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烟台北方安德利果汁股份有限公司

Yantai North Andre Juice Co., Ltd.*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock code : 02218)

SUPPLEMENTAL ANNOUNCEMENT

DISCLOSEABLE TRANSACTION IN RELATION TO ENTERING INTO THE EQUITY PURCHASE AGREEMENT AND ACQUISITION OF CONTROL OVER NINGBO YONGQIANG TECHNOLOGY CO., LTD.

Reference is made to the announcement of the Company dated 18 September 2026 (the “**Announcement**”), in relation to entering into the Asset Purchase Agreements by the Company and the relevant Transferors and Ningbo Yongqiang Technology Co., Ltd. (寧波甬強科技有限公司) (the “**Target Company**”). Pursuant to which, the Company acquired an aggregate of 62.0611% equity interests in the Target Company in cash (the “**Transaction**”), with a total consideration of RMB792,787,965.88. Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

1. REASONS FOR AND BENEFITS OF THE TRANSACTION

The Company hereby provides further details regarding the reasons for and benefits of the Transaction.

1.1 Strategic Rationale and Risk Assessment for Entering a New Industry

The Company is a leading player in the global concentrated fruit juice sector, with a sound principal business, ample cash flow and strong risk resilience. However, the traditional food and beverage processing industry is already relatively mature, and the Company's single-principal-business structure faces development bottlenecks. To break through the growth ceiling and enhance its risk resilience, the Company plans to expand into high-growth emerging sectors and cultivate a second growth curve. The Target Company is a high-tech enterprise specialising in the research and development, manufacturing and sales of electronic information interconnection materials for integrated circuits, and the industry in which it operates offers vast development prospects. The Target Company's products include high-frequency high-speed copper-clad laminates, among others. High-frequency high-speed copper-clad laminates are core and critical substrates for servers and

communication equipment and fall within the field of new-quality productive forces supported by the State as a priority, with growth potential in downstream market demand, certain technical barriers in the industry and market space for domestic substitution.

The Board has prudently assessed the principal risks associated with entering the Target Company's industry as follows:

(1) Risk of cross-industry acquisition integration falling short of expectations

Upon completion of this acquisition, the Company will need to integrate with the Target Company in terms of management systems, business operations and corporate culture. There is uncertainty as to whether the integration will achieve the expected results. If the integration falls short of expectations, it may have an adverse impact on the Company's overall operations.

(2) Risk of a relatively high valuation appreciation rate in the Transaction and potential goodwill impairment in the future

The appraised value of the total shareholders' equity of the Target Company in this acquisition under the income approach was RMB1,275.00 million, representing an appreciation in the valuation of RMB994.3983 million, with an appreciation rate of 354.38%. The valuation appreciation rate of the target assets in the Transaction is relatively high, and upon completion of the acquisition, the Company expects to recognize goodwill of approximately RMB520 million. If the future operating results of the Target Company fall short of expectations, there may be a risk of goodwill impairment, which could adversely affect the Company's profit or loss for the current period. In strict compliance with the PRC Accounting Standards for Business Enterprises, the Company will conduct an impairment test on goodwill at the end of each year and make the corresponding accounting treatment based on the test results.

(3) Risk of sustainability of the Target Company's profitability improvement

The Target Company's revenue structure is currently still dominated by FR4 products, and there is uncertainty as to the cycles for the industrialization of high-end product technologies, the obtaining of certification and the achievement of mass production. The demand for high-speed copper-clad laminates of M8 grade and above depends to a large extent on cycles of the research and development and commencement of mass production of products of end customers. If the corresponding generation products of end customers fail to ramp up for a prolonged period, or the Target Company's technological industrialization is delayed, or customer development and order acquisition are unsatisfactory, or the Target Company fails to effectively implement supply chain management, resulting

in the increase in costs or even failure to supply, there will be uncertainty as to the improvement in the Target Company's profitability, and there will be a certain sustainability risk.

(4) *Risk of failure to fulfill the performance commitment and failure to realize the compensation*

As disclosed in the Announcement, the Compensating Parties have made the Cumulative Performance Commitment to the Company, further details of which are set out under the section headed "Performance Commitment" of this announcement. The Target Company recorded losses for two consecutive years in 2024 and 2025. Although its profitability has improved since 2026, there remains a risk that the performance commitments for the Transaction may not be fulfilled. Meanwhile, the performance commitments and compensation arrangements for the Transaction have comprehensively taken into account factors such as the credit standing and performance capability of the performance commitment parties, however, there remains a risk that the committed compensation may not be realized.

(5) *Risk of relatively intense industry competition faced by the Target Company*

There remains a considerable gap between the Target Company and leading industry players in terms of revenue, market share and production capacity. The Target Company's revenue structure is currently still dominated by FR4 products, with the revenue of high-speed copper-clad laminates accounting for 10.52% for the period from January to August 2026. The Target Company faces considerable competitive pressure from leading industry players. There is uncertainty as to whether the Target Company will be able to further gain market share, whether the revenue of its high-end products will achieve further growth, and whether its product structure will be further optimized.

1.2 Reasons for Selecting the Target Company as the Acquisition Target

The Company prudently plans its positioning in high-growth emerging sectors and actively seeks investment opportunities. By investing in businesses with strong growth potential, the Company aims to cultivate a second growth curve and maximize shareholders' value. In late May 2026, an independent third-party company recommended the Target Company to the Company's management based on its reserves of industry resources. Given the substantial investment amount involved in the Transaction and the fact that it constitutes a cross-industry external investment, the Company, in accordance with the requirements of relevant laws and regulations on the confidentiality management of material matters of listed companies and other applicable requirements, conducted its initial internal prudent study and assessment of the matter during the preliminary planning stage. Furthermore, from 29 May 2026, the Company initiated preliminary discussions, engaging in multiple rounds of communication with the Target Company's shareholders and management team

to understand the Target Company's current operating status, intentions to transfer equity, and transaction needs. Subsequently, the Company engaged relevant intermediaries to conduct due diligence and carry out a comprehensive review of the Target Company's business, financial, legal and technical aspects to further assess the feasibility of this acquisition.

The Company has conducted due diligence on the Target Company and the industry in which it operates, including the market size, competitive landscape and technology development trends of the market segment in which the Target Company operates, as well as the Target Company's core technologies:

(1) Market size of the market segment in which the Target Company operates

The Target Company principally operates in general-purpose and high-end copper-clad laminate materials, which are electronic information interconnection materials in the upstream of printed circuit boards (PCB). Copper-clad laminates serve as the core substrate for PCBs. According to data from The Business Research Company, the global copper-clad laminate market was valued at USD13.56 billion in 2024 and increased by 8% year-on-year to USD14.66 billion in 2025. With the continued growth of downstream demand, the global copper-clad laminate market is expected to grow to USD20.17 billion by 2029, representing a CAGR of 8.3% from 2025 to 2029. According to data from CCLA, China accounts for approximately 74.8% of the global copper-clad laminate output value and is the world's largest copper-clad laminate producer and consumer. In the first half of 2026, the copper-clad laminate industry experienced a relatively high level of prosperity.

(2) Competitive landscape of the market segment in which the Target Company operates

In the conventional copper-clad laminate (FR4) segment, FR4 – as the most widely used epoxy resin glass fibre cloth-based copper-clad laminate – has long held the largest shipment share of the copper-clad laminate market and is extensively used in general-purpose fields such as consumer electronics, communication equipment, automotive electronics and industrial control. In 2024, KB Laminates, SYTECH and Elite Material Co., Ltd. held global market shares of 14.3%, 13.6% and 13.3% respectively. The industry shows a relatively concentrated landscape, with leading players having prominent advantages in production capacity scale and cost control.

In the high-speed copper-clad laminate segment, the industry generally adopts Panasonic Corporation's Megtron copper-clad laminate classification system as the performance standard. Currently, the high-speed copper-clad laminate market is predominantly dominated by companies from Japan, South Korea and China's

Taiwan region, and products of different grades present a differentiated competitive landscape. The following table sets out the sales achieved by the principal market participants for products of each grade and the Target Company:

Material grade^{Note}	Category	Competitive landscape	Principal market participants	Target Company's involvement
M2 M4	Mid Loss Low Loss	Partial domestic substitution achieved	Predominantly Taiwanese-invested enterprises; SYTECH, Nanya New Material and Huazheng New Materials are the principal local suppliers	Not involved
M6 M7	Very Low Loss Ultra Low Loss	High market and technical barriers; dominated by major international enterprises	Predominantly Panasonic Corporation and Elite Material Co., Ltd.; a few domestic enterprises such as SYTECH and Nanya New Material are the principal local suppliers	Annual sales of each grade are at the million level
M8 M9	Extremely Low Loss Optical Low Loss	Extremely high market and technical barriers; only a few leading international companies have achieved large-scale mass production	Predominantly Elite Material Co., Ltd. and South Korea's Doosan Corporation Electro-Materials; SYTECH is the main local supplier	
M10		Globally still in the sample submission phase; no mature products yet	Elite Material Co., Ltd. under validation	Under validation

Note: The higher the number following “M”, the lower the material’s dielectric loss and the higher the signal transmission rate it can support; technical difficulty and market barriers also rise exponentially.

Currently, the Target Company's M8 and M9 products have passed certain end-customer certification and have commenced supply, whilst M10 has also entered the customer testing stage.

(3) *Technology development trends of the market segment in which the Target Company operates and the Target Company's core technologies*

The copper-clad laminate industry as a whole is characterised by two key trends:

FR4 substrate – upgrading toward HDI (High-Density Interconnect)

As demand for PCBs in mobile phones, foldable screens, wearables and automotive applications continues to intensify, standard laminates are unable to meet the requirements for micro-blind vias, ultra-fine traces and multi-layer stacking. Technological evolution is moving towards features such as improved thermal stability (high Tg), thinner profiles, enhanced processability and high reliability (halogen-free, high CAF resistance), with conventional FR4 technology tending towards an upgrade to high-end HDI laminates.

Low-loss high-speed materials – trend towards low loss and low coefficient of thermal expansion (CTE) in parallel and substrate integration of high-speed materials

In the high-end copper-clad laminate segment, as current smart products further raise their technical requirements on high-end materials and shorten iteration time, the technology is trending toward more extreme dielectric loss, lower CTE, ultra-thin laminates and even substrate integration. The generational replacement of material products is shifting from one generation every 3-5 years toward one generation every 1-2 years, posing challenges to the research and development technology reserves and capital investment for materials. The technological trend of high-speed copper-clad laminates primarily focuses on achieving extremely low dielectric loss (Df). In recent years, with the development of downstream demand, coupled with the rise in the number of layers in high-end PCBs to 70-100 + layers, high-speed copper-clad laminates are now subject to the dual extreme requirements of “extremely low Df + high density and high reliability”. In terms of material performance, whilst maintaining ultra-low dielectric loss (Df), materials must also possess ultra-high heat resistance (Tg) and an ultra-low CTE to meet reliability requirements in high-power, high-heat-dissipation scenarios.

The Target Company's FR4 products are positioned as mid-to-high Tg, halogen-free, high-reliability laminates, and HDI applications dominate its overall FR4 sales, which is consistent with the foregoing technology development trends. The Target Company's M6-M9 grade materials have achieved technological industrialisation and have commenced supply (with annual sales revenue exceeding RMB1 million),

and its M10 grade materials are under downstream certification. The Target Company's Gallop 8Q product for 112G transmission rates is the first in China to be recognised as part of Zhejiang Province's inaugural batch of new materials; its Gallop 9Q product for 224G transmission rates achieves a Df of 0.00065; its Gallop 10Q product for 448Gbps transmission rates achieves a Df of 0.0004 and a CTE of 4-6 ppm/°C, and it is further developing products with even lower Df and CTE as well as negative CTE. The Target Company's technologies relating to high-speed copper-clad laminates are in line with industry development trends.

The Target Company conducts technology research and development in the field of electronic information interconnection materials and has formed a technical capability system covering resin molecular design, filler surface modification, interface treatment, formulation optimization and mass production processes. The core of the foregoing technical system lies in the development of resin materials and supporting materials, which are the key raw materials that determine the dielectric properties and signal transmission quality of copper-clad laminates, and are primarily used in high-speed high-frequency copper-clad laminates, IC packaging substrates and other areas that place high requirements on transmission loss, heat resistance and dimensional stability. The Target Company's principal core technologies and their industrialisation status and iteration risks are as follows:

Core technology name	Application products	Technological advancement and specific characteristics	Technological development stage
Resin material technology	High-speed, high-frequency copper-clad laminates	(1) Extremely-low-loss resin design and modification technology: The Target Company has developed a new series of low-loss hydrocarbon resin products with optimized dielectric properties, heat resistance and dimensional stability. This series of resins features low dielectric constant (Dk), low dielectric loss (Df) and low water absorption, and can meet the technical requirement on signal integrity of high-end terminal equipment such as 5G/6G communications and AI servers; (2) Low-CTE resin design and modification technology: In response to the dimensional stability requirements of the advanced packaging field, the Target Company has developed new low-CTE resins and	Relevant key products are already in mass production

Core technology name	Application products	Technological advancement and specific characteristics	Technological development stage
		prepolymers, forming resin products with high modulus and ultra-low CTE, which feature high glass transition temperature (T_g) and high modulus and can meet the high-density integration requirements of advanced packaging technologies such as FC-BGA and 2.5D/3D, ensuring the dimensional stability and long-term reliability of packaged products; (3) Negative-CTE resin design and modification technology: It expands the performance boundary on the basis of low-CTE resin technology to achieve negative CTE characteristics, which can match the CTE requirements for substrates and copper-clad laminates in advanced packaging technologies such as CoWoS and CoWoP, addressing packaging failure and precision degradation caused by thermal expansion mismatch.	
High-filler loading technology	High-speed, high-frequency copper-clad laminates	It employs a filler gradation process for larger and smaller particles, which uses larger particles to form the primary packing framework of the system and smaller particles to precisely fill the gaps within this framework, achieving high-density, uniform packing of the fillers. It features good fluidity, which can improve the processing suitability of high-loading systems, and, while reducing materials' CTE (coefficient of thermal expansion), it results in good processing performance that meets the production and application requirements of high-end substrates and copper-clad laminates.	Relevant key products are already in mass production

Core technology name	Application products	Technological advancement and specific characteristics	Technological development stage
Interface enhancement technology	High-speed, high-frequency copper-clad laminates	(1) Filler surface modification technology: To address the issue of weak interfacial bonding caused by differences in surface energy and polarity between inorganic fillers and organic resins, this technology uses customised silane coupling agents to surface-treat inorganic fillers, which enhances interfacial bonding strength and compatibility, reduces interfacial defects, and ensures product stability; (2) Q-Glass and resin interface enhancement technology: By increasing the purity of quartz yarn and optimizing surface treatment processes to reduce residual hydroxyl groups, combined with dedicated coupling agents for precise graft modification, this technology addresses the issues of smooth surface and few active sites of Q-Glass, enhances interface bonding with resins, and at the same time optimizes dielectric properties and dimensional stability, enabling the large-scale application of quartz glass cloth in high-performance copper-clad laminates and adapting to the high performance requirements of high-end scenarios; (3) Low-profile copper foil and resin interfacial bonding enhancement technology: Addressing the challenge of insufficient bonding between low-roughness copper foil (HVLP5, $R_z \leq 0.4\mu\text{m}$) and substrates, this technology enhances the interfacial bonding strength through fine nodulation treatment of the copper foil surface combined with dedicated coupling agents matching the resin system, ensuring the yield of fine-line	Relevant key products are already in mass production

Core technology name	Application products	Technological advancement and specific characteristics	Technological development stage
		processing and product reliability, and adapting to the fine processing requirements of high-end substrates.	
Formulation design technology for M9 grade and above high-speed copper-clad laminates	High-end high-speed copper-clad laminate series (Gallop 9Q, Gallop 10Q)	Relying on the Target Company's core resin material platform, a dedicated formulation system has been developed for M9 grade and above high-speed copper-clad laminates. With a specific architecture, centred on self-developed low-loss hydrocarbon resins, combined with relevant auxiliary components, this formulation system optimizes product performance and processing suitability while enhancing product stability and reliability, meeting the usage requirements of high-end high-speed copper-clad laminates and providing technical support for domestic substitution of high-end copper-clad laminates.	Gallop 9Q is already in mass production; Gallop 10Q is still under validation.
Formulation design technology for non-PTFE high-frequency copper-clad laminates	High-frequency copper-clad laminate series (G90-35RF, G60-35RF)	Relying on the core self-developed low-loss hydrocarbon resin technology and targeting the application shortcomings of traditional PTFE-based high-frequency copper-clad laminates, the Target Company has designed a new formulation system, addressing the industry pain points and achieving simultaneous improvements in material performance and processability. Centred on self-developed resins, this formulation system optimizes materials' overall performance, resolves the issue of inadequate processing suitability of traditional products, and provides the high-frequency communication field with copper-clad laminate solutions that combine performance with practicality.	Relevant key products are already in mass production

Core technology name	Application products	Technological advancement and specific characteristics	Technological development stage
Mass production process and equipment modification technology	High-speed, high-frequency copper-clad laminates	In the mass production of ultra-thin substrates and high-resin-content (high RC) copper-clad laminates, issues such as difficult tension control and insufficient thickness uniformity are common, affecting mass production stability. This technology employs a solution combining full-process optimization with systematic equipment upgrades to facilitate the large-scale and stable mass production of high-end substrates and copper-clad laminates. Through synergistic optimization of the process and equipment, it forms a mature large-scale production capability, enabling the stable mass production of ultra-thin substrates and high-RC, high-frequency, high-speed copper-clad laminates, and meeting the large-scale supply demands of high-end downstream end customers.	Relevant key products are already in mass production

Note: The mass production criterion is defined as annual sales revenue exceeding RMB1 million; this is not a universally accepted industry standard.

The market segment in which the Target Company operates has the typical characteristics of high product entry barriers and lengthy certification cycles. Downstream customers impose stringent requirements on the technical specifications, reliability and long-term supply capability of materials, and new products typically need to go through an extended testing and validation cycle from introduction to large-scale application. Testing and validation are usually initiated by end customers with the participation of PCB manufacturers, and the specific process is divided into the technical certification stage and the application and mass production stage.

In the technical certification stage, end customers prepare design drawings for “test laminates” based on the copper-clad laminate material to be tested and send them to the corresponding PCB manufacturer for production using the proposed test material. Upon completion, the end customers and qualified third-party testing laboratories conduct tests on the technical specifications and product reliability indicators, and upon passing, the copper-clad laminate material can enter the end customer’s list of material options.

In the application and mass production stage, end customers first include the proposed material type for copper-clad laminates in the product design drawings and send them to the corresponding PCB manufacturer for production, and then the products will undergo engineering validation testing (EVT), design validation testing (DVT) and production validation testing (PVT). Upon passing, they will enter the mass production (MP) stage (i.e. the stage of bulk shipment of the Target Company's products). If an end customer has multiple PCB suppliers, the copper-clad laminate manufacturer needs to go through the end customer's validation process with each PCB manufacturer. Depending on each manufacturer's processing capabilities and familiarity with the copper-clad laminate material, the duration of each testing varies; the overall end customer validation cycle is 1-2 years.

PCB manufacturers conduct factory audits of copper-clad laminate manufacturers in accordance with their internal requirements, assessing their management capabilities in areas such as product qualifications, manufacturing and stable supply. For leading PCB manufacturers, the process of onboarding new copper-clad laminate suppliers to volume production typically involves an observation period of 1-2 years from the time the factory audit is passed until the materials are used in bulk production.

In conclusion, the Target Company's various core technologies are in line with industry trends.

Based on the aforementioned due diligence and after careful consideration of the following reasons, the Company has selected the Target Company as the acquisition target for the Transaction:

(1) The Target Company's financial performance and industry position

The Target Company achieved operating income of RMB228.7678 million in 2025. Since 2026, the Target Company's operating income has grown rapidly, and its gross margin has turned from negative to positive. From January to June 2026, the Target Company achieved operating income of approximately RMB121.6872 million (unaudited), representing an increase of approximately 58.33% as compared with the same period in the previous year, with a net profit of RMB12.3633 million (unaudited) and a net profit after deducting non-recurring gains and losses of RMB9.3421 million (unaudited). Since 2026, the Target Company achieved profitability of a certain scale. Although it remains smaller in scale compared to industry leaders, with a market share of less than 1%, the Target Company has already established the capability to research, develop and manufacture high-speed copper-clad laminates of M8 grade and above.

(2) *The Target Company's competitive advantages*

Independently developed core technologies

The Target Company's principal business falls within the field of electronic information interconnection materials for integrated circuits, mainly covering key stages such as resin material design, filler surface treatment and interface enhancement technology, high-frequency and high-speed formulation and mass production process technology, as well as downstream application technology. Each of these stages involves high technical barriers, requiring many years of technical accumulation and refinement to achieve breakthroughs.

The Target Company places great emphasis on independent research and development and innovation, and has established an innovation team of over 40 members, including five PhDs and more than 10 master's degree holders. In recent years, the Target Company has established research and development platforms such as Zhejiang Provincial Enterprise Research Institute, Zhejiang Postdoctoral Workstation, Ningbo Enterprise Technology Research and Development Center, and Ningbo Doctoral Innovation Station, and has undertaken numerous national, provincial and municipal-level key core technology research projects. It has built a comprehensive technology research and development and patent system and has obtained dozens of authorized patents covering areas such as core formulations, production processes, equipment innovation and testing technologies.

Deepening the high-speed product market layout and promoting customer structure optimization

The Target Company will adopt a market strategy led by strategic and end customers in its core segments, intensifying customer and market development efforts. The Target Company will also actively seek customers in China's Taiwan region and overseas markets, continuing to promote the certification of M8, M9 and higher grade products with more end customers and the acquisition of material number for M6 and M7 grade products from end customers. With regard to PCB manufacturers, the Target Company will continue to foster in-depth cooperative relationships with strategic customers to boost shipment volumes in the high-speed segment, while endeavoring to commence cooperation with Taiwanese customers. The Target Company will continue to optimize product pricing and product structure, increase the proportion of high-speed products, and thereby enhance the consolidated gross margin.

Continuously adjusting product structure to create future growth space

The Target Company's M8 and M9 grade high-speed copper-clad laminates can meet high-speed interconnect requirements and have already been certified by end customers. The Target Company's M10 grade high-speed copper-clad laminates are currently undergoing certification for the next-generation products of international leading customers. The Target Company has undertaken a national key research and development project, tackling key technologies such as the design and modification of critical resin structures for FC-BGA packaging substrates, filler surface treatment, sub-micron/nanoscale filler dispersion, and the characterization of high-loading and substrate warpage applications. It has successfully developed multiple I50 series low-loss, low-CTE materials for packaging substrates. With the gradual growth of downstream market demand and the increasing maturity of industrial processes, the Target Company's high-performance copper-clad laminate products are expected to open up growth space.

Continuously driving technological innovation to enhance core competitiveness

The Target Company will continue to ensure its technological leadership, focusing on ultra-low loss, low CTE and high heat resistance in high-speed materials to deepen the development and customer validation of M10 and higher grade products. In the areas of low CTE, high modulus and low loss for packaging substrate materials, it will enhance the compatibility of domestic substitutes for key materials. It will further explore the technological integration of high-speed and packaging substrate materials, making arrangements in advance to address future product scenario demands.

Optimizing the management structure to enhance resource efficiency

The Target Company continues to optimize its talent team configuration, strengthens market research, overseas customer development and supporting capabilities, establishes a performance-linked remuneration and incentive system, and enhances organizational operational efficiency. In terms of production and construction, it implements total quality management and continuously optimizes processes and workflows to achieve cost reduction and efficiency improvement. In terms of supply chain development, it establishes a tiered and graded strategic supplier cooperation system, deepens joint research and development and upstream-downstream coordination, and gradually increases the localization rate of key materials, providing assurance for the stable supply of its high-end products and cost optimization.

(3) *The Board's supervision and integration capabilities*

The Company's current principal business is the production and sale of concentrated fruit juice, and neither the Board nor the management team has had any direct operational and managerial experience in the industry of electronic information interconnection materials for integrated circuits. To address this lack of industry-specific experience and ensure effective supervision and control over the Target Company following the completion of the Transaction, the Company will employ multiple mechanisms, including professional advice from directors, the arrangement for seats on the Target Company's board, the secondment of key management personnel, and the set of constraints on the core team. Specifically, firstly, directors with management experience in the electronic information and semiconductor-related industries at the board level will provide professional advice. Mr. Wang Chang Qing, an independent non-executive director of the Company, has a PhD in Management from the United States and has long served at global semiconductor and automotive electronics enterprises. With over a decade of experience in industry investment, operations and strategic management, he can provide the Board with professional advice on the operations, strategy and risk management of the Target Company's electronic information interconnection materials industry. Secondly, the Company will secure the right to nominate a majority of the Target Company's board members, thereby ensuring control over major matters. Upon completion of the Transaction, the Company will obtain the right to nominate a majority of the seats on the Target Company's board, enabling it to review and supervise core matters such as major investments, significant operational decisions, external guarantees and connected transactions through the board of directors. Concurrently, the Company will implement unified management of the Target Company across financial, human resources, internal control and business systems. Thirdly, the core management team of the Target Company will be retained and restricted to oversee day-to-day operations. The Target Company's existing core management team is well-versed in the technology, research and development, and customer resources of the copper-clad laminate industry. Upon completion of the Transaction, the Target Company's core management team will continue to be responsible for the Target Company's day-to-day production and operations. These key personnel will be bound by long-term service agreements and non-competition arrangements to ensure their stability.

Furthermore, upon completion of the Transaction, the Company will exercise strategic control over the Target Company and its subsidiaries, and will exercise management and control rights in areas such as operations management, financial compliance and internal controls. The Company shall also have the right to dispatch management personnel to key positions, such as finance and human resources, within the Target Company and its subsidiaries, and shall integrate the business,

financial and office platform systems of the Target Company and its subsidiaries into the Company's management system, thereby strengthening budget management, cash flow control and internal supervision.

Therefore, the Company believes that the post-transaction arrangements regarding board control, the retention of the core management team, the long-term service and non-competition commitments of the De Facto Controller Group, as well as the Company's management of the Target Company's finance, human resources, business systems and internal controls, will assist the Company in effectively supervising and managing the Target Company's business.

1.3 Plans upon Completion of the Transaction

As of 30 June 2026, the Company's cash at bank and on hand and financial assets held for trading amounted to RMB849.3470 million in aggregate. Based on the Company's cash reserves, daily working capital requirements, operating cash flows and other conditions, the Company has calculated the remaining disposable cash balance after the Transaction, which is greater than the Company's daily working capital requirements. Accordingly, the Company is of the view that the Transaction will not have a material adverse impact on the Company's cash flow, financial position and daily operations.

Upon completion of the Transaction, in respect of the risks associated with entering the industry in which the Target Company operates and the integration of its existing business with the new business, the Company will adopt a number of measures: firstly, after the commencement of the pressing season, the Company will make reasonable use of low-interest credit facilities and other means to support its principal business and control financing costs; secondly, after the acquisition, the Company will optimize the Target Company's expense structure and accelerate the collection of receivables, so as to enhance its self-sustaining capability; thirdly, in the short term, the Company will strictly control the addition of substantial capital expenditure to ensure the safety of funds, and where additional significant capital expenditure is genuinely required for business development, the Company will carry out sufficient assessment and approval procedures in accordance with the Group's approval authority.

As a leading enterprise in the global concentrated juice sector, the Company's principal business is robust, with sufficient cash flows and strong resilience against risks. The Company has no intention to terminate or scale down its existing principal business and will maintain its current operations. In respect of the integration and allocation of management resources, the Company will maintain the stability of the existing management team and operating model of its principal business. After the Completion, the management of the Company will take the lead in establishing a special integration mechanism: the Company will assign the management to study and conduct research on the business of the copper-clad laminate industry; the existing core senior management and business and technical teams of the Target Company will be retained to continue to be

responsible for its daily operations and will be subject to long-term service and non-competition arrangements; the Company will exercise strategic and financial control over the Target Company, dispatch financial and human resources management personnel when necessary, and gradually incorporate the business, financial and office systems of the Target Company into the Group's unified management, so as to strengthen supervision over budget, funds and internal control; and any subsequent capital investment involving the Target Company's relevant equipment will also be assessed and implemented in accordance with the approval procedures of the Company.

The Company has planned the above integration arrangements. However, there remains a risk that the cross-industry integration may not be implemented as expected, and further details are set out under the "Risk of cross-industry acquisition integration falling short of expectations" of this announcement. The Company will dynamically adjust its integration measures based on the actual operating conditions.

2. VALUATION OF THE TARGET COMPANY

As disclosed in the Announcement, the differential pricing of the Transaction was determined after arm's length negotiations between the Transferors and the transferee on normal commercial terms, with reference to (i) the initial investment cost of each Transferor to acquire relevant equity interests in the Target Company at different stages and their respective investment periods; (ii) the valuation of 100% equity interests of the Target Company as at the Valuation Benchmark Date of approximately RMB1,275.00 million by the Independent Valuer, further details of which (including the key assumptions and methods of the Valuation Report) are set out in the section headed "VALUATION OF THE TARGET COMPANY" of the Announcement and under this section; (iii) the historical financial performance of the Target Company; and (iv) the prospect of the Target Company and the benefits to the Target Company from the Transaction, further details of which are set out in the Announcement and under the section headed "REASONS FOR AND BENEFITS OF THE TRANSACTION" of this announcement. The Company hereby provides the additional information on the Valuation.

2.1 Comparison between the Valuation and the Valuations of Historical Transactions and Reasons for the Appreciation in the Valuation

Pursuant to the Transaction, the Company intends to acquire 62.0611% equity interest in the Target Company with RMB793 million, corresponding to the valuation of the entire equity interest in the Target Company of approximately RMB1,278 million, which is basically consistent with the appraised value of the total shareholders' equity of RMB1,275 million under the income approach. The post-investment valuation corresponding to the capital increases and equity transfers of the Target Company over the past three years was approximately RMB1,490 million, approximately 16.86% higher than the appraised value under the income approach. No asset valuation was conducted for the capital increases and equity transfers of the Target Company over the past three years, and the transaction prices thereof were determined by the respective parties through

market-oriented negotiations. The pricing of the Transaction is slightly lower than the valuations of the capital increases and equity transfers over the past three years, which was primarily due to the fact that the valuation was based on the principle of prudence, with full consideration given to the uncertainties regarding the verification time and ramp-up progress of high-end products, and the existing production capacity ceiling was adopted as the limiting basis for the valuation.

As at the Valuation Benchmark Date (i.e. 31 March 2026), the book net assets of the Target Company on a single-entity basis were RMB280.6017 million, and the appraised value under the income approach was RMB1,275.00 million, representing an appreciation in the valuation of RMB994.3983 million, with an appreciation rate of 354.38%. The appreciation in the valuation was primarily due to the fact that the high-end copper-clad laminate industry in which the Target Company operates is a technology-intensive industry, and the Target Company has independently owned core technologies such as resin molecular design, high-filler loading and interface enhancement, and its M8 and M9 products have passed certain end-customer certification and are available for supply. The relevant sales revenue for the period from January to August 2026 amounted to RMB3.7326 million. Such technologies, qualifications and customer resources were formed through the expensing of research and development investment in prior periods and are not reflected on the books, nevertheless, they may develop into core support for the Target Company's future profitability. In addition, the Target Company is currently in a growth stage characterized by ramp-up of production capacity and adjustment of product structure, with high-grade products gradually ramping up, and the valuation under the income approach reflects the capitalized value of its future profitability. Meanwhile, high-frequency high-speed copper-clad laminates are critical substrates for servers and communication equipment, with growth potential in downstream market demand, certain technical barriers in the industry and market space for domestic substitution. In addition, the Target Company is a manufacturer with the capability to supply M8 and above products and has certain room for growth in its niche segment, but a considerable gap remains between the Target Company and leading industry players.

In conclusion, the Company is of the view that the appreciation in the valuation is attributable to the value of the off-balance-sheet intangible assets, the profitability potential during the growth period and growth attributes of the industry of the Target Company, and the valuation is lower than the valuations of the previous market-based financing and equity transfers, and therefore the appreciation in the valuation is reasonable.

2.2 Key Forecast Financial and Operating Data during the Forecast Period

The valuation assumes that the forecast period for the Target Company is from April to December 2026 and from 2027 to 2030, after which it enters into a perpetual operation assumption.

The table below sets out the key forecast financial and operating data of the Target Company during the forecast period:

	April to December 2026	2027	2028	2029	2030
	<i>(RMB0'000, except for percentages)</i>				
Operating income	26,544.94	43,369.91	63,198.15	90,895.27	120,365.87
Revenue growth rate	35.73%	40.49%	45.72%	43.83%	32.42%
Operating cost	19,219.48	31,588.37	46,600.91	65,981.09	87,280.10
Gross profit margin	27.60%	27.17%	26.26%	27.41%	27.49%
Net profit	1,785.74	4,121.86	6,933.45	12,548.29	17,825.19
Profit margin	6.73%	9.50%	10.97%	13.81%	14.81%

After verification, the changes in the revenue, gross profit margin and net profit margin of the Target Company during the forecast period are reasonable. On the revenue side, it is forecast that the growth rate of the operating income will remain above 40% from 2027 to 2029 and decline to 32.42% in 2030. The growth is mainly attributable to the gradual ramp-up of high value-added products such as high-speed high-frequency copper-clad laminates, coupled with the completion of certification by downstream PCB customers and the expansion of order scale. The growth rate is expected to slow down year by year as the market gradually becomes saturated, which is in line with the business expansion pattern of the industry. The gross profit margin is forecast to remain within the range of 26.26% to 27.60%, which is broadly stable with slight fluctuations resulting from the optimization of the product structure. In the historical years, the Target Company's traditional FR4 products recorded losses under pressure, but the proportion of high-frequency copper-clad laminates with high gross margin and contract processing business continued to increase. During the forecast period, the revenue proportion of high-gross-margin products will increase, which will offset the profitability pressure from ordinary FR4 products and enable the consolidated gross profit margin to return to a reasonable industry level. The net profit margin is forecast to increase year by year from 6.73% for the period from April to December 2026 to 14.81% in 2030, which is mainly due to the fact that the growth in revenue scale will dilute fixed costs and economies of scale will gradually emerge, while the revenue proportion of high-gross-margin products will continue to increase, and the expense ratio will gradually decline with expansion of the revenue. The specific bases are as follows:

(1) The operations have shown a trend of product structure upgrading, and the growth is supported by realistic basis

In the first half of 2026, the Target Company demonstrated evident product structure adjustment and profitability recovery: firstly, the unit price of conventional FR4 products increased in line with industry growth, and the gross profit margin turned from negative to positive and increased by 20.61 percentage points as compared with 2025, which was mainly due to the Target Company's reduction in sales volume to small and medium-sized FR4 customers and its gradual shift towards HDI-type customer groups, and the decline in the overall proportion of FR4 products in the first half of the year as compared with 2025; secondly, the prices and gross profit margins of high-speed products increased, among which the unit price of copper-clad laminates (CCL) increased from RMB200.04 per sheet to RMB218.10 per sheet, and the unit price of prepreg (PP) increased from RMB63.55 per meter to RMB75.16 per meter, with the corresponding gross profit margins increasing by 15.70 and 22.90 percentage points, respectively, as compared with 2025; thirdly, during the transitional period of FR4 customer adjustment and ramp-up of high-speed products, the contract processing business filled the spare production capacity and recorded an increase in sales volume, and such capacity will subsequently be gradually allocated to the production of self-owned products; fourthly, the increase in production volume reduced the average production cost, and overall profitability improved significantly as compared with 2025.

The sales amount of high-speed products for the period from January to June 2026 was RMB10.0558 million, and the revenue proportion of high-speed products increased from 5.78% in 2025 to 8.43% for the period from January to June 2026.

In conclusion, the actual profitability level and product structure in 2025 and the period from January to June 2026 are consistent with the path of revenue growth and gross profit margin improvement during the forecast period.

(2) Forecast of key product parameters for the forecast period

The valuation categorizes products into two main types: CCL and PP, and provides detailed forecasts for sales volume, unit price and revenue. The revenue, sales volume and unit price for the main products during the forecast period are set out below:

Revenue from main products during the forecast period						
Product category	Specific type	2026	2027	2028	2029	2030
FR4 copper-clad laminate	CCL	11,550.00	12,600.00	15,650.00	16,650.00	18,650.00
	PP	3,630.00	4,340.00	5,400.00	5,700.00	6,300.00
High-speed copper-clad laminate	CCL	2,220.00	8,005.00	17,720.00	32,050.00	48,000.00
	PP	1,345.00	5,005.00	10,980.00	20,360.00	30,510.00
High-frequency copper-clad laminate	CCL	1,050.00	1,215.00	1,386.50	1,565.15	1,751.67
Contract processing business	CCL	5,000.00	5,000.00	4,000.00	3,000.00	1,500.00
	PP	<u>5,000.00</u>	<u>5,000.00</u>	<u>4,000.00</u>	<u>3,000.00</u>	<u>1,500.00</u>
Total		<u>29,795.00</u>	<u>41,165.00</u>	<u>59,136.50</u>	<u>82,325.15</u>	<u>108,211.67</u>

Sales volume of main products during the forecast period						
Product category	Specific type	2026	2027	2028	2029	2030
		(10,000 sheets/10,000 meters)				
FR4 copper-clad laminate	CCL	93.65	104.58	130.08	139.43	157.61
	PP	182.31	211.36	262.45	281.79	315.57
High-speed copper-clad laminate	CCL	10.12	27.08	56.36	95.32	137.12
	PP	19.50	50.53	102.76	178.50	256.71
High-frequency copper-clad laminate	CCL	1.70	1.98	2.26	2.56	2.87
Contract processing business	CCL	256.41	256.41	205.13	153.85	76.92
	PP	948.77	948.77	759.01	569.26	284.63
Total	CCL	361.88	390.05	393.83	391.16	374.52
	PP	1,150.57	1,210.65	1,124.23	1,029.55	856.91

		Unit price by type during the forecast period				
Product category	Specific type	2026	2027	2028	2029	2030
		(RMB/sheet or meter)				
FR4 copper-clad laminate	CCL	123.34	120.48	120.31	119.41	118.33
	PP	19.91	20.53	20.58	20.23	19.96
High-speed copper-clad laminate	CCL	219.29	295.59	314.39	336.22	350.06
	PP	68.99	99.05	106.85	114.06	118.85
High-frequency copper-clad laminate	CCL	617.43	614.67	612.77	611.48	610.64
Contract processing business	CCL	19.50	19.50	19.50	19.50	19.50
	PP	5.27	5.27	5.27	5.27	5.27

The above sales volumes of the Target Company for the forecast period are calculated based on the designed capacity of existing production lines. The table below sets out the production capacity utilization for the forecast period (calculated based on designed capacity):

Category	2026	2027	2028	2029	2030
Production capacity utilization	47%	51%	52%	52%	50%

The production volume of products for each year of the forecast period is kept within the designed capacity of the Target Company's existing plant site, and fully accounts for capacity losses arising from resin system and batch changes between products; no full-capacity forecasts have been made. Revenue growth during the forecast period will not be realized in a single, substantial surge, and the production capacity utilization during the forecast period will remain largely stable, with a slight upward trend. As high-end products undergo certification and enter mass production, production capacity will shift towards the own high-end products, while aligning with the pace at which downstream customers complete certification and orders gradually ramp up. Taking into account its equipment configuration, process capabilities and production organization conditions, the Target Company's existing production line possesses the physical infrastructure to support the forecast production volume; the production volume assumptions for the forecast period are therefore feasible from a production capacity perspective.

(3) *Supported by orders on hand*

As of the end of August 2026, the Target Company's orders on hand amounted to RMB47.2288 million. Since the second half of 2026, with the expansion of downstream demand, the Target Company's orders on hand remained relatively stable and increased as compared with the first half of the year. It usually takes the

Target Company one month from order receipt to revenue generation. The existing orders on hand and the subsequent new orders are expected to support the Target Company in fulfilling its performance commitment for 2026. According to the operating results on a phased basis, the Target Company's operating progress was broadly in line with the assumptions adopted in the forecast under the income approach.

The existing orders on hand of the Target Company mainly support the realization of short-term revenue; the forecast revenue for 2027 to 2030 is not entirely covered by signed long-term orders or contracts, but is comprehensively forecast based on factors such as industry demand, progress in customer certification, existing customer relationships, improvement in utilization rate of existing production capacity, adjustment of product structure and the gradual ramp-up of high-grade products. The copper-clad laminate industry is characterized by a relatively long certification cycle and strong customer stickiness. High-grade copper-clad laminates are generally required to pass dual certification by PCB manufacturers and end customers, and upon successful certification, orders will gradually ramp up from small-batch trial production to large-scale procurement. The high-grade products M8 and M9 of the Target Company have passed certification by certain end customers and have commenced supply. During the forecast period from 2026 to 2028, sales volume of high-speed products will be in a rapid ramp-up phase, with the growth rate gradually declining after 2029, which is consistent with the industry sales pattern of "introduction of certification, rapid ramp-up and gradual stabilization". The growth forecast in the valuation mainly relies on the improvement in the utilization rate of existing production capacity, upgrading of product structure and the gradual ramp-up of high-end products, rather than additional substantial capital expenditure.

2.3 Comparison between the Forecast Data and the Data of Comparable Companies

The Independent Valuer conducted a query on the Shenwan industry classification through the Tonghuashun iFinD data terminal and identified that the Target Company belongs to the electronics – printed circuit board industry, with a total of 47 A-share listed companies in the same industry. In the valuation, the Independent Valuer adopted the following basic criteria as the selection criteria for screening comparable companies:

- (1) The comparable companies are engaged in the printed circuit board industry;
- (2) The comparable companies have a listing history of at least three years;
- (3) The audit opinions of the comparable companies for the past three years were standard unqualified opinions;

- (4) The comparable companies are CCL manufacturers with independent CCL production capacity.

Based on the above criteria, the Independent Valuer analyzed the differences and comparability between the Target Company and the comparable companies in terms of business structure, operating model and other aspects and excluded non-comparable entities, ultimately selecting four comparable listed companies as comparable companies, namely SYTECH, Huazheng New Materials, Nanya New Material and Goldenmax. Having considered the above selection criteria, the comparable list is an exhaustive list. Therefore, the Independent Valuer is of the view that the list of comparable companies is a fair and representative sample.

The table below sets out the financial and operating data of the comparable companies of the Target Company:

Stock code	Name of securities	Operating income	Operating income	Average	Gross profit	Gross profit	Average	Net profit/ Total operating income	Net profit/ total operating income	Average
		(year-on-year growth rate) (%)	(year-on-year growth rate) (%)		margin on sales (%)	margin on sales (%)		(%)	(%)	
		January to 2025	January to June 2026		January to 2025	January to June 2026		January to 2025	January to June 2026	
600183.SH	SYTECH	39.45	50.05	44.75	26.4727	30.6923	28.5825	13.6888	19.5412	16.6150
603186.SH	Huazheng New Materials	13.05	41.28	27.17	13.0723	15.9287	14.5005	6.3852	5.8925	6.1389
688519.SH	Nanya New Material	55.52	83.23	69.38	11.8040	18.8654	15.3347	4.5971	10.9163	7.7567
002636.SZ	Goldenmax	10.67	65.74	38.21	14.1842	33.1371	23.6607	6.8336	22.5560	14.6948
	Average			44.87	16.38	24.66	20.52	7.88	14.73	11.30
	Average growth rate of the Target Company during the forecast period			39.64			27.08			11.16

After verification, four listed companies in the copper-clad laminate industry were selected as comparable companies for the purpose of comparing the core profitability indicators of the Target Company during the forecast period: the average growth rate of operating income of the comparable companies for the full year of 2025 and the first half of 2026 was 44.87%, while the growth rate of operating income of the Target Company during the forecast period was 39.64%, slightly lower than the average level of the comparable listed companies in recent years and within the range of the comparable companies; in terms of gross profit margin, the average gross profit margin of the comparable companies for 2025 and the first half of 2026 was 20.52%, while the consolidated gross profit margin of the

Target Company during the forecast period was 27.08%, higher than the average of the comparable companies, which was mainly due to the Target Company's shift in business structure towards high value-added copper-clad laminate products such as high-speed products, the passing of certain end-customer certification and commencement of supply for its M8 and M9 products of the Target Company, the entry of M10 into the customer testing stage, and the gross profit margin advantages arising from the difference in product structure; in terms of net profit margin, the average net profit margin of the comparable companies was 11.30%, while the forecast net profit margin of the Target Company was 11.16%, broadly consistent with the average level of the comparable companies. In conclusion, the Company is of the view that there is no material deviation between the revenue growth rate and profitability level of the Target Company during the forecast period and those of the comparable listed companies in the same industry, and that the relevant profit forecast is reasonable.

2.4 Comparison of Valuation Indicators of Comparable Transactions and Comparable Listed Companies

From the perspective of comparable transactions, the comparable transactions involving the acquisition of growth-oriented targets with core technologies in pan-semiconductor sector in A-share market were selected as the comparison samples; the valuation appreciation rates of 5 comparable transactions ranged from 106.17% to 640.46%, with an average of 365.11%, which is in line with the normal level of acquisition and merger of semiconductor material growth-oriented targets, and the valuation appreciation rate of the Target Company in the Transaction was 354.38%, which was slightly lower than the average appreciation level of comparable transactions. The price-to-book ratios of comparable transactions ranged from 2.06 times to 7.40 times, with an average of 4.65 times, and the price-to-book ratio of the Transaction was 4.54 times, which was basically close to the average of the comparable transactions. The price-to-sales ratios of the comparable transactions ranged from 1.76 times to 5.41 times, with an average of 3.37 times, and the price-to-sales ratio of the Transaction was 4.13 times, which was slightly higher than the average of comparable transactions. Therefore, after comprehensively assessing the valuation appreciation rate, the price-to-book ratio, the price-to-sales ratio and other indicators, the valuation of the Transaction fell within the reasonable range among comparable transactions in the same industry.

From the perspective of comparable listed companies, SYTECH, Huazheng New Materials, Nanya New Material and Goldenmax were selected as comparable listed companies in the copper-clad laminate industry. As of 30 June 2026, the average price-to-earnings ratio, the average price-to-book ratio and the average price-to-sales ratio of comparable listed companies were 100.27 times, 23.12 times and 11.59 times, respectively, and the price-to-earnings ratio, the price-to-book ratio and the price-to-sales ratio of the Transaction were 56.88 times, 4.54 times and 4.13 times, respectively. All the three valuation indicators of the Transaction were lower than those of comparable listed companies in the secondary market, which was mainly because comparable listed

companies are mature listed enterprises with public liquidity premium, complete large-scale production capacity and a mature customer system, while the Target Company is a non-listed company without liquidity premium in the secondary market, and is still in the stage of customer certification and ramp-up of production capacity. Therefore, the Company believes that the valuation under the income approach has taken into account the growth potential of the Target Company and excluded the equity liquidity premium of listed companies, and the overall valuation is reasonable and prudent.

2.5 Forecast of Capital Expenditures

The table below sets out the main fixed assets of the Target Company:

Asset class	Proportion of main assets	Year of acquisition of main assets
Fixed assets – buildings	100%	Year 2023-2025
Fixed assets – machinery and equipment	98.11%	Year 2023-2025
Fixed assets – vehicles	100%	Year 2020-2024
Fixed assets – electronic equipment	74.21%	Year 2023-2025

After verification, although the Target Company was established in 2019, the fixed assets currently mainly used for production were primarily purchased between 2023 and 2025. The buildings and machinery and equipment are relatively new, and the assets are in good condition. The management has no substantial capital expenditure plans such as large-scale equipment replacement, plant renovation and expansion during the forecast period. The vehicles and electronic equipment were purchased relatively recently, and there was no need for centralized scrapping and replacement in the short term. Routine minor repair and maintenance expenditures have been included in the calculation of expenses during the forecast period, and no substantial capital expenditures will be separately presented during the explicit forecast period under the income approach. Annuitization will be adopted for the perpetual period based on the existing asset scale to fully consider the capital expenditures required for asset renewal and replacement. All forecast data used in the valuation are based on the existing production capacity scale of the Target Company, and no large-scale new production capacity is taken into account. The Target Company has not been built for a long time, and the relevant productive assets were all purchased as new equipment and are in relatively good condition. Therefore, no specific substantial capital expenditures are taken into account during the explicit forecast period, and the capital expenditure for the perpetual period is forecast with reference to the depreciation level during the perpetual period. Revenue growth during the forecast period will mainly rely on the improvement of the existing production capacity utilization, product structure upgrades and the gradual ramp-up of high-speed copper-clad laminates and other high value-added products, rather than relying on the construction of large-scale new production capacity. The table below sets out the future forecast data for the expenditures on maintenance of the existing production equipment:

Breakdown of expenses		Future forecast data
		Stabilization period
		<i>(RMB0'000)</i>
Expenditures on maintenance of the existing production equipment	Purchase/renewal/renovation of fixed assets	2,155.87
	Purchase/development of intangible assets	61.02
Total		2,216.89

2.6 Forecast of Working Capital

In historical years, the Target Company was in the product research and development stage, and no valid orders were secured other than those for low-end FR4 products and OEM orders. The historical data is not indicative for the business model in the forecast period. In the valuation, the annual working capital requirement of the Target Company was determined by calculating the funds required for a capital turnover cycle with reference to the turnover rates of the inventory, trade receivables and trade payables of comparable listed companies over the past three years. The table below sets out the average turnover rates of comparable listed companies:

Stock code	Name of securities	Turnover rate of the inventory over the past three years	Turnover rate of trade receivables over the past three years	Turnover rate of trade payables over the past three years
600183.SH	SYTECH	3.48	3.18	4.95
	Huazheng New			
603186.SH	Materials	7.46	2.61	4.11
688519.SH	Nanya New Material	7.98	2.52	4.70
002636.SZ	Goldenmax	9.45	5.14	4.52
	Average			
	(Forecast period value)	7.09	3.36	4.57

The occupation of the annual working capital is determined based on the annual working capital requirement, which is estimated based on the predicted future cash costs and the turnover times of annual capital of the appraised enterprise. The table below sets out the historical data and future forecast of working capital of the Target Company:

Items	Historical data			Future forecast			
			April to				
		March	December				
	2025	2026	2026	2027	2028	2029	2030
	(RMB0'000)						
Operating income	22,876.78	4,326.15	26,544.94	43,369.91	63,198.15	90,895.27	120,365.87
Operating cost	23,784.68	3,353.53	19,219.48	31,588.37	46,600.91	65,981.09	87,280.10
Full cost	30,239.32	4,430.96	24,759.20	39,248.05	55,792.68	76,997.46	100,394.59
Period expenses	6,454.64	1,077.44	5,539.72	7,659.68	9,191.77	11,016.38	13,114.49
Taxes and surcharges	115.65	28.05	211.19	308.08	466.26	620.90	773.66
Depreciation and amortization	2,337.79	576.49	1,798.11	2,365.96	2,350.59	2,295.91	2,216.00
Cash costs	27,902	3,854	22,961	36,882	53,442	74,702	98,179
Minimum cash holdings	2,325	1,285	2,551	3,073.51	4,454	6,225	8,182
Inventory	3,956.16	4,378.24	3,182.90	4,454.11	6,570.95	9,303.65	12,306.91
Trade receivables	17,479.11	14,983.22	9,176.40	12,891.66	18,785.58	27,018.53	35,778.63
Trade payables	2,582.27	5,977.82	4,940.33	6,913.44	10,199.09	14,440.64	19,102.15
Working capital	21,178	14,668	9,970.20	13,505.84	19,610.95	28,106.66	37,164.94
Increase (decrease) in working capital	21,178	(6,510)	(4,698.27)	3,535.64	6,105.11	8,495.71	9,058.28

The decrease in working capital during the forecast period from April to December 2026 was due to the significant difference in operation stage of the Target Company between the historical years and the forecast period. In historical years, the Target Company was in the product research and development and small-batch trial production stage, with only a small number of low-end FR4 and OEM orders, and has not achieved large-scale mass production. The business model corresponding to the historical proportion of working capital to the revenue and the turnover indicators is not comparable to the large-scale production and operation model in the forecast period. Therefore, the proportion of working capital in historical statements was not directly used for the forecast in the valuation. In the valuation, the averages of turnover rates of the inventory, trade receivables and trade payables of comparable listed companies in the copper-clad laminate industry, namely SYTECH, Huazheng New Materials, Nanya New Material and Goldenmax, over the past three years (turnover rate of the inventory of 7.09, turnover rate of trade receivables of 3.36 and turnover rate of trade payables of 4.57) were selected as forecasting parameters, and the occupation level of the working capital during the forecast period was estimated based on the predicted cash cost and capital turnover cycle. In 2026, the Target Company entered the stage of large-scale mass production, and the calculation basis for working capital has been changed to turnover indicators of comparable companies in the industry, resulting in a decrease in working capital compared with that on the historical basis. In the subsequent years of the forecast period, with the continuous increase in operating income of the Target Company, the additional working capital requirements will be calculated year by year based on the aforesaid

industry turnover parameters to match the capital occupation corresponding to the expansion of business scale. In conclusion, the Company is of the view that the basis for decrease in working capital for 2026 and the subsequent calculation of working capital requirement is sufficient, and the assumptions are prudent and reasonable.

3. PERFORMANCE COMMITMENT

As disclosed in the Announcement, in accordance with Agreement I, the Compensating Parties have undertaken to the Company that the net profit of the Target Company for 2026, 2027 and 2028 shall reach RMB23.00 million, RMB42.00 million and RMB70.00 million, respectively, and that the cumulative committed net profit of the Target Company during the commitment period shall be no less than RMB135.00 million. The Company hereby provides the additional information on performance commitment.

3.1 Basis and Assumption for Performance Commitment

The Company assessed the reasonableness of such performance commitments based on the Target Company's operating conditions in recent years, orders on hand, customer stability, the development trend of the industry and business operation plans, the further details of which are set out under sections headed "REASONS FOR AND BENEFITS OF THE TRANSACTION" and "VALUATION OF THE TARGET COMPANY" of this announcement, and after comprehensive consideration of the following factors:

- (1) The Target Company is in the development stage of the startup of a technology-based enterprise. In 2025, due to the low prices of its main products, the failure of high-end products to achieve ramp-up and substantial investment in research and development and depreciation and amortization, the gross profit margins of its main products were negative. Since 2026, the rebound in industry prosperity has led to a significant increase in product prices, and the product structure of the Target Company has shifted toward high-speed and HDI products, with profitability improving rapidly.
- (2) The future performance growth will be attributable to the following factors: Firstly, the rapid development of downstream industries will lead to the overall industry growth. Secondly, the introduction of new customer certification will gradually increase and the revenue from high-speed products of the Target Company is expected to grow rapidly. Since 2026, the Target Company's M4-M8 grade products have newly passed the certifications by two optical module enterprises, M9 products have passed certification by one of these companies and have commenced small-batch supply, M6 grade products have newly passed the certification by a domestic internet company, and M8 grade products have newly passed the certification by an international social technology company. The Target Company also expanded cooperation with new high-speed PCB customers since 2026. The revenue from high-speed products from January to August 2026 increased by 174.19% year-on-

year. Thirdly, the scale effect has emerged, with a reduction in the unit cost of products, an increase in gross profit margins, and gradual decline in the proportion of period expenses to operating income.

- (3) The major customers of the Target Company remained basically stable in 2025 and from January to June 2026. The total sales amount of the top five customers of the Target Company from January to June 2026 and in 2025 were RMB91.0944 million and RMB135.8689 million, respectively. The relevant customers mainly cooperated with the Target Company through direct sales or consigned processing, and none of them has a related relationship with the Target Company. As of the end of August 2026, the Target Company's orders on hand amounted to RMB47.2288 million. Since the second half of 2026, with the expansion of downstream demand, the Target Company's orders on hand remained relatively stable and increased as compared with the first half of the year. It usually takes the Target Company approximately one month from order receipt to revenue generation. The existing orders on hand and the subsequent new orders are expected to support the Target Company in fulfilling its performance commitment for 2026.

3.2 Achievability of the Performance Commitment

From January to June 2026, the Target Company realized net profit after deducting non-recurring gains and losses of approximately RMB9.3421 million. As of the end of August 2026, the Target Company's orders on hand amounted to RMB47.2288 million. If the existing business in subsequent months maintains the current order saturation and the profitability level from January to June 2026, the current orders on hand and the subsequent new orders are expected to support the Target Company in fulfilling its performance commitment for 2026. In future periods, combined with the incremental revenue and profitability improvement brought by the ramp-up of high-speed products, the future annual performance commitments will also be achievable.

3.3 Basis for Ability of the Compensating Parties to Perform their Compensation Obligations under the Performance Compensation Arrangement

The Announcement has disclosed the performance commitments and compensation mechanisms. The Company hereby provides a supplemental explanation regarding the performance capacity of the Compensating Parties and the safeguards.

With respect to the compensation arrangement, the Company and the Board comprehensively considered the credit standing and the performance capacity of the Compensating Parties and other factors, and the details are as follows:

In order to prudently assess the amount that the Compensating Parties may need to make up with their own funds when the balance in the joint control account is insufficient. Based on the latest progress of the Transaction, the Company has withheld and paid the

individual income tax corresponding to the Transaction on behalf of JIANGQI HE and QIANG YUAN, the Compensating Parties, in accordance with the arrangement under Agreement I, with a total amount of approximately RMB25.2717 million. The Compensating Parties' equity transfer consideration after tax was approximately RMB100.7283 million, that is, the upper limit of the performance compensation amount was approximately RMB100.7283 million. After deducting the first installment of the aggregate equity transfer consideration of RMB20.00 million and the aforesaid individual income tax of approximately RMB25.2717 million, the initial funds in the joint control account amounted to approximately RMB80.7283 million.

As stipulated in Agreement I, if the net profit of the Target Company for an accounting year reaches the committed net profit for such year, a corresponding proportion of the funds in the joint control account shall be released from the joint control and shall be distributed equally to the accounts designated by the Compensating Parties. The Board also further considered the situation where the joint control funds shall be released in advance during the commitment period due to the achievement of annual performance. Under the assumption that the net profit for each year is not less than zero, based on stress testing, if the net profit is exactly achieved for certain years, thereby triggering the release of corresponding joint control funds, but the cumulative performance still fails to meet the target upon expiry of the commitment period, the maximum shortfall that the Compensating Parties would be required to make up with their own funds is approximately RMB37.3872 million. In other words, even after taking into account the deduction of individual income tax and the impact of early release of the joint control funds due to achievement of annual performance, the maximum amount that the Compensating Parties may be required to make up with their own funds under the performance compensation arrangement is expected not to exceed RMB37.3872 million.

Upon completion of the Transaction, JIANGQI HE and QIANG YUAN, the Compensating Parties, will still hold 13.2592% and 12.9011% equity interests of the Target Company, respectively, and hold a total of 26.1603% equity interests of the Target Company. Based on the valuation of the Target Company of approximately RMB1,275.00 million adopted in the Transaction, the value corresponding to the remaining equity interests of the Target Company held by the Compensating Parties is approximately RMB333.5438 million, which can cover the maximum shortfall that the Compensating Parties may need to make up with their own funds under the aforementioned stress testing. Meanwhile, Agreement I provided that, prior to 31 December 2030 and before the annual net profit of the Target Company exceeds RMB50.00 million for the first time, the De Facto Controller Group of the Target Company will not sell, mortgage, pledge or create any other encumbrance over the equity interests of the Target Company held by it without written consent of the Company. Therefore, the remaining equity interests of the Target Company held by the Compensating Parties have a certain guarantee effect on performance during the commitment period.

As of the date of this announcement, the Target Company achieved operating income of approximately RMB252.7173 million (unaudited) from January to September 2026, representing an increase of approximately 84.91% from approximately RMB136.6695 million (unaudited) of the same period in the previous year, with a net profit of approximately RMB53.0687 million (unaudited) and a net profit after deducting non-recurring gains and losses of approximately RMB46.5598 million (unaudited), exceeding its committed performance for 2026 (the final assessment results shall be subject to the 2026 special audit report). For the remaining assessment years within the commitment period, if the performance commitments for 2027 and 2028 cannot be fulfilled, the Company has the right, in accordance with the provisions of Agreement I, to transfer the performance compensation amount from the joint control account to the account designated by the Company within 30 working days from the date of issuance of the special audit report; if the balance of the joint control funds is insufficient to cover the performance compensation amount, the Compensating Parties shall make up the shortfall with their own funds within the aforesaid period. In the event that the Compensating Parties fail to fulfill their obligations to make up the shortfall as agreed, the Company has the right, in accordance with the requirements of Agreement I and applicable laws, to file a lawsuit before the people's court with jurisdiction and to apply for property preservation and/or compulsory enforcement against the remaining equity interests of the Target Company held by the Compensating Parties and other enforceable property in accordance with the law, and to receive compensation from the proceeds of the relevant disposal in accordance with the law. Agreement I stipulated that its conclusion, validity, interpretation, performance and the resolution of dispute shall be governed by the law of China, and any disputes arising from or in relation to such agreement shall be submitted to the people's court at the place where the plaintiff is located. In addition, after completion of the Transaction, the Target Company will become a controlled subsidiary of the Company, and the Company will exercise management and control over the Target Company and its subsidiaries in aspects of operation management, financial regulations and internal control, and has the right to dispatch financial, human resource and other management personnel and incorporate its business, financial and office platform system into the Company's management system, which will help the Company to timely understand the financial condition and operating situation of the Target Company and to take preventive measures in a timely manner in the event that there are circumstances that may lead to the failure to fulfill the committed performance.

The Compensating Parties issued written commitment letters on 28 September 2026, undertaking that as of the date of the commitment letter, they have no significant liabilities or contingent liabilities and have good personal credit, and they have no substantial capital expenditure arrangement in the future; during the performance commitment period, they will not intentionally or maliciously dispose of their property, intentionally incur debts, or voluntarily waive the creditor's rights.

In conclusion, the Board is of the view that the Compensating Parties have the ability to fulfill the compensation obligations under the performance commitment compensation arrangement, and the relevant arrangement is reasonable and prudent and can fully protect the interests of the Company.

Save for the above supplementary information, all other information as set out in the Announcement remains unchanged. This announcement should be read in conjunction with the Announcement.

By order of the Board
Yantai North Andre Juice Co., Ltd.*
Wang An
Chairman

Yantai, the PRC, 26 October 2026

As of the date of this announcement, the executive Directors of the Company are Mr. Wang An, Mr. Zhang Hui, Ms. Wang Meng and Mr. Wang Yan Hui, the non-executive Directors are Mr. Liu Tsung-Yi and Mr. Zhang Wei, and the independent non-executive Directors are Mr. Gong Fan, Ms. Wang Yan and Mr. Wang Chang Qing.

* *For identification purpose only*