investment projects are well-supported in terms of personnel, technology and market. With the receipt of the proceeds and the orderly implementation of the proceeds investment projects, the Company's reserves in personnel, technology and market will be further strengthened and enhanced.

V. Measures to Address the Dilution of the Issuance on Immediate Returns Adopted by The Company

The Issuance may result in dilution of investors' immediate returns. To protect the interests of investors, the Company intends to take the specific measures as followed to enhance its competitiveness in order to compensate Shareholders' returns:

(I) *Strengthening the management of proceeds and advancing the construction of the investment projects funded by proceeds*

The Board of Directors of the Company has conducted a sufficient feasibility study on the Issuance of Convertible Bonds to non-specific investors. The investment projects funded by proceeds are centred around the Company's principal business, in line with relevant national industrial policies and industry development trends, and consistent with the Company's development concept driven by technological innovation. The projects have favourable market prospects and expected returns.

Upon the receipt of the proceeds from the Issuance, the Company will strictly regulate the deposit and use of proceeds in accordance with relevant laws and regulations and the Company's proceeds management system, so as to ensure that the proceeds are utilised in a reasonable and standardised manner. The Company will also advance the construction of the investment projects funded by proceeds in accordance with the scheduled timetable, with a view to implementing them at an early date and realising the expected returns.

(II) *Strengthening operational management and internal control development to enhance operational efficiency*

The Company will continue to improve its corporate governance structure to ensure that Shareholders can fully exercise their rights, that the Board can exercise its powers in accordance with laws, regulations and the articles of association of the Company, and that the independent directors can conscientiously perform their duties and safeguard the overall interests of the Company. The Company will continue to enhance its operational and management standards, strengthen internal controls, and enhance its corporate control efficiency. It will also strengthen cost management, reinforce the supervision of budget implementation, and, on the basis of strictly controlling various expenses, enhance operational and management efficiency, control operational and management risks, and increase overall operational efficiency and profitability.

(III) Further improve and strictly implement the profit distribution policy and optimize the investor return mechanism

To further improve the Company's profit distribution policy and provide sustained, stable and reasonable investment returns for the Shareholders, the Company, in accordance with the requirements of relevant documents including the Guidelines for the Supervision of Listed Companies No. 3 — Cash Dividends of Listed Companies (上市公司監管指引第3號—上市公司現金分紅) (Revised 2025) issued by the CSRC and the Articles of Association, and in conjunction with the Three-Year Shareholder Dividend Return Plan of Delton Technology (Guangzhou) Inc. (2026-2028) formulated by the Company, will continue to strictly implement its dividend distribution policy upon completion of the Issuance of Convertible Bonds to non-specific investors. Where conditions for profit distribution are met, the Company will proactively deliver reasonable returns to investors, ensuring that the interests of the Company's Shareholders, in particular the minority Shareholders, are effectively protected.

VI. Commitments by Relevant Parties of the Company on Measures to Offset the Dilution of Immediate Returns Arising from the Issuance of Convertible Corporate Bonds to Non-specific Investors

(I) Commitments made by the controlling shareholder and the actual controllers of the Company

The controlling shareholder of the Company, Guangzhou Zhenyun Investment Co., Ltd., and the actual controllers, Xiao Hongxing and Liu Jinchan, have made the following commitments:

- “1. Not to intervene in the operation and management activities of the Listed Company beyond their authority or misappropriate the interests of the Listed Company;
2. From the date of this letter of commitments until the completion of the Issuance of Convertible Corporate Bonds to non-specific investors by the Listed Company, if the CSRC or the Shenzhen Stock Exchange issues other new regulatory provisions regarding measures to offset the diluted returns and commitments related thereto, and if the above commitments are unable to satisfy the provisions of the CSRC and the Shenzhen Stock Exchange, the entity/we undertake to issue supplemental commitments in accordance with the latest provisions of the CSRC and the Shenzhen Stock Exchange at that time;

3. To earnestly perform the relevant measures formulated by the Listed Company for offset the diluted returns and any commitments made in connection therewith. In case of violation of such commitments and causing losses to the Listed Company or investors, we are willing to bear compensation liability to the Listed Company or investors in accordance with the law.”

(II) *Commitments made by the Company’s directors and senior management*

All directors and senior management have made the following commitments:

- “1. We undertake not to transfer benefits to other entities or individuals free of charge or under unfair conditions, nor to harm the Company’s interests by any other means;
2. We undertake to restrain our personal perquisite consumption;
3. We undertake not to use the Company’s assets for investment or consumption activities unrelated to the performance of our duties;
4. We undertake that the remuneration system formulated by the Board or the Remuneration and Assessment Committee shall be linked to the implementation of the Company’s measures to compensate for returns;
5. If the Company implements an equity incentive plan in the future, we undertake that the exercise conditions of the equity incentive plan to be announced shall be linked to the implementation of the Company’s measures to compensate for returns;
6. From the date of this commitment until the completion of the Company’s current Issuance of Convertible Corporate Bonds to non-specific investors, if the China Securities Regulatory Commission or the Shenzhen Stock Exchange issues other new regulatory provisions regarding measures to compensate for returns and related commitments, and if the above commitments fail to satisfy such provisions of the China Securities Regulatory Commission or the Shenzhen Stock Exchange, we undertake to issue supplementary commitments in accordance with the latest provisions of the China Securities Regulatory Commission and the Shenzhen Stock Exchange at that time;

7. We undertake to effectively fulfill the measures to compensate for returns formulated by the Company. If we violate such commitments and cause losses to the Company or its investors, we are willing to bear compensation liability to the Company or its investors in accordance with the law.”

VII. Review Procedures for the Measures to Fill the Dilution of Immediate Returns and Related Commitments in Connection with the Issuance

The Company convened the Second Meeting of the Third Board of Directors on August 7, 2026, at which the resolution regarding the Dilution of Immediate Returns and Remedial Measures in Connection with the Issuance of A Share Convertible Corporate Bonds to Non-Specific Investors and Related Commitments (Revised Version) was reviewed and approved. This resolution has been reviewed and approved by the Independent Directors’ Special Session, the Audit Committee of the Board, and the Strategy and ESG Committee of the Board. This resolution remains subject to review and approval by the Company’s general meeting, and requires the affirmative vote of more than two-thirds of the total effective voting shares held by shareholders present at the general meeting. The Company will continue to disclose in its periodic reports the progress of the implementation of the measures to fill the dilution of immediate returns and the fulfillment of the commitments made by the relevant covenants.

Delton Technology (Guangzhou) Inc.
Board of Directors
August 8, 2026

DELTON TECHNOLOGY (GUANGZHOU) INC.**THE SHAREHOLDER DIVIDEND RETURN PLAN FOR THE NEXT
THREE YEARS (2026–2028)**

In order to refine and improve the decision-making procedures and mechanisms of the Board and the general meeting on the profit distribution matters of Delton Technology (Guangzhou) Inc. (the “**Company**”), further clarify and optimize the Company’s profit distribution policy, and enhance the transparency and operability of Shareholders’ distribution decisions, the Board of the Company has formulated the Shareholder Dividend Return Plan for the Next Three Years (2026–2028) (the “**Plan**”) in accordance with the Company Law of the People’s Republic of China, the Guidelines for the Supervision of Listed Companies No. 3 — Cash Dividends of Listed Companies and other normative documents, as well as the relevant provisions of the Articles of Association of Delton Technology (Guangzhou) Inc. (the “**Articles of Association**”), taken into account the actual situation of the Company. Details are as follows:

I. FACTORS CONSIDERED IN FORMULATING THE PLAN

Focusing on long-term and sustainable development, the Company takes the interests of Shareholders as the starting point, attaches importance to the protection of investors’ interests, and provides stable returns to investors. By comprehensively considering factors such as the Company’s current operation and development status, development goals, Shareholders’ intentions, current and future profit models, cash flow conditions, external financing costs and financing environment, as well as the characteristics and development trends of the industry in which the Company operates, the Company establishes a continuous, stable and scientific return plan and mechanism for investors, and makes clear institutional arrangements for the Company’s profit distribution, so as to ensure the continuity and stability of the profit distribution policy.

II. PRINCIPLES FOR FORMULATING THE PLAN

The formulation of the Plan shall comply with the profit distribution policies stipulated in relevant laws, regulations, normative documents and the Articles of Association. In the process of researching, demonstrating and deciding the profit distribution policy, the Company shall fully consider the opinions of independent directors and public investors. The Company’s profit distribution policy maintains continuity and stability, and takes into account the Company’s sustainable development needs and the overall interests of all Shareholders. When the Company meets the conditions for cash dividend in the future, it will give priority to cash dividend for profit distribution.

III. SPECIFIC DIVIDEND RETURN PLAN OF THE COMPANY FOR THE NEXT THREE YEARS (2026-2028)***(I) Principles of Profit Distribution***

The Company adopts a consistent and stable profit distribution policy, placing emphasis on providing reasonable returns to investors while taking into account the Company's actual operating conditions and long-term strategic development objectives, and maintaining the continuity, reasonableness and stability of such policy. The Board of Directors, the Audit Committee and the general meeting shall give full consideration to the opinions of independent directors and Shareholders, in particular minority Shareholders, in the course of decision-making, deliberation and adjustment of the profit distribution policy.

(II) Forms and Intervals of Profit Distribution

The Company may distribute dividends in cash, in shares, or through a combination of cash and shares. Where conditions for cash dividend distribution are satisfied, the Company shall give priority to cash dividends in its profit distribution. Subject to the satisfaction of conditions for cash dividend distribution and the assurance of the Company's normal operations and long-term development, the Company shall, in principle, conduct cash dividend distribution once per accounting year, and may conduct interim cash dividend distribution based on the Company's profitability and capital requirements.

(III) Decision-Making, Modification Mechanism and Procedures for Profit Distribution

When formulating a cash dividend distribution proposal, the Board shall carefully study and deliberate on matters such as the timing, conditions and minimum percentage of cash dividend distribution, as well as the conditions for adjustment and the corresponding decision-making procedures. At the Board meeting to review the Company's profit distribution proposal, the proposal must be approved by a majority vote of all directors before it can be submitted to the general meeting of the Company for consideration.

Independent directors may solicit opinions from minority Shareholders, put forward dividend distribution proposals and directly submit them to the Board for consideration. Prior to the general meeting's deliberation on the specific plan for cash dividend distribution, the Company shall communicate and exchange views with Shareholders, in particular minority Shareholders, through telephone, email or other means, fully listen to the opinions and demands of minority Shareholders, and respond promptly to matters of concern raised by them.

The Company's profit distribution plan shall be approved by a majority vote of the Shareholders (including proxies) present at the general meeting. The Company shall provide Shareholders with an online voting option when convening the general meeting for the consideration of dividend distribution.

If, under special circumstances, the Company is unable to determine the annual profit distribution plan according to the established cash dividend policy or minimum cash dividend ratio, it shall state the reasons for not distributing the profit and the usage of the profit retained by the Company that were not distributed as dividends in the annual report and the Independent Directors shall give an independent opinion in such regard. The annual profit distribution plan shall be approved by more than two-thirds of the voting rights held by the Shareholders present at the general meeting.

The Company shall strictly implement the cash dividend policy established in the Articles of Association and the specific cash dividend plan approved by the general meeting. If, based on the Company's production and operating conditions, investment plans, long-term development needs, or significant changes in the external operating environment or its own operating conditions, it becomes necessary to adjust or amend the cash dividend policy set forth in the Articles of Association, the conditions stipulated in the Articles of Association shall be satisfied, and the adjusted profit distribution policy shall not violate the relevant requirements of the CSRC and the stock exchange. The proposal for adjusting the profit distribution policy shall be submitted to the Board and the general meeting for deliberation. The proposal for adjusting the profit distribution policy shall be formulated by the Board and shall be submitted to the general meeting for approval after being approved by the Board. The proposal for adjusting the profit distribution policy at the general meeting shall be approved by more than two-thirds of the voting rights held by the Shareholders present at the general meeting. Where the Board adjusts the profit distribution policy or specific plan, it shall actively communicate with Shareholders through multiple channels, particularly with minority Shareholders, to fully understand their opinions and demands, and respond to issues of concern to minority Shareholders in a timely manner.

(IV) *Specific Conditions and Ratios for Profit Distribution*

1. *Cash Dividend*

Subject to satisfaction of the cash dividend conditions, the profits distributed in cash by the Company for the year shall not be less than 10% of the distributable profits achieved in that year, and the cumulative profits distributed in cash by the Company over the most recent three years shall not be less than 30% of the average annual distributable profits realized over the three years.

The Board shall comprehensively consider factors including the characteristics of the industry in which the Company operates, its stage of development, its business model, profitability, whether there are material capital expenditure arrangements, distinguish among the following circumstances, and, in accordance with the procedures set forth in the Articles of Association, propose differentiated cash dividend policies:

- (1) cash dividend distribution should at least account for 80% of the profit distribution if the Company reaches a mature stage in its development and there is no arrangement for significant capital expenditure;
- (2) cash dividend distribution should at least account for 40% of the profit distribution if the Company reaches a mature stage in its development and there is an arrangement for significant capital expenditure;
- (3) cash dividend distribution should at least account for 20% of the profit distribution if the Company is in a stage of growth and there is an arrangement for significant capital expenditure;
- (4) the stipulations in the preceding paragraph shall prevail if it is difficult to differentiate the stages of development of the Company and there is an arrangement for significant capital expenditure.

2. *Stock dividend*

When the Company is in sound operation, the Board decides that the share price of the Company does not match the equity scale, there are such real and reasonable factors as the growing pattern of the Company and dilution of net asset value per share, issuing stock dividend is good to the overall interest of the Shareholders of the Company, and subject to compliance with the above-mentioned cash dividend stipulations, stock dividend distribution plan can be raised.

(V) *Principles for the Use of Undistributed Profits*

The undistributed profits remaining after the Company's profit distribution shall be mainly used for the Company's business operations.

IV. FORMULATION CYCLE AND RELEVANT DECISION-MAKING MECHANISM OF THE SHAREHOLDER RETURN PLAN

1. The Board shall review this Plan once every three years and make timely and reasonable amendments in light of changes in circumstances or policies, so as to ensure that its contents do not contravene the relevant laws and regulations and the profit distribution policy set forth in the Articles of Association. In the event that any adjustment to this Plan is required due to material changes in the external operating environment or the Company's own operating conditions, the new shareholder return plan shall comply with the relevant laws and regulations.
2. The Shareholder Return Plan for the next three years shall be formulated by the Board with due regard to the Company's profit scale, cash flow, development stage and current capital requirements as well as the opinions of the Shareholders (particularly minority Shareholders) and the independent directors, and, after being reviewed and approved by the special meeting of independent directors, submitted to a general meeting for approval.

V. In case of any matter that has not been covered in this Plan or any conflict between this Plan and the relevant laws, regulations, normative documents and the Articles of Association, the relevant laws, regulations, normative documents and the Articles of Association shall prevail. This Plan shall be formulated, amended and interpreted by the Board of the Company and shall take effect from the date on which it is considered and approved at the general meeting of the Company.

Announcement is hereby given.

The Board of Delton Technology (Guangzhou) Inc.
June 18, 2026

Resolution on Requesting the General Meeting to Authorize the Board and Its Authorized Persons to Handle Matters Relating to Issuance of A Share Convertible Corporate Bonds to Non-Specific Investors

In order to complete the work of the Company's issuance of A Share convertible corporate bonds to non-specific investors in an efficient and orderly manner, and pursuant to the relevant provisions of the Company Law of the People's Republic of China, the Securities Law of the PRC and other applicable laws and regulations, as well as the Articles of Association, it is hereby proposed that the general meeting of the Company authorize the Board (or the authorized persons as authorized by the Board) to handle all matters relating to the Issuance, in accordance with the relevant laws and regulations, as well as the opinions and suggestions of the regulatory authorities, including but not limited to the following matters:

1. Authorize the Board and its authorized persons, to the extent permitted by relevant provisions of laws and regulations and the Articles of Association, and in accordance with the opinions of the regulatory authorities and having regard to the actual circumstances of the Company, to amend, adjust and supplement the issue terms of the Convertible Bonds, to finalize the specific provisions and the Issuance plan prior to the Issuance, and to formulate and implement the final plan for the Issuance, including but not limited to determining the size of the issuance, the method of the issuance and target subscribers, the proportion of preferential allotment to existing Shareholders, the determination of the initial Conversion Price, Conversion Price adjustment, redemption, bond interest rate, guarantee arrangements, the rights of Bondholders' meetings and their convening procedures and the effective conditions of resolutions, amending the rules of Bondholders' meetings, determining the timing of the issuance, establishing additional special accounts for the proceeds, entering into tripartite supervisory agreements on the special accounts for the proceeds, and all other matters relating to the Issuance plan;
2. Authorize the Board and its authorized persons to, within the scope of the use of proceeds approved by the general meeting, adjust or determine the specific application of the proceeds in accordance with the actual implementation progress of the proposed investment projects to be funded by the proceeds and the actual funding requirements; authorize the Board and its authorized persons to, based on the actual progress of the projects and operational needs, utilize the Company's own funds or self-raised funds to carry out the investment projects of the Convertible Bonds prior to the receipt of the proceeds, and such upfront investments will be replaced upon the receipt of the proceeds; and authorize the Board and its authorized persons to make necessary adjustments to the proposed investment projects to be funded by the proceeds in accordance with national regulations, requirements of relevant regulatory authorities and market conditions;

APPENDIX XIII RESOLUTION ON THE GRANT OF A GENERAL MANDATE TO THE BOARD AND ITS AUTHORISED PERSONS TO HANDLE ALL MATTERS RELATING TO THE ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS TO NON-SPECIFIC INVESTORS
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3. Authorize the Board and its authorized persons to approve, sign, amend, supplement, lodge, submit, execute all agreements and application documents relating to the Issuance, and to handle the relevant application and approval procedures and other matters in connection with the application for the Issuance;
4. To authorize the Board and any person(s) authorized thereof to appoint professional intermediaries to carry out the work in connection with the proposed issuance, including but not limited to executing engagement agreements with such intermediaries, preparing and submitting documents in accordance with the requirements of the regulatory authorities, and determining the fees and remuneration to be paid to the relevant intermediaries;
5. To authorize the Board and any person(s) authorized thereof to amend the relevant provisions of the Company's Articles of Association as appropriate to the issuance and conversion of the Convertible Bonds, and to complete all necessary filings with the relevant industrial and commercial authorities, registration of the change in registered capital, registration of the Convertible Bonds, and the listing and trading arrangements of the Convertible Bonds;
6. To authorize the Board and any person(s) authorized thereof to prepare, revise and submit the requisite application materials in connection with the proposed issuance and listing in compliance with the requirements of the regulatory authorities, and to have unfettered discretion in replying to the feedback or enquiries raised by the securities regulatory authorities;
7. To authorize the Board and any person(s) authorized thereof to, in their discretion, postpone the implementation of the proposed issuance plan in the event of force majeure or other conditions that make the implementation of the plan impracticable, or that would, even if implemented, result in adverse effects on the Company, or in the event of any change in the regulatory policies governing the Issuance of A Share Convertible Bonds;
8. To authorize the Board and any person(s) authorized thereof to, should the relevant laws, regulations and regulatory authorities introduce new provisions or requirements with respect to the dilution of immediate returns in connection with refinancing, further analyse, study and evaluate the impact of the proposed issuance on the current financial indicators and current shareholders' returns of the Company in light of such new requirements, and to formulate, revise and implement the relevant remedial measures, and to have full discretion in dealing with all other matters relating thereto;

9. To authorize the Board and any person(s) authorized thereof to take all such other actions in connection with the proposed issuance as are necessary, appropriate or desirable, to the extent permitted by applicable laws and regulations. Upon the approval and granting of the foregoing authorizations by the general meeting, and save as otherwise required by applicable laws and regulations, the Board is authorized to sub-delegate to the chairman of the Board or its designee(s) the authority to handle the specific matters relating to the proposed issuance and listing within the scope of the aforesaid authorizations, and such sub-delegation shall take effect simultaneously. Among the foregoing authorizations, the validity period of authorizations under 5 and 9 shall remain in effect until the completion of relevant matters, and the validity period of the remaining authorizations shall be 12 months, commencing from the dates of such approvals on the general meeting;

IMPORTANT NOTICE:

1. Purpose of the Transaction: In view of the current increase in volatility in the foreign exchange market, and in order to effectively mitigate foreign exchange risks, guard against the adverse impact of significant exchange rate fluctuations on Delton Technology (Guangzhou) Inc. (the “**Company**”), and enhance the Company’s financial stability, the Company proposes to increase the limit for its foreign exchange hedging activities by an amount of not more than US\$700 million, so as to achieve risk hedging and the purpose of hedge effectiveness, thereby reducing the impact of exchange rate fluctuations on the Company’s operating results.
2. Types of Transaction: Including but not limited to forward foreign exchange settlement and sales, swap transactions between Renminbi and other foreign currencies, foreign exchange trading, foreign exchange options, interest rate swaps, interest rate swaptions, interest rate options.
3. Trading Venue: Banks and other financial institutions that are approved by the relevant government authorities and possess the requisite qualifications for operating foreign exchange derivative trading businesses.
4. Transaction Amount: Following the increase in the limit, the scale of the foreign exchange hedging activities to be undertaken by the Company shall not exceed US\$1.2 billion, and such limit may be utilised on a revolving basis.
5. Approval Procedures Undertaken: This matter has been considered and approved at the first meeting of the third session of the board of directors of the Company, and is subject to the approval of the general meeting in accordance with the provisions of the relevant laws, regulations and normative documents, including the Guidelines for Self-Discipline Supervision of Listed Companies of Shenzhen Stock Exchange No.1 – Standardized Operation of Listed Companies on the Main Board.
6. The Company shall conduct foreign exchange hedging activities in accordance with the principles of legality, prudence, safety and effectiveness, and not for speculative purposes. However, foreign exchange hedging activities are also exposed to certain risks, including exchange rate fluctuation risk, performance risk, operational risk, internal control risk and liquidity risk. Investors are advised to pay attention to the investment risks involved.

I. OVERVIEW OF THE FOREIGN EXCHANGE HEDGING ACTIVITIES**(I) Basic information on the previous foreign exchange hedging limit**

The Company convened the 23rd meeting of the second session of the board of directors on March 27, 2026, at which the Resolution on Conducting Foreign Exchange Hedging Activities was considered and approved, and the Company and its subsidiaries were authorized to conduct foreign exchange hedging activities with an aggregate limit of not more than US\$500 million using their own funds or self-raised funds, and such limit may be utilised on a revolving basis. The said proposal has been considered and approved at the Company's 2025 annual general meeting.

(II) Basic information on the proposed increase in the hedging limit

In view of the current increase in volatility in the foreign exchange market, and in order to effectively mitigate foreign exchange risks, guard against the adverse impact of significant exchange rate fluctuations on the Company, and enhance the Company's financial stability, the Company convened the first meeting of the third session of the board of directors on June 18, 2026, at which the Resolution on the Increase of the Limit for Foreign Exchange Hedging Activities was considered and approved, and the Company was authorized to increase the limit for its foreign exchange hedging activities by an amount of not more than US\$700 million. Following such increase, the total limit for the Company's foreign exchange hedging activities shall not exceed US\$1.2 billion, and such limit may be utilised on a revolving basis. The said increase in the foreign exchange hedging limit is subject to the approval of the Company's general meeting.

II. BASIC INFORMATION ON CONDUCTING FOREIGN EXCHANGE HEDGING BUSINESS**(I) Foreign exchange hedging purpose**

In light of increased fluctuations in the foreign exchange market, and given that the Company's export business accounts for more than 70% of its main business and is mainly settled in US dollars, the uncertainty of foreign exchange rate fluctuations has increased, and foreign exchange market risks have become significant. In order to effectively hedge foreign exchange market risks, prevent adverse impacts from significant exchange rate fluctuations on the Company, and enhance the Company's financial stability, the Company and its subsidiaries intend to increase the limit of their foreign exchange hedging business, so as to achieve risk hedging and hedging purposes, reducing the impact of exchange rate fluctuations on the performance of the Company and its subsidiaries.

(II) Product types of the foreign exchange hedging business

The Company and its subsidiaries plan to conduct foreign exchange hedging business in product types including, but not limited to, forward settlement and sale of foreign exchange, RMB and other foreign exchange swap transactions, foreign exchange trading, foreign exchange options, interest rate exchange, interest rate swaps and interest rate options. The relevant transaction products are all simple foreign exchange derivatives closely related to the Company's principal business, and are required to match the Company's principal business in terms of product type, scale, direction and maturity, so as to comply with the Company's principles of lawful, prudent, safe and effective foreign exchange risk management.

(III) The limit, period and authorization for the foreign exchange hedging business

The scale of the foreign exchange hedging business to be conducted by the Company and its subsidiaries shall not exceed US\$0.7 billion. Following such increase, the total aggregate limit for the Company's foreign exchange hedging business shall not exceed US\$1.2 billion, with the facility to be utilized on a revolving basis and shall be valid for a period of 12 months from the date of approval at the general meeting. The Board of the Company has authorized the chairman or its authorized person(s) to execute the relevant agreements within the aforesaid facility and time limit and to implement the foreign exchange hedging business.

(IV) The source of funds of the foreign exchange hedging business

The source of funds for the Company and its subsidiaries to conduct the foreign exchange hedging business will be the Company's and its subsidiaries' own funds or self-raised funds, and does not involve the proceeds from any fundraising exercise.

III. REVIEW PROCEDURES FOR THE FOREIGN EXCHANGE HEDGING BUSINESS

In accordance with the Self-Regulatory Supervision Guidelines No.1 for Listed Companies of Shenzhen Stock Exchange — Standardized Operation of Main Board Listed Companies and other relevant laws and regulations, as well as the Articles of Association of Delton Technology (Guangzhou) Inc., this matter has been considered and approved at the first meeting of the third session of the Board of the Company and is subject to approval by the general meeting.

IV. RISK ANALYSIS AND RISK CONTROL MEASURES FOR FOREIGN EXCHANGE HEDGING BUSINESS**(I) Risk analysis**

1. Exchange rate fluctuation risk: In the event of significant exchange rate volatility, the quoted rates for banks' forward foreign exchange settlement and sales may deviate from the rates prevailing at the time of the Company's actual receipts and payments, which may result in exchange losses.
2. Performance risk: Foreign exchange hedging transactions involve the risk of default arising from failure to perform upon contract maturity.
3. Internal control risk: Foreign exchange hedging is highly specialised and complex and risks may arise from inadequate internal control mechanisms.
4. Forecast risk: The Company forecasts payment collections based on sales orders. During actual execution, customers may adjust orders, leading to inaccurate payment collection forecasts and resulting in the risk of deferred settlement under forward foreign exchange contracts.
5. Policy risk: Significant changes in laws, regulations and policies governing the futures markets may trigger market volatility or render transactions infeasible.

(II) Risk control measures

1. Prior to entering into foreign exchange hedging transactions, the Company conducts comparative analyses across multiple markets and products, and selects instruments that best fit its business profile, with strong liquidity and controllable risk levels.
2. The Company prudently selects financial institutions, such as banks, with sound credit standing and with which it has established long-term business relationships.
3. The Company has formulated the Foreign Exchange Hedging Business Management System (《外匯套期保值業務管理制度》), which clearly defines the operational rules, approval authorities, internal procedures, information segregation measures, internal risk reporting system and risk handling procedures, and information disclosure requirements in respect of the foreign exchange hedging business.

4. The Company's audit department will conduct periodic reviews of the actual operation of foreign exchange hedging business, including the utilisation of funds and the profits and losses arising therefrom.

V. ACCOUNTING TREATMENT IN RELATION TO THE TRANSACTIONS

The Company and its subsidiaries will carry out corresponding financial accounting treatment for the foreign exchange hedging business in accordance with the relevant provisions and guidelines of the "Accounting Standard for Enterprises No. 22 — Recognition and Measurement of Financial Instruments", the "Accounting Standard for Enterprises No. 24 — Hedging", the "Accounting Standard for Enterprises No. 37 — Presentation of Financial Instruments" and the "Accounting Standard for Enterprises No. 39 — Fair Value Measurement", and such treatment will be reflected in the relevant items in the balance sheet and the income statement.

VI. DOCUMENTS AVAILABLE FOR INSPECTION

1. Resolutions of the first meeting of the third session of the Board of the Company;
2. Feasibility Analysis Report on the Increase of Foreign Exchange Hedging Business Limit;
3. Verification Opinion of Guolian Minsheng Investment Banking Company Limited on the Increase of Foreign Exchange Hedging Business Limit of Delton Technology (Guangzhou) Inc.

Announcement is hereby given.

The Board of Delton Technology (Guangzhou) Inc.
June 23, 2026

**RESOLUTION ON THE APPLICATION FOR COMPREHENSIVE CREDIT
FACILITIES FROM BANKS BY THE COMPANY AND ITS SUBSIDIARIES AND THE
PROVISION OF GUARANTEES TO SUBSIDIARIES**

Dear Directors,

According to the needs of the Company's strategic development, and taking into account the operating objectives, overall development plans and daily working capital requirements of the Company and its wholly-owned subsidiary, Thailand Delton, the Company and its subsidiaries propose to apply to banks for aggregate comprehensive credit facilities, increasing the total amount from not exceeding RMB5,100 million to not exceeding RMB6,100 million (the final amount shall be subject to the credit limits actually approved by the relevant cooperating institutions). The details of the related guarantees to be provided by the Company for its subsidiaries in connection with their applications for comprehensive credit facilities from banks are as follows:

I. Overview of the Guarantees**1. *Basic Information on the Previously Proposed Guarantee Limits***

Delton Technology convened the 23rd meeting of the second session of the Board on March 27, 2026 and the 2025 AGM on June 18 2026, at which the Resolution on the Application for Comprehensive Credit facilities from Banks by the Company and its Subsidiaries and the Provision of Guarantees to Subsidiaries was considered and approved. The Company and its subsidiaries proposed to apply to banks for aggregate comprehensive credit facilities of not exceeding RMB5,100 million (the final amount shall be subject to the credit limits actually approved by the relevant cooperating institutions). Among which, the Company's wholly-owned subsidiaries, Delton Precision Circuits (Huangshi) Inc., Delton Technology International Limited and Delton Numerical Control Technology (Dongguan) Co., Ltd., and the Company's wholly-owned subsidiary of a subsidiary, Delton Technology (Thailand) Co., Ltd., intended to apply to banks for credit facilities totalling RMB1,420 million due to business development needs. The Company proposed to provide guarantee limits for such subsidiaries in an aggregate amount of not exceeding RMB1,420 million (among which, the guarantee limit proposed to be provided by the Company for Thailand Delton would not exceed RMB175 million in aggregate). For details, please refer to the Announcement on Provision of Guarantees to Subsidiaries in connection with Applications for Comprehensive Credit Facilities from Banks (Announcement No.: 2026-023) published on the websites of Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily, Economic Information Daily and CNINFO (<http://www.cninfo.com.cn>).

2. *Basic Information on the Proposed Increase in Guarantee Limits*

The Company convened 2nd meeting of the third session of the Board on August 7, 2026, at which the Resolution on the Application for Comprehensive Credit Facilities from Banks by the Company and its Subsidiaries and the Provision of Guarantees to Subsidiaries was reviewed and approved.

Based on the guarantee limits approved at the 23rd meeting of the second session of the Board and the 2025 AGM, and taking into account the operating objectives, overall development plans and daily working capital requirements of the Company and its wholly-owned subsidiary, Thailand Delton, the Company and its subsidiaries propose to apply to banks for aggregate comprehensive credit facilities, increasing the total amount from not exceeding RMB5,100 million to not exceeding RMB6.10 billion (the final amount shall be subject to the credit limits actually approved by the relevant cooperating institutions). Among which, the Company proposes to increase the guarantee limit for its wholly-owned subsidiary, Thailand Delton, from RMB175 million to RMB675 million (the total guarantee limits proposed to be provided by the Company for its subsidiaries will increase from RMB1,420 million to RMB1,920 million).

This guarantee matter is subject to approval by the general meeting. The validity period of the guarantee shall be 12 months from the date of approval by the general meeting. During the credit facility period, the credit limits may be used on a revolving basis.

II. **Details of the Relevant Guarantee Limits**

Unit: RMB0,000

Guarantor	Guaranteed Party	Shareholding Percentage of Guarantor in Guaranteed Party	Latest Asset-liability Ratio of Guaranteed Party	Outstanding Guarantee Balance as at the Latest Practicable Date	Guarantee Limit under this Proposal	Percentage of Guarantee Limit under this Proposal to Latest Audited Net Assets of the Listed Company	Related-party Guarantee
Delton Technology	Thailand Delton	100.00%	55.94%	7,561.71	50,000.00	12.57%	No
Total				<u>7,561.71</u>	<u>50,000.00</u>	<u>12.57%</u>	

Note: The “latest asset-liability ratio of the guaranteed party” refers to the asset-liability ratio of the guaranteed party as at June 30, 2026;

III. Basic Information of the Guaranteed Party

The guaranteed party under this guarantee is Thailand Delton, a wholly-owned subsidiary of a subsidiary of Delton Technology. The Company directly holds 100% equity interest in Thailand Delton. Thailand Delton has not been listed as a dishonest judgment debtor subject to enforcement and its financial risks are within a controllable range. The basic information is as follows:

1. Name of guaranteed party: Delton Technology (Thailand) Co., Ltd.

Date of establishment: May 19, 2023

Registered address: 888 Moo 8, Bo Thong Industrial Estate, Kabin Buri, Prachin Buri, Thailand

Legal representative: Xiao Hongxing

Registered capital: THB4,163,359,000

Principal business: Engaging in the production and sale of PCBs

Equity structure: Delton Technology International Limited, a wholly-owned subsidiary of the Company, holds 2% equity interest; Delton Investment Holdings Co., Ltd. (廣合投資控股有限公司), a second-tier wholly-owned subsidiary, holds 98% equity interest.

Key financial data for the latest year and the latest period:

Unit: RMB'0,000

Item	December 31, 2025 (Audited)	June 30, 2026 (Unaudited)
Total assets	122,271.50	218,544.29
Total liabilities	96,014.49	122,258.50
Net assets	26,257.01	96,285.79

Item	January to December 2025 (Audited)	January to June 2026 (Unaudited)
Revenue	16,065.94	48,085.24
Total profit	-6,886.71	17,664.19
Net profit	-5,711.28	16,530.17

IV. Principal Terms of the Guarantee Agreements

The Company has not entered into any relevant credit facility and guarantee agreements. The amounts of the credit facilities and guarantees will be negotiated and determined within the above-mentioned limits and shall be subject to the formally executed agreements. The Board proposes to seek authorization from the general meeting to authorize the Company's management to handle the relevant matters within the comprehensive credit facility and guarantee limits according to actual operational needs, and to authorize the Company's legal representative to execute the relevant agreements and documents.

V. Aggregate Amount of External Guarantees and Overdue Guarantees

As of the date of this announcement, the balance of guarantees provided by the Company for its subsidiaries amounted to RMB483.6578 million, representing 12.16% of the Company's audited net assets for 2025. Upon provision of the guarantees under this proposal, the guarantee limits provided by the Company for its subsidiaries will amount to RMB1,920 million, representing 48.26% of the Company's audited net assets for 2025, including RMB483.5678 million of guarantees already provided. Neither the Company nor its subsidiaries has any overdue guarantees, nor are there any guarantees involving litigation or any circumstances in which the Company is required to bear losses as a result of being ordered to assume liability due to an adverse judgment in relation to guarantees.

The above authorization shall be valid from the date of approval by the general meeting until the date of the 2026 annual general meeting.

The above resolution is hereby submitted to the Board for consideration.

The Board of Delton Technology (Guangzhou) Inc.
August 7, 2026

RESOLUTION ON THE GENERAL MANDATE TO ISSUE H SHARES OF THE
COMPANY

Dear Directors,

In order to meet the needs of the Company's business development, pursuant to the relevant laws, regulations and regulatory documents, including the Company Law of the People's Republic of China and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and the Articles of Association of the Company, it is proposed that the general meeting of the Company authorize the board of directors, and the board of directors further delegate such authority to the chairman of the board of directors and his authorized persons, to separately or concurrently determine the allotment, issue and disposal of H Shares not exceeding 20% of the total number of issued shares of the Company, or securities convertible into such shares, options, warrants or similar rights to subscribe for H Shares of the Company (the "**General Mandate**"). The specific authorization is as follows:

1. A general and unconditional mandate be granted to the board of directors, and the board of directors further delegate such mandate to the chairman of the board of directors and his authorized persons, to separately or concurrently determine the allotment, issue and disposal of H Shares or securities convertible into such shares, options, warrants or similar rights to subscribe for H Shares of the Company (the "**Similar Rights**"), and to determine the terms and conditions for the allotment, issue and disposal of new shares or Similar Rights, including but not limited to the following terms:
 1. the class and number of new shares to be issued;
 2. the method of pricing and/or issue price of the new shares (including the price range);
 3. the commencement and closing dates of the issue;
 4. the class and number of new shares to be issued to existing Shareholders; and/or
 5. making or granting offers for the sale of shares, agreements, options to purchase shares, rights to convert into shares or other relevant rights which may require the exercise of such rights.

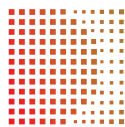
- II. The numbers of H Shares (excluding Shares issued in form of capital conversion from capital reserve) to be separately or jointly allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board or the chairperson of the Board and its authorized person(s) pursuant to the General Mandate referred to in the first paragraph above, shall not exceed 20% of the total number of Shares in issue at the time when this resolution is passed at the EGM.
- III. If the Board or the chairperson of the Board and its authorized person(s) have resolved to allot, issue and deal with H Shares or the similar rights within the validity term of the mandate described in the fifth paragraph of this resolution, and the Company has also obtained the relevant approval, permission or registration (if applicable) from the competent regulatory authorities within the validity term of the mandate, the Board or the chairperson of the Board and its authorized person(s) may complete the relevant allotment, issuance and dealing works within the validity term of such approval, permission or registration.
- IV. To authorize the Board or the chairperson of the Board and its authorized person(s) to obtain approvals from all relevant government departments and/or regulatory authorities and complete all necessary registration, filing, and other procedures (if applicable) in accordance with the applicable laws (including but not limited to the PRC Company Law, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Shenzhen Stock Exchange Listing Rules and the Guidelines of Self-Regulatory Regulations for Listed Companies No. 1 – Standardised Operation of the Companies Listed on the Main Board) to exercise the General Mandate.
- V. Upon approval by the extraordinary general meeting, the General Mandate shall remain in effect until the earliest of:
1. the conclusion of the next annual general meeting of the Company; or
 2. the date on which the mandate to issue Shares referred to in this resolution is revoked or varied by a special resolution passed by the Shareholders in general meeting.
- VI. To authorize the Board or the chairperson of the Board and his/her authorized persons to approve, execute and do, or procure to execute and do, all such documents, deeds and things as it may consider necessary or appropriate in connection with the allotment, issuance and disposal of any new Shares under the abovementioned General Mandate, handle the necessary procedures and take other necessary actions.

- VII. To authorize the Board or the chairperson of the Board and his/her authorized persons, upon the allotment and issue of the new Shares and completion of such issue, to increase the registered capital of the Company and make such appropriate and necessary amendments to the Articles of Association of the Company in accordance with the way, type and number of the new Shares to be allotted and issued and the actual shareholding structure of the Company upon completion of the allotment and issue of the new Shares.

This matter is subject to the approval of the Shareholders at the general meeting of the Company.

Announcement is hereby given.

The Board of Delton Technology (Guangzhou) Inc.
August 7, 2026



DELTON

Delton Technology (Guangzhou) Inc.

廣州廣合科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1989)

NOTICE OF THE 2026 SECOND EGM

Notice is hereby given that the extraordinary general meeting (the “EGM”) of Delton Technology (Guangzhou) Inc. (the “**Company**”) will be held at the Conference Room of Delton Technology (Guangzhou) Inc., No. 22 Baoying South Road, Bonded Zone, Guangzhou at 3:00 p.m. on September 24, 2026 for the purposes of considering and, if thought fit, passing the following resolutions. Unless otherwise indicated, capitalized terms used herein shall have the same meaning as those defined in the circular dated September 7, 2026 issued by the Company.

SPECIAL RESOLUTIONS

1. To consider and approve the resolution on the Company’s compliance with the requirements for the Issuance of A Share Convertible Corporate Bonds to non-specific investors
2. To consider and approve the resolution on the adjustment of the proposed scheme for the Issuance of A Share Convertible Corporate Bonds to non-specific investors (the following resolutions will be voted on separately):
 - 2.1 Type of securities of the Issuance;
 - 2.2 Size of the Issuance;
 - 2.3 Par value and issue price;
 - 2.4 Term of the Bonds;
 - 2.5 Coupon rate;
 - 2.6 Term and method of interest payment;
 - 2.7 Conversion period;
 - 2.8 Determination and adjustment of the Conversion Price;
 - 2.9 Terms of downward adjustment to the Conversion Price;

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- 2.10 Method for determining the number of conversion shares;
 - 2.11 Terms of redemption;
 - 2.12 Terms of sale back;
 - 2.13 Entitlement to dividend in the year of conversion;
 - 2.14 Method of the Issuance and target subscribers;
 - 2.15 Subscription arrangement for existing Shareholders;
 - 2.16 Matters relating to the meetings of Bondholders;
 - 2.17 Purpose of the proceeds from this offering;
 - 2.18 Guarantee;
 - 2.19 Credit rating;
 - 2.20 Management and deposit for proceeds raised; and
 - 2.21 Validity period of the Issuance plan
- 3. To consider and approve the resolution on the preliminary proposal for Issuance of A Share Convertible Corporate Bonds to non-specific investors (Revised Version)
 - 4. To consider and approve the resolution on the demonstration and analysis report on the proposed scheme for the Issuance of A Share Convertible Corporate Bonds to non-specific investors (Revised Version)
 - 5. To consider and approve the resolution on the feasibility analysis report on the use of proceeds from the Issuance of A Share Convertible Corporate Bonds to non-specific investors (Revised Version)
 - 6. To consider and approve the resolution on special report on the use of proceeds previously raised
 - 7. To consider and approve the resolution on the rules of procedures for meetings of holders of the Convertible Corporate Bonds
 - 8. To consider and approve the resolution on the measures to mitigate the dilutive impact of the Issuance of A Share Convertible Corporate Bonds to non-specific investors on immediate returns and the relevant undertakings by responsible parties (Revised Version)

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9. To consider and approve the resolution on the Shareholder dividend return plan for the Next Three Years (2026–2028)
10. To consider and approve the resolution in relation to the grant of a general mandate to the Board and its authorized representatives to handle all matters incidental to the Issuance of A Share Convertible Corporate Bonds to non-specific investors
11. To consider and approve the resolution on investing in the Construction of Delton Technology Dongguan Smart Manufacturing Headquarters Project* (廣合科技東莞智造總部項目) and entering into the Investment Agreement
12. To consider and approve the resolution on the application for comprehensive credit facilities from banks by the Company and its subsidiaries and the provision of guarantees to subsidiaries
13. To consider and approve the resolution on the General Mandate to issue H Shares of the Company
14. To consider and approve the resolution on the General Mandate for the repurchase of the Shares of the Company

ORDINARY RESOLUTIONS

15. To consider and approve the resolution on increasing the quota for foreign exchange hedging business
16. To consider and approve the resolution on appointment of a special audit institution for the Issuance of A Share Convertible Corporate Bonds to non-specific investors

By order of the Board
Delton Technology (Guangzhou) Inc.
Mr. Xiao Hongxing
Chairman

Guangzhou, the PRC, September 7, 2026

Notes:

- (i) Any shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
- (ii) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorized in writing or, if the appointer is a corporation, either under its seal or under the hand of any officer or attorney duly authorized.

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- (iii) In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited with Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H Shareholders) or the Company's office at No.22 Baoying South Road, Bonded Zone, Guangzhou, the PRC (for A Shareholders) as soon as practicable but in any event not less than 24 hours before the time appointed for holding the EGM (i.e., 3:00 p.m. on September 23, 2026), or any adjourned meeting thereof (as the case may be).
- (iv) Completion and return of the form of proxy shall not preclude the shareholders of the Company (the "Shareholders") from attending and voting in person at the EGM or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (v) Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the EGM, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall alone be entitled to vote in respect thereof.
- (vi) For the purpose of determining the H Shareholders entitled to attend and vote at the EGM, the register of members of H shares of the Company will be closed from Monday, September 21, 2026 to Thursday, September 24, 2026 (both days inclusive). Holders of the Company's H Shares whose names appear on the Company's register of H Shareholders on Thursday, September 24, 2026 (i.e., the record date) are entitled to attend the EGM. In order to qualify for the entitlement to attend and vote at the above EGM, the Shareholders must lodge all transfer forms accompanied by the relevant H share certificates with the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on Friday, September 18, 2026.
- (vii) The EGM is expected to take less than half a day. Shareholders who attend the EGM shall be responsible for their own travel and accommodation expenses. Shareholders (or their proxies) attending the meeting shall procure their identity documents.
- (viii) All times refer to Hong Kong local time, except as otherwise stated.