

BUSINESS

OVERVIEW

We are a leading global provider of high-precision intelligent manufacturing equipment and systems, which help increase computing power and empower the advances in AI. Our automated equipment and solutions are essential to the production of photovoltaic ("PV") energy systems and optical interconnects, optical sensing and optical computing.

Our proprietary technologies and product portfolio enable us to serve leading global customers, and address the evolving market demands for more flexible, intelligent and efficient high-precision manufacturing solutions. We focus on providing (i) PV manufacturing solutions, and (ii) high-precision assembly and testing equipment for silicon photonics ("SiPh") devices. Intelligent PV manufacturing equipment refers to advanced manufacturing devices and systems that leverage information technologies and are integrated throughout the whole process of PV product development, enabling efficient and high throughput production lines. SiPh is a technology that integrates photonic components onto a silicon substrate to create photonic integrated circuits ("PICs"). Unlike traditional integrated circuits ("ICs") or electronic ICs ("EICs"), which use electrons, PICs use light (photons) for data transmission, resulting in significantly higher speeds and greater bandwidth with lower power consumption and cost. As of the Latest Practicable Date, we were the only company in the world capable of providing assembly and testing solutions that cover the entire manufacturing process for SiPh devices — from wafer-level testing, assembly of PICs and SiPh devices, to final qualification of SiPh devices, according to CIC. We serve customers in global data communication ("datacom"), telecommunication ("telecom") and other markets.

We continue to enhance our automation expertise in renewable-energy production. Specifically, in PV manufacturing, we offer high-speed, high-throughput and high-flexibility manufacturing equipment and intelligent manufacturing execution system ("MES"). We serve leading PV manufacturers in global markets. Our customers include Tongwei Co., Ltd. ("Tongwei"), Jinko Solar Co., Ltd. ("Jinko Solar") and Trina Solar Co., Ltd. ("Trina Solar"), all of which are global leaders in PV sector.

Our portfolio of PV manufacturing equipment supports critical steps of PV cell production. In addition to standalone automation equipment, we deliver high-capacity production lines. We also offer copper-interconnect solution based on copper electroplating technology.

At the same time, AI is driving growth in demand for high-performance computing and high-speed data transmission, increasing the need for high-bandwidth, low-latency and energy-efficient solutions. This has driven a shift to high-speed optical interconnects from traditional electrical interconnects. New optical interconnect technologies based on SiPh, such as CPO and OCS, have emerged as advanced solutions. CPO is an advanced integration method where SiPh devices and ASICs are combined onto a common platform within a single chip package, replacing traditional pluggable optical transceivers. OCS optimizes data center networks by using all-optical switches to create direct, physical light-based connections between different computing systems, resulting in reduced power consumption and lower latency. These technologies are expected to become key enablers of AI development, according to CIC.

Manufacturing SiPh devices demands nanometer-level accuracy, as their performance hinges on the unobstructed, low-loss transmission of photons. Since our initial minority investment in ficonTEC in 2020 and the complete acquisition of ficonTEC thereafter, we have continued to drive the development of intelligent manufacturing equipment segment for SiPh devices.

Through ficonTEC, we hold core technologies and know-how for the assembly and testing of SiPh devices, covering the entire high precision manufacturing process and addressing application-specific requirements across datacom, telecom and other markets. From exploratory and proof-of-concept stages to pilot runs and high-volume manufacturing (from lab to fab), we support customers' entire development and production lifecycle.

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Our Market Leadership

Only

● provider offering solutions that cover the entire manufacturing process for SiPh devices⁽¹⁾

One

● of the critical providers for 800G+ optical interconnects⁽¹⁾⁽²⁾

No. 1

● in the global intelligent SiPh manufacturing equipment by revenue in 2024⁽¹⁾

Only

● provider of ultra-high-precision SiPh assembly and testing equipment for volume manufacturing environments globally⁽¹⁾

No. 4

● globally by revenue in 2024 intelligent PV cell automation manufacturing equipment⁽¹⁾

Eight

● of the global top 10 PV manufacturers in 2024 by revenue have been customers of our PV manufacturing solutions⁽¹⁾

Notes:

- (1) According to CIC.
- (2) High-precision assembly and testing equipment for 800G and above SiPh or CPO optical transceiver modules.

We have achieved industry-leading positions in both the PV manufacturing equipment markets and the intelligent SiPh manufacturing equipment. The global market size for intelligent PV manufacturing equipment grew from RMB32.8 billion in 2020 to RMB141.1 billion in 2024, with a CAGR of 44.1%. In addition, the intelligent SiPh manufacturing equipment market is experiencing rapid growth, presenting vast market opportunities. According to CIC, the global market size increased from RMB0.4 billion in 2020 to RMB2.0 billion in 2024, representing a CAGR of 46.9%. The global market is projected to reach RMB23.3 billion by 2029, at a CAGR of 63.8%.

According to CIC, as a critical enabler of optical technologies, we have established a strong market leadership in the global intelligent SiPh manufacturing equipment market, one that is difficult to disrupt.

Our Solutions

Our unified platform comprises two complementary product lines: (i) PV manufacturing solutions, and (ii) high-precision assembly and testing equipment for SiPh devices. Together, these offerings address two of the most major technology shifts of our time: the rise of AI-driven data infrastructure and the global transition to renewable energy.

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Our Core Technologies

We have developed three proprietary and distinctive core technologies, demonstrating our expertise in mechatronics, machine vision, optics and automation. These core capabilities underpin our competitive advantages across both PV and SiPh manufacturing. As of the Latest Practicable Date, we were one of the providers of high-precision assembly and testing equipment for 800G and above SiPh or CPO optical transceiver modules, according to the same source.

Our systems integrate multi-axis motion control as the "hands," delivering nanometer-level positioning accuracy; advanced machine vision as the "eyes," enabling high-speed, sub-nanometer optical alignment; and PCM software as the "brain," orchestrating the entire process using advanced AI/ML algorithms trained on a vast dataset. Together, they deliver intelligent machine with robotic precision, enabling real-time adaptive control across every step of the process. See also "— Research and Development — Our Core Technologies."

In addition, we have developed advanced PV cell automation solutions to support advanced PV cell manufacturing. We have achieved high-throughput PV cell automation with precision output per unit area. Our system-level layouts, motion/handling and take-time (the maximum time required to complete one unit) optimization deliver higher throughput per square meter, while maintaining competitive yield performance.

Global Footprint

We have a global footprint that enables us to address global market opportunities for our products with employees engaged in R&D, manufacturing, support, as well as sales and marketing activities in various locations worldwide. Through complementary facilities, R&D centers, and service networks, we bring together photonics expertise and renewable-energy automation capabilities to serve customers across major innovation hubs.

Our global network of suppliers, production sites, and service centers forms an integrated delivery system, designed to maintain speed, flexibility and resilience as demand for AI infrastructure and renewable-energy manufacturing continues to grow worldwide.

Industry Background & Growth Drivers

We enable the two foundational systems of this transformation: PV automation for renewable-energy production and intelligent SiPh manufacturing for data connectivity.

On the energy side of this transformation, the global transition toward net-zero power systems is driving the growth in PV manufacturing solutions in the long run. As AI data centers become some of the largest electricity consumers, there is a growing need for scalable, clean and efficiently produced energy in the long run. The global PV manufacturing equipment market reached RMB141.1 billion in 2024 and is expected to grow to RMB143.3 billion by 2029, according to CIC. The continued expansion of the downstream PV market is a key driver of this growth, as demand for intelligent PV manufacturing equipment rises in response to evolving application needs. The downstream application market size for intelligent PV manufacturing equipment industry by newly installed capacity, increased from 139.0 GW in 2020 to approximately 512.3 GW in 2024, according to CIC. It is expected to continue expanding in the coming years, supported by global renewable energy mandates and technological advances in high-efficiency PV cells.

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Our SiPh business is driven by the growth in demand for high-performance computing and high-speed data transmission, which is in turn fueled by AI. These trends are driving a shift from traditional electrical interconnects to high-speed optical interconnects based on SiPh technology. By 2029, the market opportunity for 800G and 1.6T datacom optical transceivers is expected to exceed all other types of datacom transceivers combined, largely driven by AI, according to CIC. New optical interconnect technologies based on SiPh, such as CPO and OCS, are expected to become key enablers of AI development, according to CIC. Against this backdrop, the intelligent SiPh manufacturing equipment market is experiencing rapid growth. According to CIC, the global market size increased from RMB0.4 billion in 2020 to RMB2.0 billion in 2024, representing a CAGR of 46.9%. The global market is projected to reach RMB23.3 billion by 2029, representing a CAGR of 63.8%. Downstream markets, including datacom, telecom and other emerging markets, are expected to continue driving demand.

Financial Performance

Our revenue amounted to RMB1,569.6 million, RMB1,104.2 million and RMB948.8 million in 2023, 2024 and 2025, respectively. We successfully completed the acquisition of ficonTEC in May 2025 and its financial results have been consolidated into our financial statements since May 2025. ficonTEC's SiPh assembly and testing solutions is a key growth driver. Revenue from SiPh assembly and testing equipment amounted to RMB439.1 million in 2025. We expect our revenue from SiPh assembly and testing equipment to account for approximately 60% of our total revenue in 2026. ficonTEC's revenue increased from RMB382.4 million in 2023 to RMB504.9 million in 2024. ficonTEC's revenue increased from RMB49.9 million for the four months ended April 30, 2024 to RMB141.6 million for the four months ended April 30, 2025.

Going forward, we expect our leadership in high-precision intelligent manufacturing to deliver resilient growth driven by the accelerating adoption of AI, investment in renewable-energy capacity, and the combined strengths of our operations under one unified platform.

OUR STRENGTHS

Our competitive strengths stem from both our SiPh business and our PV business and are further enhanced by our linkage of the two businesses. We combine decades of expertise in photonics automation and renewable-energy manufacturing to deliver the intelligent manufacturing support that powers both AI performance and sustainability.

Entrenched leadership in the high-growth global intelligent SiPh manufacturing equipment market

The global intelligent SiPh manufacturing equipment market is benefiting from the rapid growth in demand for AI compute, which is driving a shift from traditional electrical interconnects to high-speed optical interconnects based on SiPh. Through ficonTEC, we provide high-precision assembly and testing equipment for SiPh devices that are critical to these advanced optical interconnect technologies.

As of the Latest Practicable Date and according to CIC:

- We were the only supplier offering solutions that cover the entire manufacturing process for SiPh devices, from wafer-level testing, assembly of PICs and SiPh devices, to final qualification of SiPh devices.

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- We were the only provider of SiPh assembly and testing equipment for volume manufacturing environments globally, with linear motion resolution of up to 5nm.
- Taking into account ficonTEC's revenue in 2024, we ranked No. 1 globally in the intelligent SiPh manufacturing equipment market, holding approximately 25.5% of the global market share.

Collaboration with global customers

We maintain long-standing, strategic partnerships with top-tier customers. From exploratory and proof-of-concept stages to pilot runs and high-volume manufacturing (from lab to fab), we support customers' entire development and production lifecycle.

In the PV manufacturing sector, our automation systems are integrated into production lines of leading PV manufacturers in China and emerging markets, such as India. According to CIC, we have served eight of the global top 10 PV manufacturers in 2024 by revenue. Our customers include Tongwei, Jinko Solar and Trina Solar, all of which are global leaders in PV sector.

In the SiPh manufacturing sector, our assembly and testing equipment plays a pivotal role in supporting our customers' product development and production ramp-up. Our customers include leaders in the development of optical infrastructure for the AI industry, and our systems are integral to their manufacturing processes. For example, our SiPh assembly systems are deployed in volume manufacturing environments at Broadcom.

Our systems are engineered with modularity and flexibility, integrated with software control systems such as PCM for SiPh and R²Fab MES for PV, enabling customers to configure and scale operations efficiently. Our close integration into customers' core manufacturing processes creates high switching costs, contributing to strong customer retention.

Advanced proprietary, distinctive technologies and know-hows

We own core technologies that are the result of decades of proprietary innovation and field-proven deployment, making them distinctive. Our intellectual property spans every layer of intelligent manufacturing, from mechanical precision to data-driven control, enabling speed, repeatability and accuracy.

We own core technologies that address new technical requirements across multiple high-impact domains, including CPO and OCS for AI computing infrastructure. As of the Latest Practicable Date, we were one of the providers of high-precision assembly and testing equipment for 800G and above SiPh or CPO optical transceiver modules, positioning us at the forefront of the industry, according to CIC.

Our equipment demonstrates clear competitive advantages across key performance metrics in benchmarking against industry peers, according to CIC:

- Our assembly systems provide superior precision, higher throughput and significantly shorter alignment times compared to industry peers. Specifically, our systems achieve linear motion resolution of up to 5nm, compared to approximately 100nm by peers.

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- Our AOI systems detect defects as small as 0.5 μ m, compared to our peers' range of 0.7 to 2 μ m, according to CIC.

These performance advantages demonstrate our core value proposition: combining robotic precision with intelligent machine manufacturing to meet the energy-efficiency demands of the AI era.

In the PV domain, we have developed advanced PV cell automation solutions to support PV cell manufacturing. We have achieved high-throughput PV cell automation with precision output per unit area.

Globally integrated operations with local responsiveness

We have established a globally integrated operating network comprising R&D centers, manufacturing facilities, sales offices and customer service teams in close proximity to our major customers across key regions. This structure allows us to innovate globally while executing locally, combining industrial depth in Europe and the U.S. with production agility in Asia.

Our R&D resources around the world are strategically positioned in key optical technology research hubs, which allows us to remain at the forefront of technological advancement while addressing the specific needs of local markets. Our global manufacturing capabilities ensure supply chain resilience, operational stability and cost efficiency. Meanwhile, our regional sales and service teams strengthen customer engagement and provide timely, on-the-ground support.

- As of December 31, 2025, ficonTEC operated six global sales offices across Europe, North America and Asia. In addition, our professional after-sales service teams are based in Chinese Mainland, Taiwan, the United States, the EU and Thailand, providing localized technical support.
- As of December 31, 2025, ficonTEC operates R&D centers and application laboratories in Germany, Chinese Mainland, Ireland and the United States.
- Our PV manufacturing solution serves China's leading PV cell and module manufacturers and has also gained significant traction in emerging global markets, including India, Vietnam, Thailand and Malaysia.
- As of December 31, 2025, we operated two production sites in Germany dedicated to SiPh assembly and testing equipment and one production site in each of Suzhou and Nantong, China, primarily focused on PV manufacturing solutions. Our Estonia site also has capabilities in fine-tuning SiPh equipment as part of the production process.

Successful strategic acquisition with significant synergies

Since our initial minority investment in ficonTEC in 2020 and the complete acquisition of ficonTEC thereafter, we have systematically integrated our organizations to realize meaningful synergies across R&D, client demand, production, and operations. This has created an industrial platform that connects SiPh manufacturing with renewable-energy automation — linking computing performance with sustainable power generation.

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This acquisition created an industrial platform connecting SiPh manufacturing and renewable-energy automation — linking computing performance and sustainable power generation. Although PV and SiPh differ in application scenarios and performance metrics, both businesses share a converged “eyes + brain + hands” foundation — machine vision, control/software and multi-axis motion execution — and a modular, standards-driven design and validation methodology. This common base enables two-way technology transfer, faster productization, lower cost, and a scalable path from customized projects to standardized platforms across both PV and SiPh. See “Business — ficonTEC Acquisition.”

Highly experienced management team with strong execution capabilities

Our management team combines deep industry expertise with strategic foresight. Our founder, Mr. Dai Jun, brings strong cross-industry experience, having held senior leadership roles at several Fortune 500 companies, including Universal Electronics (US) and Henkel (Germany). Through these roles, he developed wide-ranging expertise in semiconductors, advanced materials and industrial software sectors. Our management’s leadership is unified by a single long-term mission: empowering the growth of AI through intelligent manufacturing.

Mr. Dai founded RoboTechnik in 2011 and led the Company to a successful IPO in China in 2019. He was instrumental in the initial strategic investment in ficonTEC in 2020 and subsequently steered the successful acquisition of ficonTEC by our Company in 2025. Under his guidance, RoboTechnik has achieved substantial progress in global expansion and business development, with his strategy to shape the Company’s long-term strategy and drive its growth trajectory. Supporting Mr. Dai is a seasoned senior team, including Mr. Li Weibin (Vice President and Operations Director), with substantial experience in large-scale manufacturing operations, and Mr. Zhu Huaqiao (Executive Director and Senior Project Manager), with long-standing expertise in equipment engineering and project management for electronics and automation systems.

Mr. Torsten Vahrenkamp, co-founder and CEO of ficonTEC, joined our Board as an executive director on September 15, 2025. With over two decades of CEO experience at ficonTEC, he has been central to building ficonTEC into a global leader in automating the production of SiPh devices. A recognized thought leader in the photonics field, Mr. Vahrenkamp emphasizes innovation in photonics and product development as the foundation of sustained success. In recognition of his contributions, he received the CEO Award from the European Photonics Industry Consortium (“EPIC”) in 2021.

Together, Mr. Dai and Mr. Vahrenkamp bridge East and West, energy and photonics — embodying the integration that defines our Company. Their combined leadership is driving the execution of our global growth strategy as we position ourselves as a leading provider of high-precision intelligent manufacturing solutions for photonics and energy technologies.

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OUR STRATEGIES

Our strategies are to scale an integrated intelligent manufacturing platform that enables AI performance and sustainability, combining automating SiPh manufacturing with renewable-energy manufacturing to support the growth of data connectivity and clean power. To achieve these objectives, we plan to pursue the following strategies:

Enhancing our leadership in intelligent manufacturing

We will continue to invest in R&D for high-precision SiPh assembly and testing equipment, alongside turnkey manufacturing solutions, with a focus on commercializing advanced technologies and driving continuous advances in technology. Our roadmap centers on efficient high precision optical assembly and testing and process reliability and stability. We plan to upgrade our core proprietary technologies — high-precision motion control system, advanced machine vision and the PCM software — to enhance multi-axis motion control accuracy and fast, high-precision optical alignment, maintain leadership in key algorithms and build a more intelligent process control platform to address more manufacturing processes and customer needs. These efforts are intended to sustain our technological edge and reinforce our market leadership position.

We will prioritize capabilities that increase throughput, yield and software-defined repeatability, so customers can scale AI data center interconnects with predictable cost and quality. In parallel, we are developing foundational assembly and testing technology stacks that support multiple SiPh technologies. Our initiatives target known bottlenecks across interconnect technologies, including addressing density and thermal stability constraints in CPO and solving large-scale optical path coupling and alignment challenges in OCS. By tackling these constraints, we aim to accelerate the commercialization of high-speed optical interconnects, optical computing and all-optical networks. This focus ensures our platform remains the key enabler for customers' transition from pilot to high-volume AI infrastructure.

Empowering AI compute with diversified product portfolio and global delivery capabilities

To address the accelerating demand for AI-driven high-performance computing and high-speed data transmission, we are developing high-precision SiPh intelligent manufacturing solutions spanning sensing, interconnect and computing. We will continue to iterate our AI-empowered assembly and testing equipment, delivering system-level support for high-volume manufacturing in SiPh applications, including CPO, high-performance computing, LiDAR and biosensing, while developing application-specific solutions for emerging markets.

We are advancing a modular product architecture designed for flexible configuration of core functional modules across the full product lifecycle, supporting multiple bonding and joining methods (such as UV/thermal epoxy and laser welding) and handling a wide range of critical components including chips, fibers, lenses, isolators and FAUs. This architecture addresses the complexities of heterogeneous integration with a unified, cross-process solution set, supporting customers' migration to interconnect densities while protecting prior investments.

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Building a global sales and service network

We intend to deepen our collaboration with leading customers to strengthen our market position. Leveraging our established global customer base, we plan to expand our engagement with top-tier global customers and promote the broader adoption of our SiPh assembly and testing equipment, as well as advanced opto-semiconductor process equipment, across applications including datacom, telecom, 5G/6G mobile communications, network transport, and bio-optical sensing.

Account-based engagement and co-development programs will remain central to our approach. In parallel, we are enhancing our global marketing and service capabilities to support the expansion of our global operations. We plan to further develop unified, high-standard delivery and service network across Europe, North America, and Asia, offering full lifecycle technical support and customized solutions with rapid response times. By combining localized execution with globally coordinated resources, we aim to strengthen customer relationships and deepen collaboration, thereby enhancing our global presence and competitiveness.

Developing a people-centered, sustainable talent system

We regard talent as our most critical strategic asset and the foundation of long-term growth. To sustain our leadership as a key enabler in the space of SiPh, we are building a global multi-layered and cross-disciplinary talent pool. Our priority is senior systems engineering, software and data roles that amplify our "hands, eyes, brain" technology stack. Drawing on the successful integration of ficonTEC, we will attract and develop high-caliber R&D and managerial talent worldwide, forming teams that combine global perspective with strong systems engineering capabilities. This will reinforce our capacity for technological innovation and competitiveness.

We are enhancing incentive mechanisms, including equity-based and long-term reward programs, while fostering an open, efficient and inclusive workplace. By emphasizing shared growth between employees and our Company, we aim to improve employee engagement and fulfillment, unlocking innovation and potential. We will link long-term incentives to product milestones, quality and customer satisfaction to strengthen execution. We will also upgrade workplace infrastructure and employee benefits to better enable personal development and strengthen a sense of belonging and well-being.

Advancing a collaborative, innovation-driven industry environment

We aim to enhance the precision, throughput, and intelligence of our equipment to address key challenges in high-volume manufacturing, including yield optimization, cost reduction, and automation efficiency. We also intend to participate in the formulation of international and industry standards to promote interoperability and standardization of interfaces, assembly processes, and testing protocols.

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We plan to deepen process co-development with customers by leveraging our application laboratories and accumulated process expertise. Co-development data will feed our PCM and ficonEDGE models, improving yield and predictive maintenance at scale. Together with upstream and downstream partners, we intend to foster an efficient manufacturing capability by promoting parallel processing, intelligent scheduling, and process optimization to accelerate the standardization and scaling of SiPh device manufacturing. We also plan to pursue growth through targeted investments, strategic partnerships, and M&A. We intend to prioritize acquisition targets in the photonics sector that possess leading technologies and strong potential for system-level synergies, aiming to reinforce our technology stack and expand our capabilities in high-precision SiPh assembly and testing equipment as well as integrated manufacturing solutions.

OUR SOLUTIONS

We currently design and deliver intelligent manufacturing equipment and solutions across two primary product lines:

- **PV manufacturing solutions.** Software-defined production lines for PV cell and module manufacturing.
- **SiPh assembly and testing equipment.** PCM-controlled micro-assembly and testing solutions for advanced SiPh and devices, serving the semiconductor and photonics industries.

PV Manufacturing Solutions

We continue to extend our intelligent manufacturing expertise into automating the renewable-energy production driving the sustainable power foundation that the AI era depends on. Our main products and solutions include: (i) PV manufacturing equipment and (ii) intelligent manufacturing solution. We deliver both standard off-the-shelf systems and customized solutions, integrating process know-how, equipment, software, and lifecycle services to meet diverse customer requirements across various end markets.

PV Manufacturing Equipment

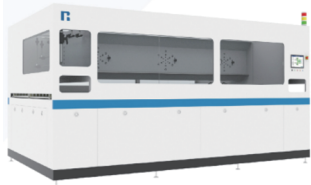



We offer a comprehensive portfolio of PV manufacturing equipment, supporting all critical steps of PV cell production, including etching and texturing, alkaline polishing, diffusion, LPCVD, PE-POLY, PECVD, rear-side passivation, as well as cell testing and sorting, enabling customers to build or upgrade advanced PV cell production lines. Delivered as high-capacity production lines, our solution also covers the entire PV cell manufacturing process suitable for high-throughput production lines.

These processes constitute the core technical phases of converting a raw silicon wafer into a high-performance PV cell. Specifically, etching and texturing modify the wafer surface to minimize light reflection, while diffusion creates the p-n junction essential for electricity generation. Deposition techniques, such as LPCVD, PE-POLY, and PECVD, are utilized to apply ultra-thin passivation and anti-reflective layers that reduce electron recombination losses, followed by testing and sorting to ensure rigorous quality control and accurate performance binning.

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The precision and stability of these manufacturing steps are pivotal in the PV value chain, as they directly dictate the power conversion efficiency and production yield of the final PV modules. By optimizing these critical processes, our equipment enables manufacturers to maximize energy output and significantly reduce the levelized cost of energy, thereby driving the economic viability and competitiveness of their PV products in the global market.

We also offer end-to-end copper-interconnect solution designed to replace silver-based solutions in PV cell manufacturing. It reduces material costs and improves conductivity, making it well-suited for PV cells such as TOPCon, heterojunction with HJT and XBC.

	Key Features	Price Range ⁽¹⁾	Illustrative Images
Wet Process Equipment	<ul style="list-style-type: none"> Intelligent equipment, energy consumption statistics and analysis function High throughput Long bath lifetime 	RMB1.2 million to RMB1.8 million	
Process Automation Systems	<ul style="list-style-type: none"> Intelligent equipment with energy consumption analysis Support MES interface and remote debug function 	RMB1.0 million to RMB1.5 million	
Tester and Sorter Systems	<ul style="list-style-type: none"> Support for MES integration and remote diagnostics Support for double-sided AOI inspection and double-sided IV inspection 	RMB2.0 million to RMB5.0 million	
Copper-Interconnect Solutions	<ul style="list-style-type: none"> An advanced transport system that ensures stability in high-volume production A proprietary current distribution design that improves plating layer uniformity 	RMB7.5 million	

Note:

(1) The price range refers to the price per individual equipment unit and does not represent the selling price of a complete production line, for which the overall pricing may differ significantly.

Wet Process Equipment

Our wet process equipment is engineered for critical chemical treatments, including texturing, alkaline polishing, and various cleaning processes, suitable for TOPCon, BC, and HJT cell production. This category encompasses a range of equipment, as a complete PV cell production line is composed of a specific combination of different wet process steps. Different PV cell technologies, such as TOPCon or HJT, require different combinations of these process

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steps. Accordingly, each model listed below is specialized for a distinct function within the overall wet process, and a customer will select the specific combination of equipment required to build their particular production line.

- **Batch Texturing Equipment (Model: ET-V8000/17000)**
 - **Throughput:** up to 16,000 wafers per hour ("wph").
 - **Key Features:** Designed for alkaline texturing, this equipment features nano-bubble cleaning technology for high-efficiency surface cleaning. It includes a design to extend chemical bath life and is fully compatible with R²Fab and RFID tracking. Uptime is maintained at ≥98%.
- **Inline Wet Process Equipment (Model: RCL-8000/16000)**
 - **Throughput:** up to 15,500 wph.
 - **Key Features:** Primarily used for rear-side cleaning in TOPCon and BC high-efficiency cell production (PSG/BSG removal). We ensure high uniformity, extended chemical life, high throughput, and low operating costs.
- **Batch-Alkaline Polish Equipment (Model: TX-V12000/16000)**
 - **Throughput:** up to 16,000 wph.
 - **Key Features:** Used for wafer polishing, etching, and cleaning. Features include nano-bubble cleaning, a self-cleaning system, and clean-zone drying. It is fully compatible with R²Fab and RFID interfaces.

Process Automation Systems

We provide specialized automation systems for material handling, ensuring high-speed, stable, and reliable transfer of wafers, quartz boats, and graphite boats. These systems are integral to our intelligent manufacturing solutions. These systems facilitate the efficient and precise transfer of materials between various processing stages, from wafer loading to post-processing.

- **Texture Process Automation (Model: RTA-WTA18560)**
 - **Throughput:** ≥18,560 wph.
 - **Key Features:** Features include a patented air-knife design, and optional modules for missing wafer detection and micro-crack detection. We support remote diagnostics, OEE statistics, and energy consumption analysis.
- **Quartz Boat Automation (Model: RTA-AIA12000-U-1R-11)**
 - **Throughput:** ≥19,000 wph.
 - **Key Features:** Designed for diffusion, annealing, and LPCVD processes. We utilize a linear motor gantry design for high stability. The system supports visual detection for missing wafers or broken boats, precise boat positioning, and full R²Fab integration.
- **Graphite Boat Automation (Model: RTA-(R) FS-PE14000-D)**
 - **Throughput:** ≥14,000 wph.
 - **Key Features:** Tailored for PECVD and PE-POLY processes. Options include Stäubli or FANUC robotic arms for wafer loading/unloading. We offer optional visual warpage detection, graphite boat positioning, and online AOI/PL detection.

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Tester and Sorter Systems

At the end of the production line, we provide high-precision testing and sorting solutions to guarantee product quality and accurate binning. Our tester and sorter systems are deployed at the final stages of the PV cell manufacturing process for quality control and performance classification.

- **Tester and Sorter System (Model: RTA-SRT-17000)**
 - o **Throughput:** ≥17,280 half wafer per hour wph (182mm wafers); ≥16,614 half wafer per hour wph (210mm wafers).
 - o **Key Features:** The system supports both online and offline loading modes with flexible binning options. We offer optional AOI and IV detection for both front and rear sides. The structure can be configured as single or dual-lane, compatible with M10, M12, and 220-230mm wafers (including half-cells).

Copper-Interconnect Solutions

We also provide copper plating technology designed to replace silver-based paste in PV cells, significantly reducing material costs while enhancing conductivity. Our solutions are compatible with high-efficiency cell technologies such as HJT, XBC, and TOPCon. These solutions are integral to the metallization phase of PV cell production, enabling electrical connections.

- **VDI and HDI Electroplating Systems (Model: RTA-CP-24000)**
 - o **Throughput:** 24,000 wph.
 - o **Key Features:** Our systems utilize a transmission system to ensure mass production stability and a current distribution design to improve coating uniformity. They support fully automated copper or copper-tin plating with online deplating capabilities, featuring a compact footprint despite their high capacity.

Intelligent Manufacturing Solution

Leveraging R² Fab, our proprietary MES, as the digital core of our intelligent manufacturing solution, we deliver an integrated, end-to-end solution that combines R² Fab with our equipment portfolio and complementary systems. Designed for tight coupling with our equipment portfolio and open integration with third-party tools, ERP, and PLM systems, our intelligent manufacturing solution enables end-to-end digitalization from order intake to shipment, including production planning, dispatch, WIP tracking, equipment connectivity, quality control, SPC, and analytics across smart factories.

For production management, the solution manages material logistics with integration to AGV/AMR fleets (fleets of automated guided vehicles and autonomous mobile robots) and warehouse operations. It also supports order scheduling, routing, and recipe/version control. For equipment integration, it offers connectivity together with an extensive device driver library. For quality management, it enables inline data collection, fault detection and CAPA workflows. It delivers full traceability with lot/wafer/part genealogy, electronic signatures and records, role-based security, audit trails. Analytics for OEE, yield, and bottleneck diagnosis underpin continuous improvement and drive higher throughput and stability.

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In addition to R² Fab, we deploy Robo Vision and Robo Deep Learning as complementary software platforms for vision and AI enablement across our equipment and factory solutions. These self-developed platforms provide a unified foundation for machine vision, algorithm orchestration, and model lifecycle management, improving inspection, alignment, and process monitoring while protecting our intellectual property. Practically, they have been used to optimize and reduce the cost of ficonTEC's vision systems and other vision-related modules, accelerating cost-down on standardized components and shortening deployment cycles across both PV and SiPh applications.

SiPh Assembly and Testing Equipment

Through ficonTEC, we provide two primary product lines: assembly and testing equipment. ficonTEC solutions combine AI-powered process software with high-precision automated equipment, delivering automated, high-throughput manufacturing systems that minimize human error, support scalable production and deliver automation solutions. Our systems enable the high-speed, low-latency and energy-efficient data transmission required for data centers, cloud networks and high-performance computing.

We integrate PCM, our proprietary, process-oriented software, with all turnkey, ready-to-use equipment and multi-equipment configurations. PCM is critical in high-precision SiPh assembly and testing, where nanometer-level accuracy and reliable multi-parameter control capability are essential. Developed and continuously iterated over more than 20 years, PCM leverages AI/ML algorithms and a vast dataset accumulated through extensive field deployment in the past two decades, establishing an advantage. As of the Latest Practicable Date, we were the only supplier offering solutions that cover the entire manufacturing process — from wafer-level testing, assembly of PICs and SiPh devices, to final qualification of SiPh devices, according to CIC.

Our systems are sold to (i) IDMs that integrate the fabrication of ICs into their business, (ii) foundries that manufacture the ICs, (iii) OSATs that provide testing and assembly services for the final assembled devices to both fabless companies and IDMs and (iv) fabless companies that outsource the manufacturing of ICs. Fabless companies perform the design of ICs and use foundries for IC manufacturing and OSATs for testing and assembly. They typically purchase our systems and deploy them at foundries and OSATs for the production of their devices. As of December 31, 2025, ficonTEC's assembly and testing equipment had an installed base of over 1,200 systems worldwide.

We manage every stage through a single software interface to maximize yield, ensure consistency and traceability, and shorten the ramp-up from R&D to mass production. By phasing assembly and inserting early and frequent test gates, we screen out latent defects upstream and standardize critical alignment steps, thereby delivering higher overall reliability.

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Assembly

The assembly process of SiPh devices involves precisely positioning (alignment) one component relative to another and then fixing them together (attachment) with bonding technologies. Our assembly solutions are designed to meet evolving market demands, as the density and complexity of optical modules continue to increase.

- ***Standalone systems.*** Customizable equipment for high-precision micro-assembly of PICs and SiPh devices involving the alignment and attachment of photonic components.
- ***In-line systems.*** Turnkey assembly solutions for intelligent, scalable manufacturing of SiPh devices.
- ***Fiber preparation systems.*** Automated systems that support the entire fiber preparation process, from fiber stripping, cleaving, MT ferrule insertion, to fiber array unit FAU optical alignment, traditionally performed manually as separate and disconnected steps.

The assembly process of SiPh devices involves precisely positioning one component relative to another and then fixing them together with bonding technologies. This process fundamentally relies on high-precision positioning, alignment, and thermally capable bonding, which directly affects device performance, lifetime, and long-term reliability. As the density and complexity of optical modules continue to increase, automation of SiPh device assembly has become essential for scalable and cost-effective production, particularly for hybrid integration applications such as CPO chiplets.



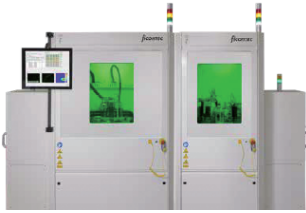

We offer a modular portfolio covering the principal steps of SiPh device assembly. Our core platforms provide high-precision motion, passive and fast-active "align & attach" capabilities, controlled by our PCM software for process, calibration and motion management. These systems support die and PIC hybridization, optical element alignment and attachment, fiber pigtailling and connectorization, and in-line characterization, and are designed to scale from exploratory R&D to volume production, with optional configurations for eutectic attach, bond-force control, flip-chip processing and line-level integration. We also offer specialized systems for automated fiber-optic assembly, laser bar stacking and inspection, and multi-beam microwelding with post-weld shift correction.

Our assembly equipment comprises the following:


- **ASSEMBLYLINE (AL). Die-level photonic device assembly;** Our AL systems are instrumental in performing chiplet hybridization and other micro-assembly tasks, directly supporting the "Chiplet hybridization" stage of SiPh device manufacturing.
- **CUSTOMLINE (CL). Flexible, multi-purpose "align & attach" platform;** This platform supports various high-precision alignment and attachment tasks in our SiPh device assembly processes, particularly for exploratory R&D and batch production across multiple stages.
- **FIBERLINE (FL). Fiber-optic assembly;** Our FL systems are specifically designed for fiber preparation and optical alignment, which are critical steps in the overall SiPh device manufacturing process.

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- **Other assembly machines:**
 - **STACKLINE (SL). Laser bar stacking/unstacking;** These systems contribute to the precise assembly of optical components, supporting the general assembly phase of SiPh devices by handling laser bars.
 - **LASER WELDLINE (WL). Microwelding station for photonics;** Our WL systems are utilized for critical microwelding and optical coupling tasks during the assembly of photonic devices, supporting the bonding aspects of various assembly and alignment steps.

	Key Features	Price Range⁽¹⁾	Illustrative Images
ASSEMBLYLINE .	<ul style="list-style-type: none"> • Passive/active chip and component placement options • A fully customizable and versatile platform "From Lab to Fab" • Application in PIC hybridization, sensors & lidar, copackaging 	RMB1.6 million to RMB4.1 million	
CUSTOMLINE	<ul style="list-style-type: none"> • Flexible and highly capable photonic device assembly platform • Designed for collaborative R&D and low-volume/jobshop environments • For all optical, fiber and die/chip/PIC connection and hybridization tasks 	RMB2.9 million to RMB9.9 million	
FIBERLINE	<ul style="list-style-type: none"> • Chip and wafer-level handling and processing • Fully-automated assembly and handling • Custom vacuum tools 	RMB1.6 million to RMB3.3 million	
STACKLINE	<ul style="list-style-type: none"> • Precision stacking/unstacking for laser diode bars • Integrated flowbox and class 1 laser safety • Optional optical facet and side wall inspection 	RMB2.9 million to RMB3.3 million	

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	Key Features	Price Range ⁽¹⁾	Illustrative Images
LASER WELDLINE	<ul style="list-style-type: none"> Multi-point or seam welding for ferruled optical components Assembled device test and qualify, post-weld shift correction For terrestrial, aerospace and space satellite applications 	RMB2.1 million to RMB3.3 million	

Note:

- (1) The price range refers to the price per individual equipment unit and does not represent the selling price of a complete production line, for which the overall pricing may differ significantly.

ASSEMBLYLINE ("AL") — Die-level photonic device assembly

Our AL systems are offered in a range of models, available as semi and fully automated "align & attach" assembly systems for the production of optoelectronics and SiPh devices. In particular, these systems can be configured to handle high-complexity co-packaged applications, such as CPO chiplets. AL systems can also be used for the assembly of camera, 3D scanning and LiDAR modules.

Combining industry-proven design with advanced functionality, AL systems integrate high-precision optical alignment capability with multiple bonding technologies, including epoxy-based attachment, eutectic die bonding and laser-assisted bonding. Each model is equipped with a minimum six-axis high-precision alignment motion system to support the micro-assembly process, which precisely positions (align) one component relative to another and then fix them together (attach) with attaching technologies. According to CIC and based on publicly available information, our AL systems achieved the linear motion resolution of up to 5nm, compared to approximately 100nm by our peers.

Our AL systems support the assembly (alignment and attachment) tasks of various optical elements, and hybridization tasks involving dies, chips, and PICs for SiPh components and devices. In particular, they support the assembly of CPO chiplets in 800G and 1.6T formats. AL systems can also perform pigtailing and connectorization of various optical fiber types and waveguides. Customizable and versatile, AL systems can be specifically tailored to customer requirements and configured either as highly capable standalone workstations, highly specific in-line process cells for insertion into existing production lines, or as part of a modular, task-optimized production line for volume manufacturing when combined with other functional systems, such as TL.

Optional modules can be added to enhance system functionality, which include automatic tool changing, optical character recognition (OCR) for component traceability, and wafer handling capability, and expanded testing functions.

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CUSTOMLINE ("CL") — Flexible, multi-purpose "align & attach" platform

Our CL system is a highly versatile platform designed for both exploratory R&D and batch processing applications. It is equipped with a minimum four-axis high-precision alignment motion system. Compared to AL systems, CL system offers more customizable options, such as enhanced motion and alignment accuracy at nanometer level, along with a broader selection of configurable module types, such as heating plate, bond force control and flip-chip modules.

FIBERLINE ("FL") — Fiber-optic assembly

Our FL systems are fully integrated solution for automated fiber processing, encompassing fiber stripping, cleaving, mechanical transfer ferrule insertion, and FAU optical alignment, traditionally performed manually as separate and disconnected steps. For FAU, FL systems enable high-throughput, scalable manufacturing of optical input/output, supporting production rates of up to 60 units per hour.

The FL systems are purpose-built for the assembly of a broad range of fiber-optic and waveguide-based devices. They can be flexibly configured to perform all fiber-attach tasks, including fiber and fiber-array connectorization, as well as fiber coupling and alignment to waveguides and for SiPh devices. The platform combines fast-active optical coupling capabilities with modular attachment configurations, all controlled by PCM software. Like our other product families, FL employs multi-axis motion systems supporting translational and rotational stages with three to twelve or more degrees of freedom to meet the stringent precision requirements of photonic device assembly. Equipped with a real-time motion controller, the system enables sub-micron co-axial positioning and alignment with ease. Its modular, scalable architecture supports customized expansion, including optional modules for inline testing, result verification, and process extension.

Other Machines

STACKLINE ("SL") — Laser bar stacking/unstacking

Our SL systems are designed to provide automated, high-precision laser bar stacking and/or unstacking capabilities. High-power laser diode bars are widely used in materials processing and medical laser applications. Their efficiency, commonly measured by wall-plug efficiency, the ratio of useful optical output power to total electrical input, can be significantly enhanced through facet passivation (coating). This results in improved optical intensity, brightness, and electrical performance.

SL systems incorporate machine vision system referencing, component recognition and handling, passive alignment routines, and AI-based defect recognition facet inspection procedures. Managed by the proprietary PCM software, this results in an industry-qualified, flexibly programmable solution for stacking and unstacking processes, which is broadly deployed across customer applications.

LASER WELD — Microwelding station for photonics

Our LASER WELD systems are automated "align & attach" microwelding production cells for photonics. These systems are commonly used for optical assembly and for coupling light out of photonic device packaging, using either ferruled optical components or single- and multi-fiber coaxial assemblies. They support the assembly of a broad range of photonic

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and optoelectronic devices, including fiber-to-chip and fiber-to-package assemblies, single- or multi-fiber modules, coaxial laser diode modules, optical isolators, and wavelength division multiplexing components. The systems integrate post-weld characterization and testing routines support performance validation and yield tracking, with post-weld shift correction capability available for out of specification results.

Testing (plus Trimming & Cleaning)

Reworking during the assembly of a complex SiPh device layout is extremely difficult, and when possible, typically requires costly manual intervention. As a result, testing is essential both during and after assembly at each of the wafer, die, chip and module levels. Our testing equipment spans the full manufacturing process for SiPh devices, suitable for electrical, optical or mixed-signal electro-optical testing and characterization of wafers, dies, chips and modules related to SiPh devices.

Designed for compatibility with standard semiconductor ATE platforms, our testing solutions enable IDMs, foundries and OSATs to scale production while maintaining a common software interface for simplified operations and unified test data management. According to CIC and based on publicly available information, our testing systems achieved the linear motion resolution of up to 50nm, compared to approximately 5 μ m by our peers.


Our testing (plus trimming & cleaning) equipment comprises the following:

- **WAFER TESTLINE (WTL). Wafer-level electro-optical testers;** Our WTL systems are designed to support electro-optical testing of SiPh devices at the wafer level, addressing the "Wafer-level test & clean" and "Wafer-level hybridization" stages of the SiPh device manufacturing process by screening early defects and characterizing key parameters before further assembly.
- **DIE TESTLINE (DTL). Die-level electro-optical testers;** Our DTL systems provide fully automated electro-optical testing for singulated optoelectronic devices and passive and active photonic integrated circuits (PICs), directly supporting the "Die-level test" stage of the SiPh device manufacturing process.
- **CHIP TESTLINE (CTL). Chip-level electro-optical testers;** Our CTL systems are engineered for advanced chip-level electro-optical characterization, supporting the post-assembly functional and parametric testing of the chiplet after "Chiplet hybridization."
- **MODULE TESTLINE (MTL). Module-level electro-optical testers;** Our MTL systems are designed to test complete modules that integrate switch chips with co-packaged optics (CPO) optical engines, fulfilling the "End-of-line test" requirement for comprehensive final testing of the completed SiPh module.
- **AOILINE (AOI). Automated optical inspection.** Our AOI systems provide full-process optical inspection essential for high-yield SiPh device manufacturing, supporting defect detection across various stages from wafer to module level, including particle identification.

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	Key Features	Price Range ⁽¹⁾	Illustrative Images
<p>WAFER TESTLINE</p>	<ul style="list-style-type: none"> • Mixed-signal electro-optical probing • Reproducible low-loss alignment to single/multiple optical I/O parts • Fully adaptable to different PIC I/O designs and material systems 	<p>RMB4.1 million to RMB9.9 million</p>	
<p>DIE TESTLINE</p>	<ul style="list-style-type: none"> • Mixed-signal electro-optical probing • Fast machine vision for precision I/O probe-to-port alignment • Design for all optoelectronic devices and PIC material systems 	<p>RMB2.5 million to RMB6.6 million</p>	
<p>CHIP TESTLINE .</p>	<ul style="list-style-type: none"> • Fast machine vision for precision I/O probe-to-port alignment • Designed for all optoelectronic devices and PIC material systems • Application in PIC hybridization, sensors & lidar, copackaging 	<p>RMB2.5 million to RMB6.6 million</p>	
<p>MODULE TESTLINE</p>	<ul style="list-style-type: none"> • High-precision motion system • Mixed-signal electro-optical testing • Option AI-managed facet inspection 	<p>RMB3.3 million to RMB5.8 million</p>	

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	Key Features	Price Range ⁽¹⁾	Illustrative Images
AOILINE	<ul style="list-style-type: none"> • Multi-point or seam welding for ferruled optical components • Assembled device test and qualify • For terrestrial, aerospace and space satellite applications 	RMB2.1 million to RMB3.7 million	

Note:

- (1) The price range refers to the price per individual equipment unit and does not represent the selling price of a complete production line, for which the overall pricing may differ significantly.

WAFER TESTLINE ("WTL") — Wafer-level electro-optical testers

Our electro-optical wafer-level testers are designed to support wafer-level PIC testing. Available in multiple models, WTL is a versatile electro-optical test and measurement system platform for wafer-level electro-optical device testing. Its reconfigurable probe-to-wafer layout accommodates a wide range of PIC designs, including those on multi-project wafers. They can be configured for high-complexity co-packaged applications.

For R&D or proof-of-concept testing, WTL systems provide multi-channel electro-optical testing of on-wafer waveguides and PIC input/output. 3D-printed microlenses at fiber tips support edge coupling, enabling low-loss optical coupling across all coupling mechanisms. WTL systems work equally well for multiple singulated devices on appropriate carrier formats. For volume manufacturing, all identical devices on a wafer can be tested fully automatically. Built-in device cataloging and traceability provide yield and performance data across entire wafers, resulting in valuable and previously unattainable feedback for the wafer fabrication facilities. As of December 31, 2025, the latest models of WTL systems include double-sided testers and single-sided testers.

Double-sided tester

Launched in March 2025, double-sided electro-optical wafer tester is compatible with existing semiconductor ATE architectures. The tester enables double-sided, high-throughput testing of PIC devices at wafer level, which is at the core of CPO chiplets. It directly docks with the ATE at a core software and hardware level, enabling direct current and high-speed signal testing capabilities on the top side and high-precision optical input/output ("**optical I/O**") six-axis active alignment probing below. It also accommodates automatic wafer handling and incorporates a patented vacuum thermal control chuck assembly, in situ fiber array calibration, end-face inspection, high-speed probe calibration, and automated PIC mapping.

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Single-sided tester

Launched in June 2025, the single-sided electro-optical wafer-level tester represents a first-of-its-kind solution, according to CIC. The system is also ATE agnostic. This new testing cell achieves high-precision optical I/O six-axis active alignment probing (edge or grating coupled) from the top-side of the wafer as the electrical probe card interface from the ATE test head. This single-sided approach significantly simplifies the integration with existing ATE systems, paving the way for scalable, cost-effective wafer-level testing of compact photonic engines. The tester is fully integrated at both software and hardware levels with their ATE systems. It has all features of the double-sided tester and leverages the same streamlined interface and data management system used in the double-sided tester.

DIE TESTLINE ("DTL") — Die-level electro-optical testers

Our DTL systems provide fully automated electro-optical, die-level testing for optoelectronic devices and for passive and active PICs and are offered in multiple configurations. Typical test regimes include light-current-voltage sweeps, spectral analysis, and near-/far-field beam characterization for laser dies, laser bars, and chip-on-submount sources. DTL systems can be equipped with optional inspection modules that acquire high-resolution facet images and apply deep-learning-based defect recognition against user-defined criteria. The system can also be configured for high-complexity co-packaged applications. In addition, DTL systems support testing across PICs, lasers, photodetectors, and other optoelectronic die, spanning output power classes from milliwatts to hundreds of watts, near-/far-field measurements can be executed in a single workflow, with optional microscopic inspection.

CHIP TESTLINE ("CTL") — Chip-level electro-optical testers

Our CTL systems are engineered for advanced chip-level electro-optical characterization. Whereas conventional wafer probers typically align to on-wafer gratings and are therefore constrained to co-planar optical/electrical probing, ficonTEC's proprietary photonic wire bond ("**PWB**") based optical probe technology enables both co-planar and non-co-planar electro-optical testing within a unified, automated workflow. This capability extends comprehensive optical and electrical access to devices that require out-of-plane coupling or heterogeneous I/O topologies, and differentiates CTL from competing solutions that are limited to co-planar tests.

MODULE TESTLINE ("MTL") — Module-level electro-optical testers

Our MTL systems are designed to test modules that integrate switch chips with CPO optical engines.

AOI LINE — Automated optical inspection

Our AOI systems are standardized solutions designed to deliver optical inspection essential for high-yield photonic device manufacturing. Equipped with high-magnification imaging system, a color camera for individual color channel analysis, and Köhler illumination (an advanced optical technique for uniform, high-contrast lighting), these systems enable precise inspection of critical features and detection of defects as small as 0.5 μm , compared to the industry range of 0.7 to 2 μm , according to CIC. Key applications include top, bottom, and side-wall inspection of chips, die sorting, laser diode facet inspection, and the identification of cracks, break-outs, and foreign particles such as dust.

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Software Control

PCM

PCM is our proprietary, process-oriented software control interface, integrated with all our equipment and multi-equipment configurations. Developed and continuously iterated over more than 20 years, PCM leverages our deep learning trained on extensive field deployment data. It provides customers with flexible process control and scalable options for every stage of the product lifecycle, from early device development to high-volume manufacturing, featuring an intuitive user interface for referencing, positioning, handling, system control, machine vision routines, and automated electro-optical testing and characterization tasks. PCM operates both as a standalone system controller and as a proven solution for multi-system or in-line configurations in high-volume manufacturing environments, with direct database interfacing for traceability, automated test sequences, and centralized statistical analysis. A dedicated AI/ML layer, ficonEDGE, is embedded within PCM to continuously monitor operational data in real time, enabling predictive analytics, proactive maintenance scheduling, and low-latency self-optimization.

Process Development and Optimization

As production volumes scale, ficonTEC engages early — often from concept and prototyping — leveraging PCM to co-design and optimize processes across all stages of development and implementation. By working closely with customers to understand specific requirements, ficonTEC applies its insights and technical expertise to architect, validate, and enhance production flows, including software-based control and data integration. For optimization and rollout, ficonTEC provides end-to-end support, covering the assessment and refinement of existing methods, the development of new processes, and full implementation on the line.

PCM provides adaptable process tuning and sequencing, which can be further optimized using statistical data stored in customers' databases. Key parameters such as yield, cycle time, device performance, and cost per part can be optimized within the available parameter space allowed by the production process, whether in a single equipment installation or across entire production lines comprising multiple in-line equipment.

ficonEDGE

ficonEDGE is ficonTEC's AI-driven ML edge computing platform designed to enhance production process control and operational efficiency. It is embedded in PCM, which logs real-time equipment physical and electric-optical data across all process steps. ficonEDGE leverages this data to enable data-driven optimization of key production performance indicators through advanced AI/ML technologies. Through a custom add-on hardware and software layer for ficonTEC's new and existing systems, ficonEDGE automatically maintains production yield while providing predictive analysis into potential process deviations. ficonEDGE use cases include:

- ***Self-adaptive production.*** ficonEDGE enables closed-loop integration between the machine and edge platform, where model outputs are directly fed into the workflow. This allows for real-time, autonomous process adjustments without human intervention, thereby optimizing resource utilization.

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- **Automated yield and process control.** ficonEDGE supports local production teams with a comprehensive dashboard for reviewing and analyzing process data. Automated alerts can be distributed via common messenger systems and configured for direct feedback to the equipment for immediate response.
- **Predictive maintenance.** ficonEDGE continuously monitors the condition of critical machine components in real time, identifies potential hardware risks in advance, and facilitates proactive maintenance planning to minimize unplanned service interruptions and downtime.

Revenue by Geographical Location

	Year ended December 31,					
	2023		2024		2025	
	(in RMB thousands, except for percentages)					
Chinese Mainland	1,232,831	78.5%	814,963	73.8%	291,159	30.7%
Thailand.....	225,419	14.4%	1,098	0.1%	186,109	19.6%
India.....	66,409	4.2%	199,000	18.0%	156,528	16.5%
Taiwan, China	-	-	5	-	85,130	9.0%
Other countries/regions ⁽¹⁾	19,793	1.3%	5,929	0.5%	77,128	8.1%
Germany	25,197	1.6%	52,240	4.7%	69,118	7.3%
Israel	-	-	-	-	53,539	5.6%
The United States.....	-	-	31,013	2.8%	30,127	3.2%
Total	<u>1,569,649</u>	<u>100.0%</u>	<u>1,104,248</u>	<u>100.0%</u>	<u>948,838</u>	<u>100.0%</u>

Note:

(1) Mainly including Malaysia, Indonesia and Canada.

Sales Volume and Average Selling Price⁽¹⁾

	Year ended December 31,					
	2023		2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	(Unit)	(RMB'000)	(Unit)	(RMB'000)	(Unit)	(RMB'000)
PV manufacturing solutions	2,014	740	1,300	786	132	3,281
PV manufacturing equipment	1,957	749	1,143	854	123	2,953
Intelligent manufacturing solutions.....	57	442	157	291	9	7,758
SiPh assembly and testing equipment	-	-	12	4,182	119	3,690
Assembly equipment	-	-	12	4,182	87	3,022
Testing equipment	-	-	-	-	32	5,506

Note:

(1) Average selling price is calculated by dividing the revenue in a given product category by the corresponding sales volume.

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FICONTEC ACQUISITION

The acquisition of ficonTEC represents a deliberate and strategic expansion of our business, aligning with our long-term goal of diversifying into technologically adjacent, high-growth markets. While the acquisition introduces new market dynamics and financial considerations, it also creates significant, tangible synergies that strengthen our unified automation technology platform.

Comparative Impact on Business and Financial Profile

The integration of ficonTEC has diversified our business profile, balancing our established PV business with a high-growth, emerging SiPh business. Each segment operates with distinct market dynamics, financial characteristics, and supply chain structures.

Revenue mix and cost structure: Our historical revenue has been predominantly generated by our PV business which primarily comprises the manufacturing of PV manufacturing equipment and intelligent manufacturing solutions, and is subject to the capital expenditure cycles of the global solar industry. This business line is currently experiencing a downturn due to sector-wide overcapacity, which has impacted its near-term revenue contribution. In contrast, the SiPh business, which mainly includes the manufacturing of assembly equipment and testing equipment, operates in a rapidly expanding market driven by the growth of artificial intelligence and high-speed data communication. In 2025, our revenue derived from SiPh assembly and testing equipment has reached 46.3%. Consequently, we expect the SiPh business to contribute a material portion of our revenue in 2026.

The cost structures of the two business differ accordingly. Our PV business, with our mature installed base, has a cost structure optimized for large-scale production, profitability is sensitive to industry-wide pricing pressures and demand dynamics. According to CIC, the SiPh business, which is characterized by high growth and competition, requires strategic upfront capital investment in R&D and the scaling of production in order to capture market share and establish technological leadership.

Capital and liquidity requirements: The two segments have distinct capital needs. Our PV business has an established production capacity and installed base, allowing it to serve existing demand with more moderate incremental investment. However, its liquidity is influenced by the nature of the industry; during downturns, extended payment cycles from customers would increase working capital requirements to finance accounts receivable. The SiPh business requires substantial capital allocation to expand production capacity, advance its technology roadmap, and capture the significant volume demand expected from the proliferation of photonics devices. Its liquidity needs are also significant, driven by the working capital required to support a growing order book, including the procurement of high-value, long-lead-time components. Reflecting this, approximately 80% of the [REDACTED] from the [REDACTED] are intended to be applied to the development of the SiPh business and will be used to build a global go-to-market and service network; see also "Future Plans and Use of [REDACTED].")

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Major customers and suppliers: Our customer bases across the two business are distinct yet complementary. Our PV business serves global leaders in PV manufacturing, with eight of the top ten global PV manufacturers by revenue in 2024 being our customers. The SiPh business serves top-tier global customers in the datacom and telecom sectors, including IDMs, foundries, and fabless semiconductor companies. We have begun to realize client synergies by offering integrated solutions to overlapping multinational customers, such as Valeo, that source automation from both business lines.

The supplier landscapes for our two business also reflect their different regions of operation and technological requirements. Our PV business relies on a broad set of suppliers for automation solutions and components, primarily from Chinese Mainland. The SiPh business procures high-precision components and has a more specialized supply chain, with key suppliers located in Europe, including Germany.

Strategic Integration, Synergies and Future Proceeds

We are integrating the PV and SiPh businesses under a unified automation equipment platform, leveraging shared technologies, operational capabilities, and market access to create tangible two-way synergies. Although PV and SiPh differ in application scenarios, both businesses share a converged "eyes + brain + hands" foundation — machine vision, control/software, and multi-axis motion execution — and a modular, standards-driven design methodology. This common base enables technology transfer, faster productization, and lower costs.

Technological and R&D synergies: The PV business and the SiPh business are built on a common technology stack of motion control, machine vision, and software-driven execution systems, which enables mutual reinforcement.

- o Our established **Robo Vision and Robo Deep Learning platforms**, originally engineered for high-throughput PV manufacturing, are being applied to ficonTEC's systems. By leveraging our self-developed software foundation, we can reduce ficonTEC's reliance on third-party licenses and lower the BOMs and licensing costs for its vision-related modules. This integration also allows us to accelerate the iteration of inspection and positioning functions across both business lines.
- o Conversely, ficonTEC's proprietary **PCM software**, a platform designed for precision motion control, is being applied to our PV manufacturing solutions. This allows us to enhance our PV product offerings with more complex and precise motion control, improving positioning accuracy and process stability for higher-end applications in the PV industry and other industries, by allowing our proprietary vision platforms to act as the "eyes" and the PCM-driven motion control to act as the "hands," to achieve more precise, coordinated control.

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Client demand and operational synergies: By combining the respective strengths of the PV and SiPh business, we can offer integrated, intelligent mass-production lines that neither business could provide on a standalone basis.

- o an example of this is the in-vehicle camera assembly station project we provided to Valeo, a leading global automotive components manufacturer. In this project, ficonTEC provided its core coupling equipment, which performs the precision optical alignment essential for camera module assembly. This process requires the simultaneous control of six parameters: three-dimensional spatial distance (X, Y, Z) and three-dimensional angular orientation (Rx, Ry, Rz), enabling nanometer-level precision. This combination of ficonTEC's capabilities with the high-throughput automation capabilities of our PV business demonstrates our ability to deliver fully integrated, factory-level solutions.
- o we are also realizing client demand synergies by leveraging our established relationships. For instance, our PV manufacturing solutions has developed a "key-fishbone" material transfer machine for an existing customer of ficonTEC, and is developing a fibre array unloading equipment for another ficonTEC customer.

Production and cost synergies: We are leveraging our established manufacturing platform in China to scale up ficonTEC's production. This localization significantly shortens delivery lead times and reduces manufacturing costs for ficonTEC's equipment sold in the Asia-Pacific region, enhancing its global competitiveness. Previously, ficonTEC China primarily imported equipment produced in Europe. For example, with our local production capabilities, the delivery lead time for a project with a global telecommunications provider, was shortened from approximately 40 weeks to around 16 weeks. This synergy allows ficonTEC to transition from a project-based model towards scalable mass production, meeting the anticipated growth in demand from the SiPh industry. Cost and efficiency gains are also realized by migrating selected ficonTEC solutions from a project-based model towards more standardized and product-oriented offerings.

RESEARCH & DEVELOPMENT

Our Research and Development

The industries we operate in are characterized by rapid technological advancement and evolving customer requirements. Our competitiveness depends on our ability to develop technologies closely aligned with customers' process needs and roadmaps. We rely primarily on in-house R&D to reinforce our leadership in PV cell automation and to expand into SiPh equipment, supporting growth through innovation and technology commercialization.

We adopt a dual-track R&D model combining in-house innovation with collaborative research. For in-house R&D, dedicated teams execute through a closed-loop process spanning requirements capture, design reviews, prototype validation, and productization. In parallel, collaborative R&D accelerates frontier advances via application labs at Tyndall National Institute (Ireland) and the College of Optics and Photonics at the University of Central Florida, alongside partnerships with universities and research institutes in Germany, Ireland, and the United States. We have R&D centers and application laboratories located in Chinese Mainland, Germany, Ireland, and the United States, positioned near key customers to accelerate trials, qualification and ramp.

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Intellectual Property and Know-How

We place strong emphasis on intellectual property protection to safeguard our innovations and support commercialization. As of December 31, 2025, we were granted 467 patents related to our business operations, including 14 design patents, 40 invention patents and 413 utility model patents. As of December 31, 2025, we also held 79 software copyrights and 42 registered trademarks, covering multiple core technologies across automation equipment and intelligent manufacturing solution. As of December 31, 2025, we possessed 24 items of know-how overseas.

Beyond IP, we have accumulated extensive engineering and process know-how through serving leading customers with stringent requirements on product quality, reliability, traceability, and total cost of ownership. This know-how underpins our rapid productization, continuous improvement, and scalable deployment. Our IP strategy focuses on protect-what-differentiates (motion, vision, PCM/ficonEDGE), while codifying process know-how into reusable software libraries for scale.

R&D Investment and Team

We continue to invest in R&D to support our product roadmap and new technology incubation. Our R&D expenses were RMB85.8 million, RMB84.4 million and RMB106.3 million in 2023, 2024 and 2025, respectively.

As of December 31, 2025, we had 189 R&D personnel, representing 25.7% of our total headcount. Our team comprises experienced engineers across mechanical, electrical, software, process, and systems disciplines. Our software division has a high proportion of postgraduate talent, with around 14.3% holding master's degrees and approximately 5.3% holding doctoral degrees, and a significant share being graduates of leading universities as of December 31, 2025. The overall structure is shifting toward a higher proportion of seasoned engineers, supporting faster iteration from concept to pilot to mass production.

Our Core Technologies

We have developed three proprietary and distinctive core technologies, demonstrating our expertise in mechatronics, machine vision, optics and automation. These core capabilities underpin our competitive advantages in the SiPh manufacturing space. As of the Latest Practicable Date, we were one of the providers of high-precision assembly and testing equipment for 800G and above SiPh or CPO optical transceiver modules, according to CIC.

Our technological and software platforms provide us with a distinct competitive advantage, enabling us to deliver advanced automation solutions that differentiate our offerings from those of our competitors. Our systems integrate multi-axis motion control as the "hands," delivering nanometer-level positioning accuracy; advanced machine vision as the "eyes," enabling high-speed, sub-nanometer optical alignment; and PCM software as the "brain," orchestrating the entire process using advanced AI/ML algorithms trained on a vast dataset — working together to deliver "intelligent machine" with "robotic precision."

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Hands (Motion Control and Execution Systems): Our systems integrate multi-axis motion control to deliver precise and repeatable positioning.

- For **PV applications**, we deploy PLC-based and PC-based control architectures to coordinate motors, I/O modules, and process logic for high-volume automation. Our systems utilize industrial robots, linear motors, and precision motion modules configured for flexible handling across diverse wafer formats (e.g., 156 to 210 mm). Our texturing-line loading systems are engineered for throughput exceeding 15,000 wafers per hour with lateral positioning accuracy around ± 0.05 mm.
- For **SiPh applications**, we deploy PC-based motion control modules powered by our PCM software, managing multi-axis precision motion around a virtual pivot point to enable movements with multiple degrees of freedom for stable optical coupling. Our proprietary auto-align technology achieves linear motion resolution up to 5 nanometers and angular resolution of two arcseconds, compared to approximately 100 nanometers by our peers, according to CIC.

Eyes (Machine Vision): Advanced machine vision provides the "eyes" of our systems, enabling real-time feature extraction, precise positional correlation to motion space, and closed-loop alignment and quality control that purely mechanical systems cannot achieve.

- For **PV applications**, we utilize our self-developed Robo Vision for traditional high-precision positioning and inspection, and Robo Deep Learning for AI-based detection of complex or irregular defects in a more human-like way — unlike the majority of our peers' reliance on third-party vision systems. These platforms perform real-time quality checks, detect process errors, and follow automated inspection plans during high-speed PV manufacturing. Both Robo Vision and Robo Deep Learning have been used to optimize and reduce the cost of vision systems, including for ficonTEC, by building on self-developed software foundations that better protect our intellectual property while accelerating cost reductions for vision-related modules.
- For **SiPh applications**, multiple camera systems and vision algorithms are tightly integrated with motion control through automated geometric calibration. The camera image space (pixels) is carefully calibrated to the motion space up to the diffraction limit of the optical system, providing precise guidance, pre-alignment routines, and functionalities. Our Automated Optical Inspection systems detect defects as small as 0.5 micrometers, outperforming many peers that typically range from 0.7 to 2 micrometers, according to CIC.

Brain (Software and Factory Integration): Our software "brain" orchestrates complex processes, unifying motion, vision, and execution into an intelligent, operator-friendly workflow from development to mass production.

- For **PV applications**, PCM coordinates high-throughput material handling, precision positioning, and inspection routines, connecting with our R2Fab MES to enable end-to-end digitalization covering production planning, work-in-process tracking, equipment connectivity, inline data collection, statistical process control, and analytics, including material logistics via AGV/AMR fleets. This integrated approach, combining equipment-level control with a full-scale MES, differentiates

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us from competitors who typically provide either standalone equipment or separate factory management software.

- For **SiPh applications**, PCM provides flexible process control and scalable options across the product lifecycle, from early device development to high-volume manufacturing. Developed and continuously iterated for over two decades, PCM integrates a comprehensive library of process algorithms tailored to complex optical coupling and alignment tasks. A dedicated AI/ML layer, ficonEDGE, is embedded within PCM for real-time predictive analytics, proactive maintenance scheduling, and low-latency self-optimization. According to CIC, this extensive library of proprietary process algorithms provides us with a significant competitive advantage over competitors who may rely on more generic or less mature software control platforms.

Joint R&D Collaboration

We advance our R&D through structured collaboration with universities, national labs, and industry research institutes. These partnerships provide access to frontier technologies, shared facilities and multidisciplinary talent, enabling faster iteration from concept to prototype to pilot line. We co-develop core algorithms, process recipes and automation modules, validate outcomes in joint testbeds, and protect results under clear IP frameworks, including co-ownership, licensing and technology transfer.

The following sets forth the salient terms of the collaboration with external parties and the intellectual property ownership of the research outcome, which are subject to the actual formal agreements.

Purpose and Scope The purpose of collaborations are to jointly promote frontier technological innovation and accelerate research and development in core algorithms, process recipes, automation modules, and advanced manufacturing equipment. Partnerships may cover resource sharing, joint R&D projects, prototyping, process co-development, laboratory access, and pilot line platforms. Scope typically includes co-development of new technologies, joint validation, and commercial feasibility assessment, subject to the specific terms of the relevant agreements.

Intellectual Property Rights Intellectual property rights to research outcomes are subject to the specific terms of the relevant agreements. In certain collaborations, IP rights are allocated pursuant to the contract terms and the nature of each project. Arrangements generally include co-ownership of jointly developed IP, exclusive or non-exclusive licensing to one or more parties, or technology transfer based on contribution and funding proportion (where applicable). Publication and commercial exploitation of IP are also addressed and governed by the specific agreement for each collaboration.

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Confidentiality	Confidentiality obligations are subject to the specific terms of the relevant agreements. In certain collaborations, all non-public technical, commercial, and proprietary information exchanged or generated during the collaboration is subject to strict confidentiality obligations. No party may disclose or use such information for any purpose other than the joint R&D project without prior written consent. These obligations typically survive termination or expiry of the collaboration agreement. Breach of confidentiality may result in contractual or legal liability.
Funding and Resource Allocation	Each party's funding and resource contributions are determined on a project basis and reflected in the agreement. Allocation is based on project scope, respective expertise, and anticipated deliverables. Material changes to funding or resources typically require joint review and written consent of all parties.
Termination and Dispute Resolution	Provisions relating to term, termination conditions, default/liability are subject to the specific terms of the relevant agreements. Where applicable, disputes are to be resolved through amicable negotiation. Failing that, the agreements provide for arbitration or litigation in a mutually agreed forum

Key academic collaborations during the Track Record Period include:

College of Optics and Photonics (CREOL) at the University of Central Florida (UCF)

ficonTEC and the College of Optics and Photonics (CREOL) at the University of Central Florida (UCF) have established a comprehensive partnership that bridges academic photonics research and industrial innovation in photonic assembly and testing.

This collaboration has led to the establishment of the ficonTEC Applications Lab in North America, provision of support for service team activities and the development of strong synergies with existing UCF research centers. By sharing resources including laboratories, cleanrooms and advanced prototyping facilities, ficonTEC and UCF researchers work closely on photonic integration, alignment and assembly to enable rapid prototyping and commercialization of SiPh manufacturing equipment. This partnership exemplifies the effective alignment of educational, research, and industrial strengths to drive technological progress and support scalable, industry-relevant innovation.

Tyndall National Institute (Ireland)

ficonTEC and Tyndall National Institute (Ireland) have established a strong and ongoing partnership that integrates research with industrial innovation in high-precision SiPh intelligent manufacturing equipment. Through a combination of EU-funded programs, such as PhotonicLEAP and PhotonMED, and commercially driven initiatives, the collaboration leverages ficonTEC's AI-empowered automation solutions and Tyndall's R&D capabilities to accelerate the development of high-precision SiPh intelligent manufacturing equipment spanning sensing, interconnect, and computing. This partnership exemplifies effective synergy between academia and industry, driving technological progress, strengthening European competitiveness, and paving the way for scalable, high-precision SiPh intelligent manufacturing equipment.

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Nankai University

We also operate a provincially approved engineering technology research center focused on 5G-enabled PV smart-factory equipment under the Jiangsu Provincial Science and Technology Infrastructure Construction Plan. The center is led by us as the undertaking unit and overseen by the Suzhou Industrial Park Science and Technology Innovation Committee and the Suzhou Municipal Science and Technology Bureau. Its mandate spans facility build-out and pilot-line platforms, acquisition of core R&D assets and key R&D programs in 5G logistics scheduling, data-center architecture and intelligent applications for PV manufacturing.

Through this center, we pursue industry–academia–research collaboration under an open, joint-construction and resource-sharing model. We leverage external facilities and talent support from partners to accelerate joint problem-solving, technology transfer and pilot deployments. The center’s output targets include patent applications, external technical services, and economic contributions. Governance follows a board-led, general-manager responsibility system with expert and technical committees, structured incentives for major contributors, and established IP-management processes.

MANUFACTURING AND PRODUCTION

We operate a make-to-order production model across both our PV and SiPh businesses. Once commercial and technical terms are agreed, our design and planning team refines specifications with the customer, releases bills of materials and process documents, and launches project-based execution. Standard electronic and mechanical parts are sourced under framework or bulk agreements with appropriate pre-stocking, while custom components are procured on a build-to-order basis. Production proceeds from hardware fabrication and subsystem testing to application software loading, system calibration, end-of-line quality inspection, and customer acceptance.

We leverage a modular product architecture where functional modules can operate independently or be combined into complete systems. This allows us to pre-build standard modules and complete rapid final configuration, shortening lead times and ensuring calibrated, tested equipment is delivered on schedule. Our manufacturing capacity is designed to be flexible, scaling execution through modular production cells, cross-trained personnel, and standardized workflows. We also maintain a qualified supplier base with dual-sourcing for key categories and pre-approved alternates to balance load across our value chain. Combined with rolling capacity planning, buffer inventories for critical parts, and digital project scheduling, this model enables us to respond to volume fluctuations efficiently while maintaining delivery reliability and cost discipline.

Production Sites

As of December 31, 2025, we operated two production sites in Germany dedicated to SiPh assembly and testing equipment, and one production site in each of Suzhou and Nantong, China, primarily focused on PV manufacturing solutions. Our Estonia site also has capabilities in fine-tuning SiPh equipment as part of the production process.

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The following table sets out our production data for the years indicated:

	Year ended December 31,		
	2023	2024	2025
	(Unit) ⁽¹⁾	(Unit) ⁽¹⁾⁽²⁾	(Unit) ⁽¹⁾
PV manufacturing solution	2,170	826	73
SiPh assembly and testing equipment	–	61 ⁽²⁾	121

Notes:

- (1) All of our products and solutions are only produced after we receive a customer order. The units produced are counted on an order basis.
- (2) The production data for 2024 includes the output of more than 40 feeder units, which were recorded as separate equipment in 2024.
- (3) This excludes production by ficonTEC prior to the ficonTEC Acquisition.

QUALITY CONTROL

We perform quality control, inspection and testing, identifying defects and irregularities throughout all stages in our production process. Our employees follow established protocols that govern procurement, assembly, calibration, and final inspection. During the Track Record Period and as of the Latest Practicable Date, there were no material safety issues in relation to our product quality.

During the Track Record Period and up to the Latest Practicable Date, (i) we had not received any material complaints or product liability claims relating to product quality; (ii) we had not received any material product returns from our customers and (iii) we had not experienced any product recalls or fatal accidents due to product defects.

SALES AND MARKETING

Our commercial strategy mirrors our technology strategy: global reach, precision execution, and long-term partnership. We operate a unified sales and service network that combines direct engagement with selective channel support, ensuring close proximity to customers and consistent delivery across regions. This structure allows us to scale sustainably while maintaining the responsiveness expected in high-precision industries such as PV and SiPh manufacturing.

Sales Network

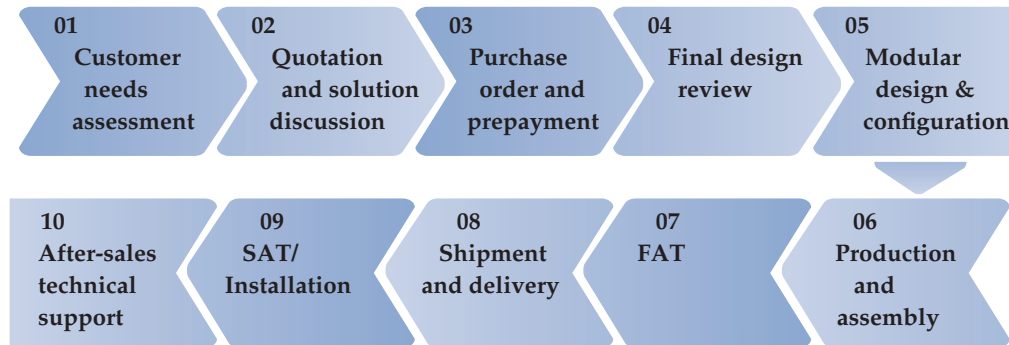
We sell globally with sales primarily conducted through direct sales, under which we contract directly with end customers, schedule production and delivery against the order, and collect payments pursuant to the contract. For the years ended December 31, 2023 and 2024 and the year ended December 31, 2025, revenue generated from direct sales accounted for 100.0%, 100.0% and 99.9% of our total revenue, respectively, with the remainder attributable to distributor sales. In a few specific geographical regions where we do not hold the requisite sales qualifications, we sell to local customers via authorized distributors who act as intermediaries, with all equipment custom-built to end customers' specifications.

To ensure responsiveness and continuity of service, we maintain specialized pre-sales and after-sales teams. Our subsidiaries in China, the United States, the EU and Thailand

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provide localized support to end customers in those regions. Our PV business follows the same direct-first approach with a project-delivery emphasis, where orders are managed under a project manager responsibility system with cross-functional teams spanning sales, technical services, and downstream execution.

Customer Transaction Flow and Product Customization



We operate a make-to-order production model across both our PV and SiPh businesses. The transaction process typically begins with an assessment of customer needs and a quotation, followed by a purchase order (often with a prepayment), a final design review, production, factory acceptance testing (“FAT”), and shipment. Depending on the contract, site acceptance testing (“SAT”) may be conducted after delivery.

Our approach is characterized by a modular product architecture. For our PV manufacturing solutions, we develop standardized functional modules for common process steps, such as wafer carrier handling, allowing rapid configuration of customized equipment. For our SiPh business, customers select functional modules to meet their specific process requirements, with customization extending to material variations, design adaptations, and additional features.

The typical lead time from order to delivery is approximately two to three months for our PV manufacturing solutions and approximately four to five months for our SiPh equipment. For PV solutions, our after-sales team is responsible for on-site installation and commissioning. For SiPh equipment, installation is generally handled by the customer.

Sales Services

We engage with customers at the initial stage of potential projects to discuss technical requirements and determine suitable solutions. Our technical support team, together with the marketing department are responsible for the in-depth exploration of customer needs.

We have also established a comprehensive after-sales service system to ensure timely maintenance and support for our customers. Our after-sales services include assisting customers with equipment and production line upgrades, enabling us to better understand their evolving needs, provide tailored solutions, and deliver value-added services. Our responsibility for installations is determined by the terms of individual customer contracts. Typically, our service offerings include installation commissioning, and comprehensive technical support as part of the project scope. This includes providing remote diagnostics, preventive maintenance, calibrated spares, and on-site intervention as needed to ensure a stable operating experience.

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Direct Sales

Other than the distributor sales relating to ficonTEC, we generally enter into sales agreements with customers following a standardized workflow. Customers first issue a quotation request setting out equipment type, unit price, configuration, and technical specifications. Upon commercial and technical alignment, the parties execute the Sales and Delivery Standard Terms (the "**Standard Terms**"), which set forth the conditions for order effectiveness, pricing principles, shipping method, delivery schedule, representations and warranties, breach and remedies, title to goods, confidentiality, governing law, and other contracting principles. After execution of the Standard Terms, the customer places a formal purchase order by email specifying, among other items, product name, quantity, unit price, total price, payment milestones and conditions, shipping method, expected delivery date, and warranty period. Our standard contractual terms with customers typically include:

- **Quality control.** Product quality is required to comply with the specifications agreed with the customer and referenced in the applicable purchase order and/or technical annexes.
- **Price.** Prices are generally specified in each purchase order issued under the standard terms framework and reflect the agreed configuration and scope of supply.
- **Payment terms.** Payment is made against defined milestones as set out in the purchase order.
- **Confidentiality.** Mutual confidentiality obligations apply to all non-public business, technical, and commercial information exchanged, and typically survive for a defined period following completion or termination of the agreement.
- **Delivery and transportation.** We arrange delivery to the customer and engage third-party logistics providers and customary insurance. Risk of loss during transit is borne by the logistics provider as per the agreed Incoterms and insurance coverage.
- **Warranty.** Our products are supplied with a warranty term as specified in the purchase order. The warranty generally covers defects in materials and workmanship under normal use, with remedies including repair, replacement, or other measures as defined in the Standard Terms. The technical and quality standards of our products are implemented in accordance with the applicable inspection standards attached to the contract, or, where no such standards are specified, in accordance with the relevant national standards. Our products are generally provided with a warranty period of 12 months, commencing from the date of final acceptance of the products and in any event no later than 60 days after shipment. In 2023, 2024 and 2025, we did not record any product returns.

Our contracts with customers typically stipulate a payment schedule linked to the achievement of specific performance milestones. While the exact terms are subject to negotiation for each contract, a typical payment schedule and the associated performance obligations are outlined as follows:

- (a) **Initial Prepayment:** An initial portion of the contract sum, typically representing 20% to 40% of the total value, is payable upon the execution of the sales contract and the finalization of the technical agreement. This payment secures the order and allows us to commence project planning and procurement of long-lead-time components.

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- (b) **Pre-shipment Milestone Payment:** A significant portion of the contract sum, typically representing 20% to 40% of the total value, becomes due upon the completion of our internal factory acceptance testing (FAT) and when the equipment is ready for shipment. The performance obligation for this milestone is the successful demonstration that the equipment meets the agreed-upon specifications at our facility.
- (c) **Installation and Acceptance Milestone Payment:** A further portion of the contract sum, typically representing 20% to 40% of the total value, is payable upon the successful installation and commissioning of the equipment at the customer's facility, often confirmed by a site acceptance test (SAT) certificate signed by the customer. Our performance obligation is to ensure the equipment is correctly installed and operates as specified in the customer's environment.
- (d) **Final Payment/Retention Money:** The final portion, typically representing up to 10% of the total contract value, is payable after a specified period following the successful SAT. This payment is conditional upon the continued successful operation of the equipment and marks the final acceptance of the project.

Our contracts with customers include a warranty period, which is also referred to as a "defect-liability or observation period." This period generally lasts for a duration of approximately 12 months from the date of final acceptance of the equipment. During this period, we are responsible for remedying defects in materials and workmanship that arise under normal use.

Milestone payments are generally non-refundable once the corresponding performance obligations have been met and accepted by the customer. A refund of all or part of the payments would only be required in limited circumstances, such as a material breach of contract by the Group that cannot be rectified in accordance with the remedies specified in the agreement, leading to the termination of the contract. During the Track Record Period, we have not been required to make any material refunds to our customers.

Distributor Sales

In Taiwan, we cooperate with local distributors that act solely as sales agents to facilitate order processing due to local regulatory and commercial considerations. Taiwan is an important market for us with key downstream customers. Historically, as ficonTEC was a Germany-based company, appointing local distributors to support customer engagement and order processing in the region was consistent with its business needs. The end customers in these regions are developed by our Group through ficonTEC, and all product specifications, pricing and commercial terms are determined by our Group through ficonTEC. Under such arrangements, the distributors primarily perform coordination functions, including soliciting orders within the designated territory, facilitating communications with customers and supporting order processing. Our distributors do not take physical possession of the products, as the equipment is delivered by us directly to the end customers. Revenue is recognized when control of the products is transferred to the end customers in accordance with the underlying sales arrangements. For the year ended December 31, 2025, we cooperated with one distributor. For the same period, sales through distributors amounted to RMB0.5 million, accounting for 0.1% of our revenue.

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Distributor Management

We maintain a rigorous process for selecting and managing its distributors to ensure they meet our operational and compliance standards. The selection process considers factors such as the distributor's qualifications, industry experience, local network, customer service capabilities and technical support capacity. Distributors are required to comply with our management policies and are not permitted to engage any sub-distributors.

To the best knowledge of the Directors, during the Track Record Period, all distributors were independent third parties and none were controlled by any of our former or present employees.

We formalize our cooperation with distributors through standard agency agreements, which define the scope of responsibilities, sales regions and termination rights, and may be adjusted based on the outcome of individual negotiations. We do not accept returns from distributors except for product quality issues, and our Directors are of the view that the risk of channel stuffing in relation to our distributorship is relatively low.

The following table sets forth the revenue contributions from direct sales and distributor sales during the Track Record Period:

	Year ended December 31,					
	2023		2024		2025	
	Direct sale	Distributor sale	Direct sale	Distributor sale	Direct sale	Distributor sale
	(in RMB thousands, except for percentages)					
PV manufacturing solutions	1,490,398	-	1,021,418	-	433,059	-
SiPh assembly and testing equipment	-	-	50,178	-	438,657	474

Avoidance of Competition among Distributors

We manage cannibalization risks among distributors through territorial, pricing and inventory controls. Distributors are appointed on an exclusive basis for their respective territories under our distribution agreements. We monitor distributor performance and market coverage to identify overlaps and take corrective actions where necessary, including enforcing territorial arrangements.

We from time to time review and adjust our product prices. We require sales forecasts and monitor inventory levels to align shipments with actual demand and reduce incentives for price undercutting. Products accepted by distributors are generally not returnable except for quality issues, which further discourages speculative stocking and price driven conflict.

Major Customers

In 2023, 2024 and 2025, sales to our five largest customers amounted to RMB1,003.0 million, RMB759.9 million and RMB599.7 million, accounting for 63.9%, 68.8% and 63.2% of our total revenue in the respective years. In 2023, 2024 and 2025, sales to our largest customers amounted to RMB309.3 million, RMB326.5 million and RMB183.8 million, accounting for 19.7%, 29.6% and 19.4%, respectively. During the Track Record Period, to the best knowledge

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of our Directors, none of our Directors, their associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) had any interest in our five largest customers in any period during the Track Record Period that are required to be disclosed under the Hong Kong Listing Rules.

The tables below set forth certain information of our top five customers in each year during the Track Record Period.

For the year ended December 31, 2025

	<u>Customer</u>	<u>Transaction amount</u> (in RMB thousands)	<u>Percentage of revenue</u> %	<u>Duration of business cooperation</u> (year)	<u>Major products sold</u>	<u>Credit Term</u>
1	Customer O ⁽¹⁾ . . .	183,805.3	19.4	1	PV manufacturing equipment	Within 20 days
2	Customer N ⁽²⁾ . . .	149,494.5	15.8	9	SiPh assembly equipment and SiPh testing equipment.	Within 45 days
3	Customer M ⁽³⁾ . . .	135,150.7	14.2	5	SiPh assembly equipment and SiPh testing equipment.	Within 30 days
4	Customer A ⁽⁴⁾ . . .	74,261.3	7.8	5	PV manufacturing equipment	Upon completion of installation of the equipment
5	Customer B ⁽⁵⁾ . . .	56,996.8	6.0	3	PV manufacturing equipment	acceptance testing

For the year ended December 31, 2024

	<u>Customer</u>	<u>Transaction amount</u> (in RMB thousands)	<u>Percentage of revenue</u> %	<u>Duration of business cooperation</u> (year)	<u>Major products sold</u>	<u>Credit Term</u>
1	Customer D ⁽⁶⁾ . . .	326,455.7	29.6	12	PV manufacturing equipment	Within 30 days
2	Customer E ⁽⁷⁾ . . .	154,222.5	14.0	10	Intelligent manufacturing solutions	Within 14 days
3	Customer F ⁽⁸⁾ . . .	108,504.8	9.8	7	PV manufacturing equipment	Within 10 days
4	Customer A ⁽⁴⁾ . . .	87,550.4	7.9	5	PV manufacturing equipment	Upon completion of installation of the equipment
5	Customer C ⁽⁹⁾ . . .	83,214.0	7.5	6	PV manufacturing equipment	Within 30 days

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For the year ended December 31, 2023

Customer	Transaction amount (in RMB thousands)	Percentage of revenue %	Duration of business cooperation (year)	Major products sold	Credit Term
1 Customer D ⁽⁶⁾	309,321.7	19.7	12	PV manufacturing equipment	Within 30 days
2 Customer G ⁽¹⁰⁾	243,983.2	15.5	5	PV manufacturing equipment	Within 90 days
3 Customer H ⁽¹¹⁾	178,624.9	11.4	5	PV manufacturing equipment	Within 7-30 days
4 Customer I ⁽¹²⁾	141,204.3	9.0	14	PV manufacturing equipment	Within 15 days
5 Customer J ⁽¹³⁾	129,819.7	8.3	13	PV manufacturing equipment	Within 7-30 days

Notes:

- (1) Customer O is a private photovoltaic manufacturer headquartered in Zhejiang, China.
- (2) Customer N is the global leader in high-speed connectivity, headquartered in Canada. Shares of its parent company are listed on the NASDAQ.
- (3) Customer M designs and develops semiconductor-based, high-performance interconnect products, headquartered in the United States. Its shares are listed on the NASDAQ.
- (4) Customer A is a leading renewable energy company, headquartered in India. Its shares are listed on the National Stock Exchange of India.
- (5) Customer B is an integrated PV cell and module manufacturing company, headquartered in India. Its shares are listed on the National Stock Exchange of India.
- (6) Customer D is mainly engaged in PV products, PV systems and smart energy, headquartered in Jiangsu, China. Its shares are listed on the Shanghai Stock Exchange.
- (7) Customer E is a PV panel and material manufacturer, headquartered in Sichuan, China. Its shares are listed on the Shanghai Stock Exchange.
- (8) Customer F is engaged in PV wet process auxiliary products, headquartered in Jiangsu, China. Its shares are listed on the Shanghai Stock Exchange.
- (9) Customer C is a PV cell manufacturing company, headquartered in Sichuan, China. Shares of its parent company are listed on the Stock Exchange.
- (10) Customer G is a private company specializing in PV technology, headquartered in Jiangsu, China.
- (11) Customer H is engaged in PV equipment, headquartered in Hainan, China. Its shares are listed on the Shenzhen Stock Exchange.
- (12) Customer I is a leading manufacturer of PV cells and modules, headquartered in Jiangsu, China. Shares of its parent company are listed on the NASDAQ.
- (13) Customer J is a PV cell and module manufacturer, headquartered in Jiangxi, China. Its shares are listed on the Shanghai Stock Exchange.

Seasonality

During the Track Record Period, we did not experience any material seasonal fluctuations in our results of operations.

While we observed a concentration of revenue from PV manufacturing solutions in December in 2025, our revenue recognition is primarily determined by the timing of individual customer purchase orders and the achievement of project delivery milestones. These significant projects are subject to varying schedules and customer demand patterns

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throughout the year, which can lead to fluctuations in our revenue distribution across different months or quarters. However, such variations are project-specific and do not reflect a recurring, predictable seasonal trend across our overall operations.

Pricing

The selling prices of our equipment and solutions are jointly determined by our cost center, finance department and the sales and marketing departments considering factors of labor cost, cost of raw materials and price of comparable products and solutions in the market and are approved by the management team of the sales and marketing departments.

Concentration of Our Customers

During the Track Record Period, sales to certain of our top five customers were relatively concentrated. Specifically, Customer A, contributed to 7.8% of our revenue for the year ended December 31, 2025. We believe that we do not unduly rely on our major customers because the products we supply to Customer A have high technical barriers and customized features and are integrated into its supply chain. This gives us greater leverage in pricing and business negotiations, and our close relationship with Customer A means that replacing us as a supplier would entail very high technical and time costs. In addition, we are continuously expanding our product portfolio to serve a broader range of industries, thereby effectively mitigating the risk of overconcentration. Accordingly, we do not believe we are subject to the risk of overreliance on a single customer. In addition, most of our sales are project-based, rather than volume-based. We expect that we will continue to experience customer concentration following the ficonTEC Acquisition given the revenue contribution from ficonTEC and its customer composition.

SUPPLY CHAIN

Our Suppliers

We have established a comprehensive and unified system for the selection and qualification of suppliers across our business. For our PV manufacturing segment, procurement of its primary raw materials, such as structural and electrical components, is demand-driven and aligned with our make-to-order production model. Our planning process translates firm customer orders into a material requirements plan, which guides our procurement strategy: we maintain appropriate safety stock for core standard components like robotic arms and control units through framework agreements, while procuring customized parts such as welded frames on a build-to-order basis. For our SiPh manufacturing segment, the procurement process similarly begins with a material list from our design department to source high-precision electronic and mechanical components, followed by quotation requests, order placement, and rigorous incoming quality inspections. Across both segments, all suppliers undergo a stringent qualification process and are subject to regular performance reviews to ensure the stability and reliability of our supply chain.

We have established unified group-wide procurement requirements. For operations in the PRC, both PV and SiPh manufacturing follow the same standardized procurement procedures. For our overseas SiPh operations, currently at our German base, procurement procedures are adapted to local operating practices and regulatory requirements within our overall internal control framework.

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The key terms of the long-term framework agreements we enter into with our suppliers generally include the following:

- **Duration.** Generally become effective upon execution by both parties and remain valid for a term of one year. The quality assurance provisions continue to apply.
- **Purchase order.** We place purchase orders with suppliers in writing, specifying the type, specification, unit price, quantity and delivery schedule of the raw materials required.
- **Price.** Prices are based on current-year bidding rates or negotiated for non-bidding models, quoted as tax-inclusive prices.
- **Inspection and product returns.** Product inspection takes place within a specified period after delivery of the raw materials to us. We are entitled to return any defective raw materials that do not meet the agreed quality standard and the suppliers shall remedy the same, including product return and replacement.
- **Credit terms and payment method.** Common credit terms include 120, 90 or 60-day monthly settlements, with payments made via telegraphic transfer, bank acceptance bills or supply chain finance.
- **Minimum purchase commitment.** We generally do not specify minimum quantities and procurement is determined based on our production needs.
- **Confidentiality.** We usually set confidentiality clauses with our suppliers and such obligations may continue to exist for a certain period of time after termination of the agreement.
- **Termination.** The agreements will be terminated upon expiration. We are entitled to terminate the agreement if the supplier fails to meet our evaluation and assessment standards.

Major Suppliers

In 2023, 2024 and 2025, purchases from our five largest suppliers amounted to RMB334.4 million, RMB158.3 million and RMB174.2 million, accounting for 33.2%, 37.8% and 43.5% of our total purchases in the respective periods. In 2023, 2024 and 2025, purchases from our largest supplier amounted to RMB109.5 million, RMB47.3 million and RMB81.2 million, accounting for 10.9%, 11.3% and 20.3% of our total purchases in the respective periods.

During the Track Record Period, to the best knowledge of our Directors except for Supplier C (Junion Intelligent), none of our Directors, their associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) had any interest in our five largest suppliers in any period during the Track Record Period that are required to be disclosed under the Listing Rules.

We integrate industrial components and specialized modules from leading suppliers, such as motion control units, robotic arms, sensors, vision hardware, and specialized test instruments. In our PV segment, we strategically procure certain standardized sub-systems, such as wafer carrier transport modules, while for our SiPh business, we procure components such as advanced motion systems, laser sources, and optical measurement instruments. Our value-add stems from our proprietary technology stack, which transforms these components into highly precise, intelligent manufacturing systems.

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Our motion control technology enables linear motion resolution up to 5 nanometers in SiPh applications, compared to approximately 100 nanometers by peers, according to CIC. Our self-developed Robo Vision and Robo Deep Learning platforms integrate standard vision hardware with our proprietary image algorithm library, enabling our AOI systems to detect defects as small as 0.5 micrometers, compared to the industry range of 0.7 to 2 micrometers, according to CIC, while reducing reliance on third-party licenses and lowering BOM costs. Our proprietary PCM software for SiPh and R2Fab MES for PV orchestrate all hardware and software components into a cohesive, high-performance system.

The tables below set forth certain information of our top five suppliers in each year during the Track Record Period.

For the year ended December 31, 2025

	Supplier	Transaction amount (in RMB thousands)	Percentage of purchases %	Duration of business cooperation (year)	Major equipment/ service purchased	Credit Term
1	Supplier A ⁽¹⁾⁽⁴⁾	81,172.5	20.3	9 ⁽²⁾	Infrastructure manufacturing	Within 30 days
2	FSG ⁽³⁾⁽⁵⁾	32,086.5	8.0	6	Components used in equipment manufacturing	Upon acceptance of the equipment
3	Supplier K ⁽⁶⁾	25,610.6	6.4	1	Equipments	Within 10 days
4	Supplier L ⁽⁷⁾	22,035.4	5.5	1	Equipments	Within 10 days
5	Supplier B ⁽⁸⁾	13,246.0	3.3	5	Components	Set-off mutual due receivables and payables between both parties

Notes:

- (1) Suppliers for our high-precision SiPh assembly and testing equipment.
- (2) Represents the years of relationship with ficonTEC
- (3) The figures represent purchases from FSG for the period from January to April 2025, which is before the consolidation of ficonTEC into our Group.
- (4) Supplier A is a private company engaged in designing and manufacturing factory automation solutions, headquartered in Estonia.
- (5) FSG is a market leader in automated assembly, headquartered in Germany. Since May 2025, FSG has become a wholly owned subsidiary of the Company.
- (6) Supplier K is a private company engaged in solar PV power station system integration services, headquartered in Hunan, China. Shares of its parent company are listed on the Shanghai Stock Exchange.
- (7) Supplier L is an intelligent equipment manufacturer for PV, Li-ion battery and semiconductor industries, headquartered in Wuxi, China. Shares of its parent company are listed on the Shanghai Stock Exchange.
- (8) Supplier B is a private company engaged in the manufacturing of electrical machinery and equipment, headquartered in Jiangsu, China.

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For the year ended December 31, 2024

	<u>Supplier</u>	<u>Transaction amount</u> (in RMB thousands)	<u>Percentage of purchases</u> %	<u>Duration of business cooperation</u> (year)	<u>Major equipment/service purchased</u>	<u>Credit Term</u>
1	Supplier C (Junion Intelligent) ⁽⁹⁾ . . .	47,320.2	11.3	6	Intelligent robots	Upon acceptance of the equipment
2	Supplier E ⁽¹⁰⁾	42,001.8	10.0	14	Robots	Within 90 days
3	FSG ⁽⁵⁾	28,058.2	6.7	6	Components used in equipment manufacturing	Upon acceptance of the equipment
4	Supplier F ⁽¹¹⁾	20,549.9	4.9	4	Components used in equipment manufacturing	Within 30 days
5	Supplier G ⁽¹²⁾	20,408.2	4.9	9	Components used in equipment manufacturing	Within 90 days

Notes:

- (9) Supplier C (Junion Intelligent) is a private company specializing in the services of intelligent mobile robots, headquartered in Jiangsu, China.
- (10) Supplier E is a private company offering industrial and mechatronic solution, headquartered in Zhejiang, China.
- (11) Supplier F is a private company that manufactures and distributes factory automation equipment, headquartered in Zhejiang, China.
- (12) Supplier G is a private company engaged in the precision processing and customized production of alumina ceramics, headquartered in Zhejiang, China.

For the year ended December 31, 2023

	<u>Supplier</u>	<u>Transaction amount</u> (in RMB thousands)	<u>Percentage of purchases</u> %	<u>Duration of business cooperation</u> (year)	<u>Major equipment/service purchased</u>	<u>Credit Term</u>
1	Supplier F ⁽¹¹⁾	109,480.0	10.9	4	Components used in equipment manufacturing	Within 30 days
2	Supplier E ⁽¹⁰⁾	78,887.5	7.8	14	Robots	Within 90 days
3	Supplier H ⁽¹³⁾	62,283.5	6.2	15	Robots	Within 60 days
4	Supplier I ⁽¹⁴⁾	45,327.8	4.5	4	Robots	Within 30 days
5	Supplier G ⁽¹²⁾	38,411.5	3.8	9	Components used in equipment manufacturing	Within 90 days

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Notes:

- (13) Supplier H is a company specializing in the solution for factory automation, headquartered in Shanghai, China. Shares of its parent company are listed on the Tokyo Stock Exchange.
- (14) Supplier I is a company specializing in echelon industrial robot, headquartered in Anhui, China. Its shares are listed on the Shanghai Stock Exchange.

Concentration of Our Suppliers

During the Track Record Period, procurement from certain of our top five suppliers was relatively concentrated. Specifically, FSG accounted for 8.0% of our purchases for the year ended December 31, 2025. Following the acquisition, FSG has become a subsidiary of our Group and procurement from FSG represents intra-group transactions. Excluding procurement from FSG, our purchases from third-party suppliers are less concentrated and we cooperate with a broader group of major suppliers, as evidenced by the changing composition of our top five suppliers of our continuing operations. This not only enhances our market position but also mitigates risks associated with over-reliance on a small group of suppliers. We expect that we will continue to experience supplier concentration following the ficonTEC Acquisition given the revenue contribution from ficonTEC and its supplier composition.

Supplier-Customer Overlap

FSG was one of our top five largest suppliers and customers in 2025. Our procurement from FSG amounted to RMB32.1 million in 2025, accounting for 8.0% of our total procurement amount in the same period. Our revenue from FSG amounted to RMB25.8 million in 2025, accounting for 2.7% of our total revenue in the same period. Prior to the ficonTEC Acquisition, we mostly purchased components used in equipment manufacturing from FSG while we sold SiPh equipment to FSG. For the year ended December 31, 2025, the gross profit margin of our sales to FSG was 34.9%.

Supplier A, one of our Group's five largest suppliers in 2025 was also our Group's customers in the same period, respectively. Our procurement from Supplier A amounted to RMB81.2 million in 2025, accounting for 20.3% of our total procurement amount in the same period. Our revenue from Supplier A amounted to RMB0.4 million in 2025, accounting for 0.0% of our total revenue in the same period. Similar to the nature of transaction between our Group and FSG, Supplier A purchased components used in manufacturing from FSG while it sold SiPh equipment to FSG. For the year ended December 31, 2025, the gross profit margin of our sales to Supplier A was 59.6%.

The transactions involving FSG and Supplier A reflect a collaborative and specialized manufacturing model based on a division of expertise and production capacity. In these arrangements, FSG, as a specialist in core high-precision SiPh modules and components, sold these proprietary components to our Group and Supplier A. We, or Supplier A, then integrated these core modules into larger, complete automated production lines, leveraging our respective expertise in large-scale system and infrastructure manufacturing and then sold back to FSG.

The rationale for this arrangement is that FSG focuses its resources on developing and producing its most critical, high-value technology and does not maintain the large-scale manufacturing infrastructure for building complete, integrated production lines. Therefore, FSG engages partners like us to build the full system. As a SiPh equipment provider itself,

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FSG procures the final, fully integrated equipment from our Group or Supplier A to deliver a complete solution to its own end-customers. Consequently, the equipment procured by FSG is a comprehensive, value-added system that incorporates its components, and is distinct from the components it originally sold. This is because the integration of these highly specialized core modules into a reliable, high-performance production line requires significant co-development and proprietary automation expertise that a general-purpose contract manufacturer may not possess.

Save as disclosed above, none of our Group's five largest suppliers in 2023 and 2024 and 2025 were also our Group's customers in the same years/period, and none of our five largest customers in 2023, 2024 and 2025 were also our suppliers in the same years/period, respectively. In addition, from a business perspective, the transactions that we entered into with the overlapping supplier-customers were on an arm's-length, mutually independent basis under normal commercial terms. The pricing and other terms of these transactions are on the same basis as those agreed with our other customers. The pricing and other terms for these transactions were no more favorable than those offered to or by our other independent customers and suppliers for similar transactions. Negotiations of the terms of our sales to and purchases from these overlapping supplier-customers were conducted on an individual basis, undertaken by different departments and entities both in our Group and in the overlapping supplier-customers, and the sales and purchases were neither inter-connected nor inter-conditional with each other. Decisions regarding the procurement of raw materials, such as timing, pricing and quantity, are made independently based on market conditions, production plans and raw material needs.

For the overlapping supplier-customer, the key terms of our sales and supply agreements were substantially similar to those of our other customers/suppliers. Such overlap is common in SiPh equipment industry. This dual relationship stems from the highly specialized and vertically integrated nature of the SiPh industry, where leading players often possess distinct capabilities in both device fabrication and equipment utilization.

Leading IDMs and foundries often dominate upstream supply chains for critical components like lasers, PIC wafers, and DSP chips, making them essential suppliers for equipment manufacturers. Simultaneously, these entities operate advanced fabrication lines requiring the very assembly, alignment, and testing equipment produced by the same vendors. According to CIC, it is in line with industry practice for a company to have both sales to and purchases from the same customer/supplier.

INVENTORY MANAGEMENT AND LOGISTICS

Our make-to-order model and modular architecture allow disciplined inventory and reliable deliveries — key to cash efficiency and customer satisfaction.

Our raw materials comprise a mix of equipment components, parts and other items in relation to our production. We maintain relatively low inventory levels for both raw materials and finished products, primarily because we operate under a make-to-order business model. For certain critical components with longer procurement cycles, such as sensors, we maintain limited stock, the value of which remains relatively small. During the Track Record Period, we did not experience any shortage or delay in the supply of raw materials supplies.

We have established a stable logistics management system supported by a diversified network of third-party service providers. These service providers include integrated

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companies offering both professional packaging and transportation services, as well as specialized providers focusing on either packaging or logistics. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any significant delay or inappropriate handling of goods that materially or adversely affected our business operations.

INTELLECTUAL PROPERTY

We consider our patents, trade secrets, and other intellectual property rights to be critical assets on which our business depends. During the Track Record Period and up to the Latest Practicable Date, to the best of our knowledge, we were not aware of any legal proceedings preventing us from exploiting our intellectual property rights in a manner that would materially and adversely affect our business, or legal proceedings brought against us for infringement of intellectual property rights that would have a material adverse effect on our business, financial condition or results of operations.

INFORMATION TECHNOLOGY

Information technology systems are crucial for staying competitive and running efficiently. We use and maintain IT systems that grow alongside our business. These systems cover various aspects of our operations, such as inventory management, production, quality control, external relationship management, internal relationship management and operation management. Our IT team is responsible for developing and maintaining these systems to support our business growth and tailor them to our specific needs.

COMPETITION

If we are unable to keep pace with such advancements or fail to differentiate our products in terms of quality or cost, we risk losing market share to our competitors. See "Industry Overview" for details relating to our competitive landscape.

EMPLOYEES

Our people are the foundation of our innovation, execution and growth. Their expertise drives the precision, reliability and technological leadership that define our position in intelligent manufacturing for AI and renewable energy. As of December 31, 2025, we had 737 full-time employees, with approximately 68.9% of our employees located in Chinese Mainland. The following table sets forth a breakdown of our full-time employees by function as of December 31, 2025.

Function	As of December 31, 2025	
	Number	%
Operational	286	38.8
Technical	189	25.6
Production	139	18.9
Administrative	70	9.5
Finance	32	4.3
Sales and marketing	21	2.9
Total	737	100.0

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Our workforce comprises highly trained workers and professionals from various fields and academic backgrounds, engineering, finance and management many of whom have extensive knowledge and experience in the new energy equipment manufacturing business. We enter into standard employment contracts and confidentiality agreements with our employees. We also enter into non-competition agreements with our key employees. We value our employees and are providing competitive compensation and benefits. Our compensation system consists of basic salaries, performance-based incentives and bonuses and other benefits such as medical examination, catering and transportation benefits and holiday gifts. We established labor union in 2011 and it is in its third term, comprising a total of five members. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any major labor dispute or disturbance that had interfered with our operations and we believe we maintain good employee relations.

PROPERTIES

As of December 31, 2025, we had no single property with a carrying amount of 15% or more of our total assets, and on this basis, we are not required by Rule 5.01A of the Listing Rules to include any valuation report in this document. Pursuant to section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to all of our interests in land or buildings.

As of December 31, 2025, we owned 2 major properties with a gross floor area of 87,122.3 square meters in Chinese Mainland. We mainly use these properties as our production centers, warehouses and office premises.

As of December 31, 2025, we leased five major properties with a gross floor area of approximately 7,819.36 square meters in Chinese Mainland and Germany. We also leased properties in the U.S., Estonia, Thailand and Ireland. We mainly use these properties as our production centers, warehouses and office premises. In the U.S. and Ireland, we operate R&D and application labs as well as sales, distribution and after-sales service centres; in Thailand, we operate sales, distribution and after-sales service centres; and our Estonia site also has capabilities in fine-tuning SiPh equipment as part of the production process.

INSURANCE

We have in place the mandatory insurance policies required by applicable laws and regulations and in accordance with the commercial practices in our industry. We maintain property risks insurance to protect the loss of fixed assets such as machinery, equipment and inventory due to events such as theft and natural disasters. Our employee-related insurance consists of pension insurance, maternity insurance, unemployment insurance, work-related injury insurance, medical insurance, cyber insurance and housing provident funds. During the Track Record Period and up to the Latest Practicable Date, we did not file any material insurance claims in relation to our business. See "Risk Factors — Risks Relating to Our Business and Industry — We may not have adequate insurance to cover losses and liabilities arising from various operational risks and hazards."

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LICENSES, PERMITS AND APPROVALS

During the Track Record Period and up to the Latest Practicable Date, we had obtained all requisite licenses, permits, approvals and certificates from the relevant government authorities that are material for our business operations. We continually monitor our compliance with these requirements in order to ensure that we have all such approvals, licenses and permits as are necessary to operate our business.

We had not experienced any material difficulties in renewing material licenses, permits or approvals during the Track Record Period and up to the Latest Practicable Date and do not expect there to be any material difficulties in renewing them upon their expiry.

REGULATORY COMPLIANCE AND LEGAL PROCEEDINGS

We may, from time to time, become a party to various litigation, arbitration or administrative proceedings arising in the ordinary course of our business. During the Track Record Period and up to the Latest Practicable Date, there were no material litigation, arbitration or administrative proceedings pending or threatened against us or any of our directors that could have a material or adverse effect on our business, our financial condition or the results of operations.

Regulatory Measures by CSRC Jiangsu Bureau and SZSE

During the Track Record Period and up to the Latest Practicable Date, our Company, the Controlling Shareholders and certain Directors were subject to a number of regulatory measures imposed by the CSRC Jiangsu Bureau and/or the SZSE, among which (i) three warning/regulatory letters and one public criticism relate to historical inaccurate estimate relating to the Company's 2021 annual results, an accounting error subsequently identified and voluntarily disclosed in the remedial self-review conducted by the Company and inaccurate disclosure relating to certain R&D expenses in the use of proceeds; (ii) one regulatory letter relates to the failure by the controlling shareholder, Yuanjiesheng, to make required pre-disclosure before disposal of shares; and (iii) one regulatory letter relates to the non-disclosure of certain repurchase and performance compensation arrangements in connection with the acquisition of ficonTEC. See also "Directors and Senior Management — Other Information — Rule 13.51(2) of the Listing Rules."

Inaccuracies in 2021 Annual and Interim Financial Disclosures

In early 2022, the Company announced a 2021 results estimate indicating a profit, which was subsequently revised to an estimated loss, and the audited 2021 annual report recorded an actual net loss.

We initially estimated a profit attributable to shareholders ranging from approximately RMB15.0 million to RMB22.0 million for the year ended December 31, 2021, as announced on January 29, 2022. This estimate was subsequently revised on April 23, 2022, to an estimated loss ranging from approximately RMB48.5 million to RMB44.0 million. Our audited financial statements for the year ended December 31, 2021 ultimately reported an actual net loss attributable to shareholders of RMB46.9 million. This downward adjustment was primarily attributable to an increase in asset impairment losses and credit impairment losses of approximately RMB33.0 million, and an additional loss of approximately RMB40.0 million resulting from the untimely recognition of certain product processing costs incurred by our

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wholly-owned subsidiary, Roboteknik Nantong, in prior periods. This accounting error also led to misstatements in our financial statements for the six months ended June 30, 2021 and the nine months ended September 30, 2021, which, after correction, reduced the net profit attributable to owners of the parent by approximately RMB5.3 million and approximately RMB16.3 million, respectively. In response to these inaccuracies, the CSRC Jiangsu Bureau issued a warning letter on June 14, 2022, and the SZSE issued a public criticism decision on August 1, 2022, to us and certain responsible officers, citing the significant variance and change in the nature of our results. The SZSE further issued a regulatory letter on July 19, 2022, noting that the related restatement breached applicable listing rules and reminded our Board to prevent recurrence. A subsequent warning letter from the CSRC Jiangsu Bureau on April 14, 2023, also cited these inaccurate disclosures.

Misclassification in 2022 Interim Report on Use of Proceeds

In the 2022 Interim Report on the Deposit and Use of Proceeds, certain cooperative R&D expenses incurred for the year ended December 31, 2021 were mistakenly recorded under the “Industrial 4.0 intelligent equipment production project” instead of the “Industrial 4.0 intelligent equipment R&D project.” This inadvertent oversight resulted in an inaccurate disclosure of the cumulative investment amount by sub-projects. The misclassification concerned the allocation of “certain cooperative R&D expenses incurred in 2021” between these two sub-categories, though the total amount of proceeds utilized was unaffected.

Controlling Shareholder’s Failure to Publish Pre-Disclosure for Share Disposal

From June 30, 2022 to July 1, 2022, Yuanjiesheng, our Controlling Shareholder, disposed of an aggregate of 246,000 A Shares through block trades, representing approximately 0.22% of our then total share capital. Yuanjiesheng failed to publish a pre-disclosure announcement at least three trading days before this disposal, as required by its undertaking in our A-share prospectus. This omission was a procedural oversight and did not involve any improper or undisclosed benefit.

Non-Disclosure of Repurchase Arrangements for ficonTEC Acquisition

Between 2019 and 2023, Feikong Taike gradually acquired approximately 93.03% equity interests in FSG and FAG. During the period from 2019 to 2020, Mr. Dai, Yuanjiesheng, and Mr. Wang Hongjun entered into agreements with five shareholders of Feikong Taike (the “**Repurchase Arrangements**”). Under these agreements, if within a specified period we (or our designated entities) failed to acquire the equity interests in Feikong Taike, FSG, and FAG, or if agreed return targets were not met, Yuanjiesheng, Mr. Dai, or Mr. Wang Hongjun would repurchase the relevant equity interests or provide a return guarantee/compensation to such shareholders. These arrangements were not disclosed in our original material asset restructuring report. We initially considered these arrangements did not require disclosure as they involved shareholders of Feikong Taike (excluding our Company), would not impose additional burdens or payment obligations on us, and were not expressly identified as disclosable matters under then-applicable CSRC guidelines. However, the SZSE Listing Review Centre determined that, under Article 3 of Guidelines No. 26, such arrangements should have been disclosed due to their potential impact on investment decisions.

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Enhancements to Internal Control and Financial Reporting

In response to the above incidents, the Group has implemented a series of rectification and enhancement measures, including:

- correcting historical accounting errors and revising financial disclosures to further ensure accuracy, completeness and compliance with applicable accounting standards;
- tightening the accounting and impairment assessment of receivables and other relevant items strictly in accordance with Accounting Standard No. 22 — Financial Instruments Recognition and Measurement, strengthened review and collection procedures, and took steps to reduce bad-debt risk;
- reinforcing inventory management, impairment assessment and internal control over subsidiaries' finance systems and clarifying responsibilities among finance, business and internal audit functions;
- enhancing training for Directors, senior management, and key finance and disclosure personnel on accounting standards, securities laws, and applicable information disclosure regulations. These enhancements have included targeted training sessions covering complex topics including accounting treatment for major transactions and specific disclosure obligations under applicable listing rules;
- engaging an independent internal control consultant to perform a comprehensive review of our internal control systems;
- strengthening internal coordination between the business team, legal department and Board Office so that all transaction-related agreements are provided to professional advisers for review and inclusion in disclosure documents where relevant;
- improving communication with external auditors and continuously enhancing financial accounting and internal control systems; and
- clarifying Board and officer accountability for completeness and accuracy of application documents, with enhanced oversight by the Board and its audit committee over financial reporting and transaction disclosure processes.

The issues identified have been duly corrected, and as of the Latest Practicable Date, there has been no any further action, claim or proceeding against our Group in connection with the above regulatory measures.

According to the Company's PRC legal adviser, the public criticisms, warning letters and regulatory letters described above do not constitute administrative penalties or public censure under PRC laws and regulations. These letters from the regulators also did not indicate (a) any intentional misappropriation or diversion of the Group's assets; (b) fraud, bribery, corruption or other serious unlawful conducts; (c) any breach of fiduciary duties by the Company's directors or officers; or (d) any severe incidents resulting in trading suspension, delisting risk warnings, or investigations by public security or criminal authorities.

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Taking into account the nature and gravity of above non-compliances, the remedial actions taken and the enhancements made, the Directors are of the view that the above non-compliances are not material non-compliances and do not have any material adverse impact on the Group's operations, financial position or the suitability of directorship of the relevant Directors under Rule 3.08 and 3.09 of the Listing Rules or suitability for [REDACTED] of the Company under Rule 8.04 of the Listing Rules.

Self-regulatory Measure by SZSE

In addition, we were subject to a verbal warning imposed by SZSE in November 2025 (the "Verbal Warning") in connection with an inadvertent administrative error in our third-quarter report for 2025, in which certain shareholding information of the Company was omitted. Upon our self-discovering this error, we proactively and voluntarily published a clarification announcement and notified the SZSE, who subsequently imposed a verbal warning and required submission of a rectification report, which we duly submitted.

As advised by our PRC Legal Advisor, according to the applicable PRC laws and regulations, the Verbal Warning is considered to be the least severe type of "self-regulatory measure" imposed by the SZSE, and it does not constitute an administrative penalty. As such, we are of the view that the Verbal Warning would not have any material adverse effect on our operations or financial position, nor does it affect our suitability for [REDACTED] under Rule 8.04 of the Listing Rules.

Legal Proceedings

We are, from time to time, party to court, arbitral and administrative proceedings arising in the ordinary course of our business operations. During the Track Record Period and up to the Latest Practicable Date, we and our major subsidiaries are not involved in any court, arbitral or administrative proceedings that we believe may be of material importance to our assets and liabilities or profits and losses nor, so far as we are aware, are any such proceedings pending or threatened.

ENVIRONMENTAL, SOCIAL RESPONSIBILITIES AND GOVERNANCE

We integrate environmental, social and governance ("ESG") considerations into our corporate management and operations, adhering to high standards in our ESG practices. After [REDACTED], we will comply with ESG reporting requirements and fulfill the responsibility of publishing an annual ESG report, in accordance with Appendix C2 of the Hong Kong Listing Rules. We will focus on the categories designated in Appendix C2 of the Hong Kong Listing Rules, particularly those ESG matters, risk management and the achievement of performance targets that may have a material impact on business sustainability.

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Governance of ESG Matters

The Board of the Company assumes overall responsibility for ESG matters. The Board is responsible for overseeing our strategic direction on sustainability, reviewing related policies, management systems, and key performance indicators and ensuring alignment between ESG matters and our overall development strategy.

Currently, we have drafted the Terms of Reference for the Strategy and ESG Committee (the "Draft"), which will be submitted to our Board for review and approval within six months of [REDACTED]. Meanwhile, the existing Strategic Committee under the Board will be optimized into the "Strategic and ESG Committee" (the "Committee"). The Board regularly receives reports from management on ESG work to ensure the orderly advancement of related tasks.

We are committed to complying with ESG reporting requirements. The board will be fully responsible for formulating, adopting and reviewing our ESG strategy, policies and objectives. The Board will also regularly assess and address ESG-related risks and monitor our compliance with ESG policies after [REDACTED].

Potential Impact of ESG-related Risks

In our daily operations, we focus on the potential impact of ESG factors on its business and have initially identified several key risks related to the characteristics of the photovoltaic and semiconductor equipment manufacturing industries.

Environmental Risks

Our production processes involve welding, cutting, spraying and other activities. If waste gas, wastewater, or solid waste are not properly managed, there is a risk of non-compliance with emission standards, which could result in administrative penalties, production stoppages for rectification or reputational damage. Additionally, we have a high energy consumption intensity, and any future fluctuations in energy prices or stricter carbon emission policies may increase operating costs.

Furthermore, we are concerned with the potential impact of climate change and changes in environmental protection policies. If national or international customers in the future impose stringent carbon emission or energy efficiency requirements, our compliance costs may increase. To mitigate these potential risks, we plan to gradually improve our energy efficiency, increase the use of renewable energy and enhance our internal management systems.

To address these risks, we have established the Air Pollutant Emissions Control Management System and the Wastewater Discharge Pollution Control Management System, which clarify environmental management responsibilities and operational procedures. We also engage qualified third-party institutions to regularly test emission indicators to ensure continued compliance. In the factory, we promote energy-saving measures, such as LED lighting, temperature centralized control and distributed photovoltaic power generation, to improve energy utilization efficiency and reduce emission intensity.

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Social Risks

Some production positions within us are exposed to risks such as welding fumes, noise and high-temperature operations. If occupational health and safety management are inadequate, it could lead to employee injuries or occupational diseases, resulting in compensation costs and production interruptions.

We have implemented the Occupational Health Management System, established employee health records and regularly organized occupational health check-ups and safety training. We also strictly follow the "Three Simultaneities" procedures in the planning and construction of new, modified, or expanded projects to ensure the health and safety of employees. Additionally, we have established the Training Management Guidelines to ensure employee training, promotion and rights, maintaining stable labor relations.

Governance Risks

If our internal integrity and anti-bribery mechanisms are not effectively implemented, it could lead to commercial bribery or fraudulent activities, potentially damaging our reputation and compliance operations.

We have executed the Anti-Corruption and Anti-Bribery Management Code, requiring key personnel and all clients, suppliers, service providers and contractors who engage with us to sign the Anti-Bribery/Anti-Corruption Commitment Letter. It has also established reporting channels and a confidentiality system, with serious consequences for any violations. The Board of Directors holds ultimate responsibility for these matters and monitors compliance risks through auditing and the internal control system.

Energy and Resource Consumption

We implement energy management measures across production operations, office management and facility upgrades to enhance energy efficiency. The following table summarizes our resource consumption:

	Year ended December 31,		
	2023	2024	2025
Purchased electricity (kWh)	4,548,451.0	3,146,762.0	1,482,197.0
Diesel consumption (L)	20,342.8	10,021.3	2,700.0
Gasoline consumption (L)	7,554.0	6,780.0	12,500.0
Natural gas consumption (m ³)	25,217.0	13,856.0	9,999.0
Packaging materials consumption ⁽¹⁾ (tons)	1,911.9	1,112.4	107.7

Note:

(1) Packaging materials include export wooden crates, domestic wooden crates, and pallets.

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Water Consumption

Our water usage is primarily sourced from municipal water supply. We integrate the concept of water conservation into daily production and office operations. The following table summarizes our water consumption:

	Year ended December 31,		
	2023	2024	2025
Total Water Consumption (tons)	55,197.0	27,390.0	23,157.0

Emissions

The following table summarizes our waste emissions:

	Year ended December 31,		
	2023	2024	2025
General Solid Waste (tons)	266.0	95.5	85.7
General Solid Waste (tons/RMB billion)	169.0	86.0	88.3
Hazardous Waste (tons)	8.0	9.0	7.0
Hazardous Waste (tons/ RMB billion).....	5.0	8.0	7.2

Climate Change Risk Management

Currently, our primary operations do not involve high-energy-consuming or high-emission processes, so the direct impact of climate change on business is limited. However, we intend to incorporate climate-related risks into its corporate risk identification framework. The scope of calculation covers our Suzhou and Nantong factories, and the following table summarises our greenhouse gas (GHG) emissions:

	Year ended December 31,		
	2023	2024	2025
Scope 1 (Direct Emissions) (tCO ₂ e)	127.0	72.8	58.2
Scope 2 (Indirect Emissions) (tCO ₂ e)	2,594.0	1,688.6	795.4
Total GHG Emissions (tCO ₂ e)	2,721.0	1,761.4	853.5
GHG Intensity (tCO ₂ e/RMB million)	1.7	1.6	0.9

BUSINESS

Employees

Recruitment, hiring, promotion and compensation management processes are regulated by documents such as the Employee Handbook, Recruitment Management Guidelines and Salary Adjustment Procedures, ensuring a discrimination-free environment. These policies guarantee that employees from different genders, nationalities and cultural backgrounds have equal rights to participate in labor, receive compensation and enjoy benefits.

As of December 31, 2025, the Group employs a total of 737 people. The following table outlines employee details based on different statistical criteria:

<u>Statistical Criteria</u>		<u>Number of Employees</u>	<u>Percentage (%)</u>
Gender.....	Male	622	84.4%
	Female	115	15.6%
Source.....	Local Employees	462	62.7%
	Non-local Employees	275	37.3%
Total.....		737	100%

We have set up a labor union to protect employees’ legal rights and have clarified internal appeal and reporting channels in the Information Communication Management Guidelines, ensuring employees’ right to information and to file complaints.

We have established an occupational health and safety management system based on the QEHS Management Manual and strictly adheres to the Occupational Disease Prevention Law of the People’s Republic of China, as well as other relevant laws and regulations.

During the Track Record Period, we did not have material accidents relating to our operations, which resulted in any claims for personal or property damages or compensation paid to employees.

Business Ethics and Integrity Culture

We have established management systems such as the Employee Handbook and Anti-Corruption and Anti-Bribery Management Code, clearly defining requirements related to credit, integrity and fair trade. We prohibit employees from accepting kickbacks, giving or receiving bribes, accepting commissions or providing any form of service to competing enterprises. We strengthen professional ethics awareness through employee onboarding training and regular advocacy.

We have set up a comprehensive reporting and grievance mechanism. Employees and partners can report violations through letters, phone calls or online channels, either in their real names or anonymously. We guarantee the confidentiality of whistleblowers and prohibits any form of retaliation. Verified violations are handled strictly in accordance with established procedures.

BUSINESS

DATA PRIVACY AND INFORMATION SECURITY RISK MANAGEMENT

We are committed to ensuring data privacy and information security. We do not engage in collecting private information through public channels such as operational websites or apps, and the data we collect is limited. In the course of conducting our business, the only privacy data we collect mainly pertains to employee information, customer and supplier contact information, and other data necessary for operation and management. We make sure to obtain adequate authorization and consent from our employees, customers, and suppliers for collecting and processing their private information.

We have implemented protective measures for the privacy data we collect. In particular, we strictly limit the access to, and management of, our employees' personal information database to our dedicated personnel to further safeguard our information security from unauthorized internal access.

We also collect operational data through software embedded on the intelligent manufacturing equipment supplied to our customers upon their specific requests as part of our after-sale service. We store these operational data solely for the purpose of assisting our customers with production line adjustments and upgrades through further data analysis. During the Track Record Period, we did not (i) received any breach or non-compliance notices from cybersecurity, data protection, or confidentiality authorities; (ii) faced any compensation claims under data protection laws for data inaccuracies, loss, or unauthorized actions; (iii) been subjected to investigations or sanctions related to data privacy or cybersecurity by relevant authorities; (iv) received any communication regarding warnings or sanctions under the PRC Cybersecurity Law; (v) been aware of any pending investigations, actions, or claims concerning cybersecurity or data protection; (vi) had any warrants issued for premises searches by authorities related to cybersecurity or data protection.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material information leakage or loss of operating or transaction data and were not involved in any cross-border data transactions.