

**BUSINESS**

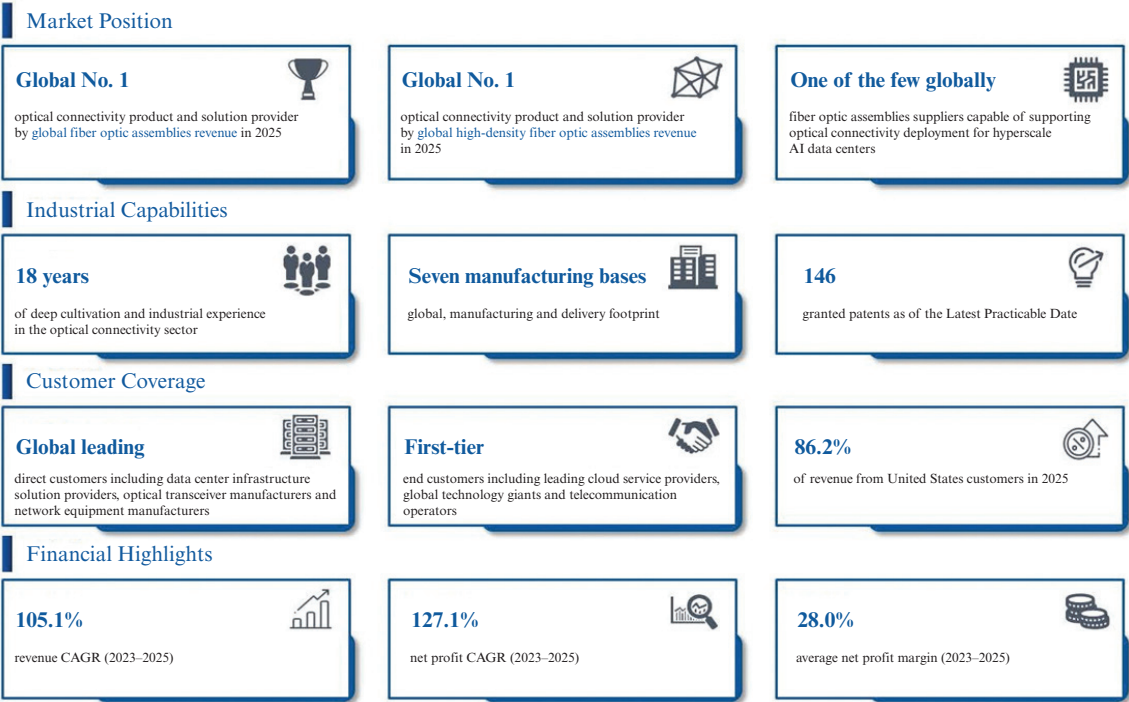
**OVERVIEW**

**Who We Are**

We are a leading global provider of optical connectivity products and solutions, dedicated to research and development, manufacturing and sales of fiber optic assemblies, micro-optical assemblies and fiber optic connectivity infrastructure products for AI data center applications. Our products and solutions are widely used by leading cloud service providers, global technology giants, and telecommunication operators. According to Frost & Sullivan, as of the Latest Practicable Date, we are among the few fiber optic assemblies suppliers globally with capability to support optical connectivity needs of hyperscale AI data centers.

We focus on high-density optical connectivity deployments. With 18 years of industrial experience and proven capabilities in large-scale production and fulfillment across a broad product portfolio, we are well-positioned to capture market opportunities driven by the unprecedented growth of the AI industry. According to Frost & Sullivan, we ranked first globally among optical connectivity product and solution providers in 2025, with a global market share of 9.7%, as measured by global fiber optic assemblies revenue. In high-density fiber optic assemblies industry, we ranked first globally by revenue, with a global market share of 12.6%.

The chart below illustrates our key achievements and business highlights.



**Our Solutions**

Our comprehensive optical connectivity product portfolio spans three core offerings:

- AI data center optical connectivity solutions:** To address the build-out needs of AI data centers, we provide high-density optical connectivity assemblies and end-to-end cabling system solutions that support both DCN and DCI. Our core products include MTP®/MPO fiber optic assemblies, VSFF fiber optic assemblies and high-density fiber optic distribution systems that support 800G and 1.6T high-speed transmission scenarios. Our products meet the stringent low-loss high-reliability, and high-stability requirements for optical network architectures in AI data centers.

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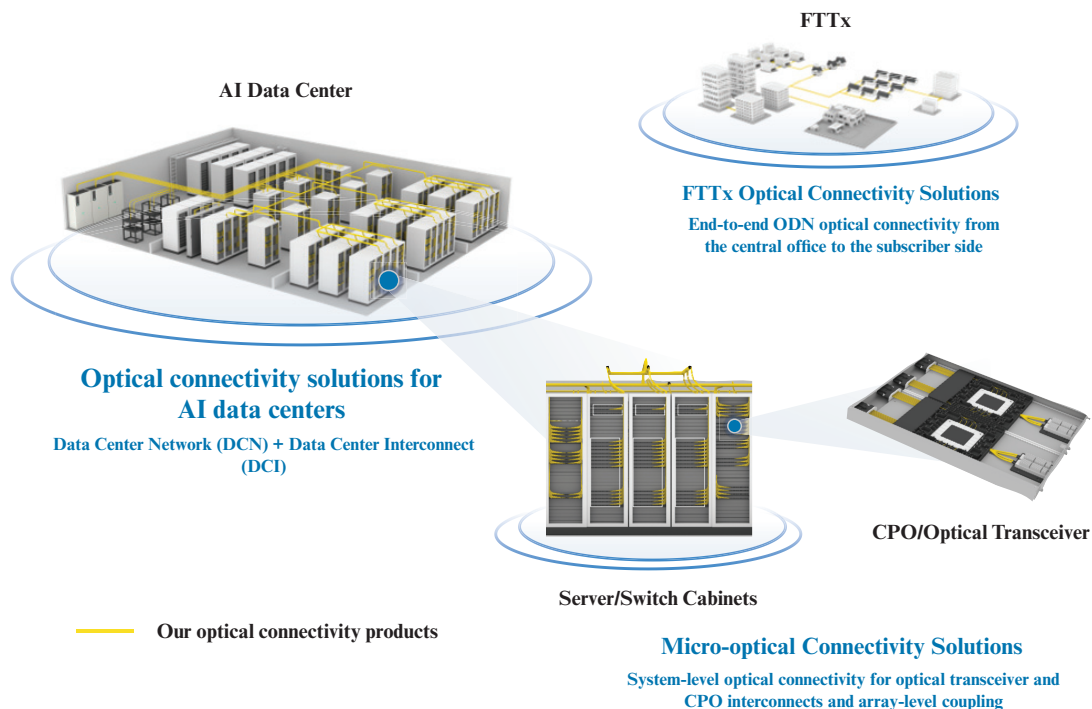
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We have developed a proprietary RFID enabled intelligent operations and maintenance system to identify and manage optical fibers in real time. This system enables data center operators to improve operational efficiency and accuracy, which in turn increases our end customer stickiness.

- **Micro optical connectivity solutions:** The optical interconnect industry is moving towards higher-speed pluggable optics, on-board optics, and CPO architectures. We have developed a comprehensive micro-optical connectivity product platform to support interconnect transmission rate requirements of 1.6T and above. Our products include micro-optical interconnect assemblies, Fiber Array (FA) coupling and packaging, and pluggable optical interfaces.

Our key micro-optical connectivity products include multi-fiber polarization-maintaining MT-FA fiber assemblies, two-dimensional fiber array components and MPO-Prizm<sup>®</sup> ultra-compact assemblies. We also possess the capability to integrate FAUs with microlens arrays, enabling compatibility with CPO optical engines featuring microlens arrays and silicon photonic I/O structures that meet the integration requirements of various packaging architectures.

- **FTTx optical connectivity solutions:** To meet the needs of telecommunication equipment providers deploying large-scale 5G transport networks and broadband access networks (FTTx), we are able to provide end-to-end ODN optical connectivity solutions covering the central office to subscriber-side. Our products are designed to meet comprehensive customer requirements in telecommunication operations and access network build-outs for highly reliable, flexible and efficient deployment.



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### Our R&D

Over the past 18 years, we have built integrated research, development, and engineering capabilities spanning product design, precision manufacturing, intelligent assembly, and digital inspection technologies. Our vertically integrated development platform facilitates a seamless transition from proof-of-concept and engineering validation to scalable mass production.

We possess multidisciplinary expertise in optical, mechanical, electrical, and process engineering, enabling the development of high-performance optical connectivity solutions for next-generation artificial intelligence (AI) data center architectures. We have accumulated substantial know-how in precision optical alignment, high-density optical packaging, automated assembly, precision fiber optic connector termination, customized fiber cable breakout processes, and high-yield manufacturing processes — capabilities that we believe afford us meaningful competitive advantages.

Our manufacturing has reached advanced industry levels. We have been recognized as a Key National-level Specialized, Sophisticated, Distinctive and Innovative “Little Giant” Enterprise (國家級專精特新重點「小巨人」企業). We have joined international organizations such as OCP, APC and OIF, through which we participate in technical standards setting and the promotion of engineering application of optical connectivity technologies. According to Frost & Sullivan, we are among the first manufacturers in China capable of mass producing the next-gen VSFF multi-fiber optic assemblies and among the first globally to introduce RFID technology with integrated LED indicators into fiber optic management systems.

We maintain forward-looking technology reserves across proof-of-concept, engineering development and mass production readiness in line with emerging architecture such as silicon photonics integration and CPO. We focus on Board-to-Fiber (B2F) and Chip-to-Fiber (C2F) technologies. We have already systematically developed key products including high-density FA and PRIZM<sup>®</sup>-based connectivity solutions.

### Our Market Opportunities

The explosive growth of AI, cloud computing and big data has driven a sharp increase in demand for AI data centers. AI data centers require higher-bandwidth, lower-latency and more reliable interconnection. Optical connectivity products have become critical components of high-speed interconnection architectures in AI data centers. According to Frost & Sullivan, global AI infrastructure investment reached RMB2,392.9 billion in 2025 and is expected to further grow to RMB6,526.5 billion by 2030, representing a CAGR of 22.2% over the period. In particular, fiber optic assemblies, the fast growing segment in the optical connectivity industry, reached a global market size of RMB20.3 billion in 2025, in terms of revenue. The global fiber optic assemblies market is expected to grow at a CAGR of 49.8% to reach RMB152.8 billion by 2030.

We closely monitor industry trends and evolving customer requirements. As the AI industry continues to expand rapidly, we believe our products and business are well positioned to capture significant and meaningful growth opportunities. As AI workloads and cluster scale continue to increase, traditional pluggable optics are facing limitations in bandwidth density, power efficiency and signal integrity, accelerating the adoption of next-generation interconnect architectures, such as CPO and OIO. We believe we are well positioned to benefit from this transition given our robust R&D pipeline, advanced manufacturing capabilities and large-scale delivery capacity.

### Our Financial Performance

We experienced rapid growth during the Track Record Period. Our total revenue grew at a CAGR of 105.1%, increasing from RMB500.4 million in 2023 to RMB2,104.8 million in 2025. Over the same period, supported by our advantages in large-scale delivery capabilities, cutting-edge

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technologies, and refined management capabilities, we also achieved strong profitability growth. Our profit for the year increased from RMB121.0 million in 2023 to RMB624.0 million in 2025, representing a CAGR of 127.1%.

### OUR STRENGTHS

#### **Comprehensive Product Portfolio Focused on AI Data Center High-speed Application Scenarios**

Leveraging 18 years of deep industry experience and product capabilities in the optical connectivity, we have built a comprehensive product portfolio serving high-speed application scenarios in AI data centers. We provide hardware connectivity to operational and management systems. Our end-to-end capabilities across design, R&D, manufacturing, sales, and delivery are critical to capturing market opportunities. We are deeply embedded in the global AI infrastructure ecosystem. Our products are deployed in AI data centers globally, and used by various leading cloud service providers, global technology giants, and telecommunication operators.

We focus on high-performance fiber optic assemblies and distribution management systems to deploy our core product portfolio for deployment in AI data centers and broader computing infrastructure. To meet the requirements of AI computing clusters for high bandwidth, low latency, and high reliability, we have built on traditional optical connectivity products to develop integrated solutions comprising high-density assemblies, modular distribution frames, and intelligent management systems. Our solutions support high-speed transmission architectures from 400G to 1.6T and beyond. In addition, our single connector is capable of providing parallel transmission using up to 48 optical fibers. For our multi-fiber products, the insertion loss per channel can be controlled to be as low as 0.185dB, significantly below typical industry standards. In addition, through our self-developed intelligent operations and maintenance technologies and intelligent interconnect management system, we enable end-to-end link identification, intelligent fiber tracing and visualized management. These capabilities materially enhance the operational efficiency and traceability in high-density cabling environments and meet customers’ requirements for stable, reliable operation of AI data centers.

We maintain R&D reserve and product build-out in response to industry trend toward optical transceivers integration and the evolving technical requirements of CPO architectures. We have developed a product platform of sub-micron precision optical interconnect components that can be adapted to the I/O end surface coupling, vertical coupling and other coupling structures of optical engines and silicon photonic chips in a CPO solution. Utilizing our sub-micron array processing capabilities and sub-micron detection accuracy control, our micro-optical assemblies can be used in internal interconnects for 1.6T and higher speed optical transceivers, as well as pluggable optical connectivity solutions within CPO architectures, providing precision, array-level interconnect support for high bandwidth optical interconnection systems.

#### **Strong R&D Capacities and Forward-Looking Product Pipeline**

We have capabilities in system design, precision optical performance control, array-level manufacturing and packaging, mass production and quality assurance. We continue to achieve breakthroughs in key performance parameters and manufacturing precision. We understand the technology roadmaps and participate in the R&D process of our customers. As a result, we are well positioned over the long term to meet customers’ latest product requirements, commercialize cutting-edge technologies ahead of competitors, and respond effectively to rapid product and technology evolution in our end markets.

- **High-density optical connectivity system and structural design:** We have design capabilities for high-density modular cabling solutions. Through modular units and structural optimization, we enable high fiber-count deployment in space-constrained environments. Our pre-terminated fiber optic cable assemblies support high-density connectivity of up to 6,912 fibers, significantly reduces the requirements for cabling space in data centers.

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- **Ultra-low loss fiber optic assemblies precision control technology:** We have developed precision control capabilities for end-face geometry, enabling stable control of key geometric parameters of fiber end-faces and stable loss management to meet interface performance requirements of 800G, 1.6T and higher-speed data transmission scenarios.
- **Detachable optical connectivity interface technology for CPO:** We possess design and manufacturing capabilities for high-density detachable optical interfaces. Leveraging precision manufacturing and coupling platforms, we provide our customers with a range of customized detachable micro-optical assemblies.
- **High-channel array and micro-optical connectivity precision manufacturing technology:** We possess capabilities in high-density fiber array design and precision processing, achieving sub-micron, array-level alignment control and supporting the manufacturing of arrays with hundreds of channels. This provides a compact array-structure foundation for high-bandwidth interconnects and addresses the demands for high-precision array coupling and advanced packaging.

As of the Latest Practicable Date, we held a total of 146 granted patents, including 17 invention patents. As a founding/member unit of national and industry standards-setting organizations, we have participated in the formulation of four national standards and two industry standards. In November 2025, we also became a member of the OIF, an internationally recognized standards organization for optical connectivity technologies. Leveraging our technical expertise and insights from real-world deployment scenarios, we participate in standards development and help address common industry challenges in optical networks.

### **Long-Term Partnerships with Leading Global Key Customers**

Our high-performance optical connectivity products and solutions are typically deployed during the last implementation phase of AI data center construction. Customers generally impose stringent requirements on delivery efficiency. Delays in delivery may adversely impact overall project schedules. We have end-to-end capabilities spanning early-stage solution design and process engineering execution, enabling us to respond faster with high quality, which is our competitive advantage.

Our customers include leading global data center infrastructure solution providers, optical transceiver manufacturers, and network equipment manufacturers. They maintain extremely high standards in supplier selection and certification, imposing strict access audit on our manufacturing quality systems, process capabilities, and reliability testing. Leveraging our profound understanding of customer needs, we have earned high recognition from customers in terms of product quality, response speed, delivery timelines, and after-sales service.

Our direct customers typically have strategic suppliers, which accounted for a significant portion of their procurement. We have served the majority of our five largest customers during Track Record Period for more than five years. In particular, we have served our largest customer in 2024 and 2025 for more than ten years. This gives us access to the most cutting-edge product requirements at an early stage, and to stay closely aligned with emerging industry technology developments. We believe this supports faster new product iteration and a more rapid growth with a high level of profitability.

### **Efficient and Agile Delivery Capabilities Enabled by Our Globalized Supply Chain Management**

Our global supply chain network enables us to respond quickly and efficiently to customers worldwide and to strengthen our customer relationships. To serve our customers globally, we operate dual-country manufacturing facilities in China and Vietnam, with seven plants across Guangdong and Jiangsu in China, and Bac Ninh in Vietnam, with a total gross floor of more than 88,000 sq.m.

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To meet the fast response and agile delivery requirements of AI data center customers, we have implemented our “2485” customer service framework: an initial response within 2-hour; a follow-up response within 24-hour and initiation of emergency response; a third response comprising root cause analysis and corrective actions within 48-hour; and verification of effectiveness and closure within 5-day.

We also place great emphasis on the supply chain stability. We have established long-term and stable strategic relationships with global core raw material suppliers, and have been working with our core suppliers for generally over five years. This helps ensure priority supply and quality assurance of critical materials, mitigating the impact of periodic industry fluctuations on production. In addition, our large-scale procurement and close collaboration with customers help strengthen supply chain capacities.

### **Visionary Management Team Driving Forward-Looking Strategic Positioning**

Our growth and development are driven by the visionary strategic planning of our management team and their decades of illustrious industry experience and expertise. The founder and Chairman, Mr. Bai Changan, and the founder and General Manager, Ms. Zhu Meihua, each have around 20 years of experience in the optical communications industry. They have extensive knowledge of the technology roadmaps and market dynamics for optical connectivity devices, keen market insight and highly strategic vision, and they lead the core team executing our operational strategies efficiently. This has ensured the sound strategic decision making and guided the company’s sustained and stable development.

Our core management team has, on average, more than 15 years of experience in the optical communications industry, having witnessed the evolution of industry applications and accumulated substantial operational and market expertise.

Our corporate culture emphasizes proactive learning, pragmatic initiative, and efficient innovation has enabled an agile decision-making framework that allows us to capture opportunities in rapidly changing market. In response to rising demand for data center computing infrastructure driven by the global adoption of AI, our management team pre-judge the trend and pioneered the establishment of production bases in Vietnam, enhancing our ability to serve global customers efficiently.

## **OUR STRATEGY**

### **Strengthen R&D in Frontier Technologies, Enhance Product Competitiveness and Build a Defensible Moat for Our Next-generation Products**

We will increase our investment in research and development, and deliver higher performance products and solutions to our customers.

- **Forward-looking Technology Roadmap:** We will continue to expand our optical connectivity product portfolio, with a focus on key areas such as next-gen VSFF high-density optical connectivity technologies and specialty fiber termination technologies. In addition, we intend to allocate more resources to R&D in emerging areas such as multi-core fiber termination, hollow-core fiber termination, and to proactively develop the next-generation of mainstream products to support our competitiveness as optical connectivity technologies to upgrade.
- **Developing capabilities for optical transceiver integration and CPO technology:** We will continue to invest toward technologies for high-precision passive internal interconnect optical assemblies related to CPOs and inter-chip optical interconnection technology for silicon photonic interposers. We are collaborating with leading technology companies to advance product development and technology integration in this area.

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### **Optimize Global Production Capacity and Supply Chain to Build an Agile and Efficient Delivery System**

To enhance the stability and resilience of our supply chain, we intend to strengthen our manufacturing capabilities both domestically and internationally. We intend to build a flexible supply network to support global delivery.

We are accelerating the deployment of automated production equipment and digital information systems to establish more intelligent production lines, supporting rapid capacity expansion and ramp-up. We also plan to continue optimizing production processes to improve efficiency and flexibility.

### **Deepen Strategic Collaboration with Key Customers and Pursue New Market Opportunities**

We intend to enhance our sales capabilities and pursue opportunities with more high-value, leading customers in the optical connectivity field, with a focus on expanding our customer base and identifying new market opportunities.

- We plan to further strengthen engagement with existing key customers. Through joint definition of product specifications and collaboration on advanced R&D, testing, and validation, we aim to integrate our high-speed optical connectivity solutions into customers’ next-generation infrastructure roadmaps and to evolve to become our customers’ “technology co-development partners.” We believe this approach can enhance customer stickiness and deepen strategic partnerships, thereby enhancing our ability to identify evolving market demands, and supporting our participation in the AI computing ecosystem.
- We aim to expand the scope of products to participate in customers’ new product programs, moving toward more integrated partnerships with our customers and expanding our market share.

### **Continue to Attract and Retain Top Talent**

We believe that attracting and retaining high-caliber talent is critical to driving our future innovation and long-term development. We are committed to strengthening our capabilities across talent recruitment, training and incentives to build a robust talent pipeline in manufacturing, R&D, and corporate management to support our long-term development. We intend to attract and retain top talent based on our technology roadmap and strategic priorities. We will focus on recruiting globally for top talent with expertise in core technology R&D, precision manufacturing and automation systems.

We also plan to establish clear career development paths for employees, maintain competitive compensation and benefits, and use equity-based incentive measures and performance-based bonuses to encourage employee motivation and innovation. Through these initiatives, we aim to better align employees’ interests and goals with our the company’s long-term objectives, engaging core employees on a deeper level, and support our sustained development.

### **Pursue Strategic Investments and Acquisitions to Build Industrial Ecosystem Synergies Across the Value Chain**

In order to better serve our customers, enhance supply chain resilience, and maintain and expand our market position, we intend to pursue select high-quality strategic investments and acquisition opportunities across the value chain, with a view to further solidify our position in the optical connectivity industry.

We plan to focus on upstream opportunities involving core raw materials and critical technologies in the optical connectivity value chain, while also selectively extending into midstream and downstream segments with higher value-add particularly in strategic areas. We will seek

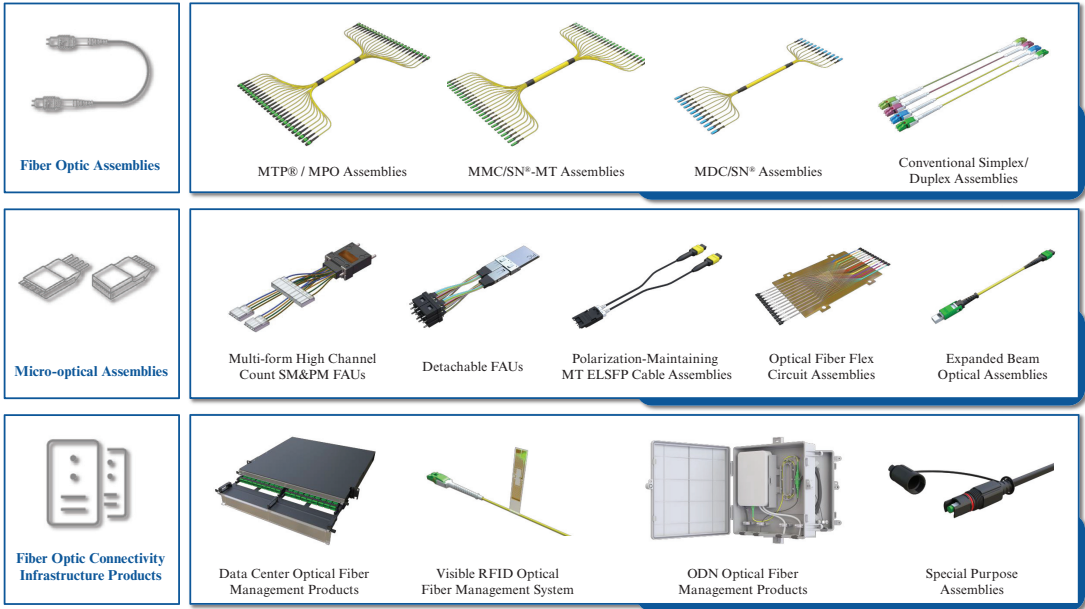
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opportunities in innovative companies whose technologies and capabilities complement our own. We believe that through such investments and acquisitions, we can create significant synergies with our existing business, enhance our overall technological leadership, broaden our product offering, expand our customer base, and comprehensively improve our overall competitiveness and industry position.

**OUR PRODUCTS**

We procure raw materials to produce and sell optical connectivity products to global customers. Our products are categorized into three segments as defined by their technical and product parameters: (i) the fiber optic assemblies, (ii) the micro-optical assemblies, and (iii) the fiber optic connectivity infrastructure products. During the Track Record Period, we have served a diverse range of global customers including data center infrastructure solution providers, network equipment manufacturers, and optical transceivers manufacturers.

The chart below illustrates our core products during the Track Record Period:



**Fiber Optic Assemblies**

Our fiber optic assemblies provide physical-layer connectivity for fiber-optic networks, enabling reliable and high-speed data transmission across telecommunications and data center infrastructures. This business segment offers fiber optic assemblies designed to meet the specific requirements of our customers’ applications. Our fiber optic assemblies are primarily designed for connections between equipment or between data centers, supporting scale-out and scale-across growth architectures.

Our fiber optic assemblies are primarily categorized into three core product lines in terms of fiber density and application scenarios: (i) high-density fiber optic assemblies, primarily used in AI data centers; (ii) next-gen VSFF fiber optic assemblies, which utilize innovative designs such as Tiny-MT ferrules to enable ultra high-density, low-loss connection in AI data centers, including structured cabling, high-fiber-count interconnects, optical transceivers and on-board optics; (iii) and conventional fiber optic assemblies, which are typically used in data centers, telecommunications access and transmission networks.

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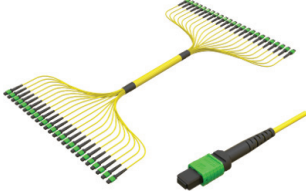
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### High-density Fiber Optic Assemblies (高密度光纖連接器)

As data centers impose increasingly stringent requirements on network bandwidth and transmission rate, the high-density connectivity advantages of the MTP®/MPO multi-fiber optical connector become prominent. This product line includes trunk cable assemblies, harness cable assemblies, and patch cord assemblies, which are commonly used in spine-leaf network architectures in large-scale data centers, as well as in 5G midhaul and backhaul networks.

A single group of MTP®/MPO multi-fiber optical connector can support connections ranging from eight to 6,912 fibers or more. Higher-fiber-count configurations correspond to the adoption of higher-speed optical transceivers, such as 800G and 1.6T. Our polarity and gender field-convertible technology enables lossless on-site conversion, greatly simplifying cabling management and significantly enhancing the flexibility and efficiency of data center deployments.

The following table illustrates certain features and specifications of our primary high-density fiber optic assemblies:

Major Products	Features and Specifications
 MTP®/MPO Assemblies	<ul style="list-style-type: none"><li>Utilizing high-precision MT ferrules and stable multi-fiber array alignment structures, combined with optimized end-face polishing and assembly processes, these assemblies enable centralized connection and efficient transmission of multi-channel optical signals, supporting rapid deployment and reliable connectivity in high-density fiber optic systems.</li><li>Compliant with stringent industry reliability standards such as GR-1435, they meet the low loss budget and long-term stable operation requirements of high-speed optical links.</li></ul>

### Next-gen VSFF Fiber Optic Assemblies (下一代超小型連接器)

Our next-gen VSFF fiber optic assemblies are centered around our innovative MMC connector series. By integrating a Tiny-MT (TMT) polymer ferrule with an innovative ultra-compact form factor design, this product achieves ultra high-density, low-insertion-loss connectivity, enabling ultra-high data transmission rates at 800G, 1.6T and above. Compared with MTP®/MPO connector, the compact form factor of the MMC connector enables up to three times the fiber density per rack unit. It is engineered to comprehensively meet the multi-scenario application demands within next-generation data centers, enabling higher-density connectivity, simplifying cabling complexity, and optimizing space utilization.



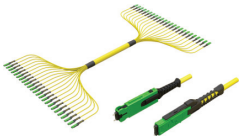

Left: MTP®/MPO Connector/Right: MMC Connector

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The following table illustrates certain features and specifications of our primary next-gen VSFF fiber optic assemblies:

Major Products	Features and Specifications
 <p>MMC/SN<sup>®</sup>-MT Assemblies</p>	<ul style="list-style-type: none"> <li>● It features a compact design offering small form factor, high port density, and flexible cabling, significantly increasing fiber connection density.</li> <li>● With precision end-face processing and stringent assembly control, it achieves low insertion loss, excellent channel consistency, and high repeated connection stability.</li> </ul>
 <p>MDC/SN<sup>®</sup> Assemblies</p>	<ul style="list-style-type: none"> <li>● It features a miniaturized duplex connector design, offering small size, high port density, and flexible cabling.</li> <li>● It supports various cable structures and lengths, provides excellent mechanical reliability and environmental adaptability, and meets stringent standard for reliable high-density, high-speed optical link operation.</li> </ul>

### Conventional Fiber Optic Assemblies (常規連接器)

Our conventional fiber optic assemblies feature standardized connector types, including LC and SC, which are commonly deployed in data centers, telecommunications access networks, enterprise local area networks (LANs), and 5G fronthaul links. Products are designed to achieve low insertion loss and high return loss, which help ensure signal integrity and network reliability.

The following table illustrates certain features and specifications of our primary conventional fiber optic assemblies:

Major Products	Features and Specifications
 <p>Conventional Assemblies</p>	<ul style="list-style-type: none"> <li>● It features a mature and stable simplex/duplex connector design, compatible with multiple standard interface types, offering good universality and interchangeability.</li> <li>● It supports various cable types and structural configurations, providing good mechanical reliability and environmental adaptability.</li> <li>● Compliant with GR-326 and other relevant reliability standards, it meets the requirements for long-term stable operation.</li> </ul>

### Micro-optical Assemblies

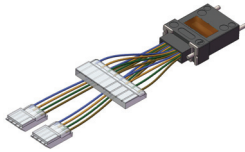
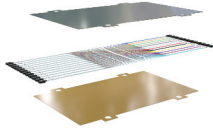
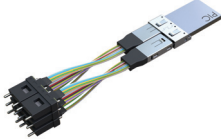
Our micro-optical assemblies, such as 400G, 800G, 1.6T LR4/FR4 solutions, are specifically designed for internal connections within high-speed optical transceivers and communication equipment. Our CPO optical interconnection solutions are specifically designed for CPO architectures to enable higher-density integration, supporting scale-up growth architectures.

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The following table illustrates certain features and specifications of our primary micro-optical assemblies:

Major Products	Features and Specifications
 Multi-configuration High-channel-count SM & PM FAU	<ul style="list-style-type: none"><li>• Its multi-channel high-precision array fabrication capabilities supports high-density arrangement of both single-mode and polarization-maintaining fibers.</li><li>• With reliable structure and good dimensional stability, it meets the demands of micro-optical interconnection systems for high precision, high stability, and long-term reliable operation.</li></ul>
 Optical Flex Circuit Assemblies	<ul style="list-style-type: none"><li>• It features a multi-layer fiber shuffle design and flexible structure, offering high channel density, compact cabling, and controlled routing.</li><li>• With high flexibility and adaptability to complex spatial layouts, it meets CPO and HPC system requirements for short-distance, high-density, and high-reliability board-level optical connections, serving as a key enabler for high-density board-level optical interconnection.</li></ul>
 Detachable FAU	<ul style="list-style-type: none"><li>• It features a high-precision array alignment and detachable locking design, achieving high positioning accuracy, excellent repeatability and connection stability, and easy maintainability.</li><li>• It supports multi-channel and multi-configuration options, meeting the application requirements of CPO systems for high-precision, high-reliability, and maintainable optical connections.</li></ul>

### Fiber Optic Connectivity Infrastructure Products

Our fiber optic connectivity infrastructure products encompass a range of key hardware and system components used for optical network deployment, management, and protection, designed to deliver reliable and efficient physical connectivity and fiber management capabilities for data centers and access networks. This product line includes rack-level fiber optic patch panels, cassettes, related fiber management accessories, and optical distribution frame systems, which are widely deployed in data centers, enterprise networks, and telecom central offices.

As a significant extension of our fiber management capabilities, selected optical distribution products can also be integrated with an RFID-based intelligent fiber management system. This system enables digital identification and management of fiber and related connectivity assets, supports real-time identification and tracking of fiber assets, and improves maintenance efficiency.

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### RESEARCH AND DEVELOPMENT

Continuous research and development are the backbone of our business operation. We are committed to developing new technologies, designing new products and upgrading existing product offerings to augment our leading market position and we recognize that comprehensive support from research and development is crucial to achieve this goal.

#### Our Technologies and R&D Focus

Technology	Core Characteristics	Advantages
High-Fiber-Count Cable Fan-Out Technology (大芯數光纜分支技術)	<ul style="list-style-type: none"> <li>Precision fan-out structure design</li> <li>Fiber mapping management</li> <li>Orderly fan-out and stable securing of multi-fiber cables</li> </ul>	Enhances the stability and reliability of fan-out structures, reduces the risk of fiber micro-bending, and improves overall system stability of high-fiber-count cable assemblies.
Ultra-Low-Loss Parallel Optical Connection Manufacturing Technology (超低損耗並行光連接製造技術)	<ul style="list-style-type: none"> <li>Precision multi-fiber end-face processing capability</li> <li>High-precision fiber alignment control</li> <li>Precision control of fiber end-face geometry</li> </ul>	Maintains low loss and high consistency under multi-fiber parallel processing conditions, meeting the requirements of high-speed optical communications for stable optical connection performance.
High-Channel Array Precision Processing and 2D FAU Manufacturing Technology (高通道陣列精密加工及2D FAU製造技術)	<ul style="list-style-type: none"> <li>Fiber array alignment accuracy and consistency</li> <li>Improve the structural stability and alignment accuracy of FAUs under high-temperature reflow soldering conditions</li> <li>Integrated design and automated alignment packaging of FAUs and micro-lens arrays (MLA)</li> </ul>	Achieves high-precision fiber alignment under high-channel-density conditions, improves optical coupling efficiency and product consistency, and supports high-density optical interconnect requirements.
CPO-Oriented Pluggable Optical Connection Interface Technology (面向CPO的可插拔光連接接口技術)	<ul style="list-style-type: none"> <li>A high-density pluggable optical interface design suitable for CPO architectures</li> </ul>	Meets high-channel-density optical interconnect requirements, improves system maintainability and interface reliability.
High-Density Shuffle (Fiber Sequence Rearrangement) Optical Flex circuit Technology (高密度混洗光學柔性電路技術)	<ul style="list-style-type: none"> <li>Precision fiber routing design and space optimization techniques</li> </ul>	Improves fiber routing flexibility and space utilization efficiency, reduces risks of fiber interference and micro-bending, and enhances system reliability.

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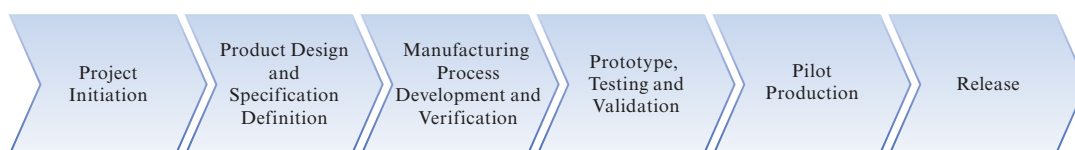
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### R&D Process

Our R&D activities are organized into two complementary pillars: foundational technology research and project-driven development. Foundational technology research focuses on long-term technological innovation, exploring emerging areas such as next-gen VSFF interconnect architectures, and high-density optical packaging solutions. This forward-looking effort establishes the technical building blocks that enable future product generations. Building upon this foundation, our project-driven development follows a disciplined, stage-gated process that translates customer requirements into commercially viable optical connectivity solutions. The key stages of this project development lifecycle are outlined below.

#### Project-driven Development R&D Process

The chart below illustrates our project-driven development R&D process.



### Our R&D Centers

Our Advanced Optical Connectivity R&D Center focuses on the development of inter-equipment optical connectivity technology frameworks. It is committed to establishing a comprehensive R&D platform encompassing high-density optical connectivity systems, innovative structural designs for optical assemblies, and highly reliable outdoor optical connectivity. The center aims to drive the formation of a core R&D system with technology-leading capabilities for our Company within the next-generation optical connectivity value chain.

The Advanced Fiber Optics R&D Center is committed to addressing the development needs of next-generation high-speed optical interconnect and CPO technologies. It aims to establish a comprehensive technology platform encompassing product design, precision process development, and automated equipment R&D. The center strives to enable our Company to establish key technology platforms within the next-generation optical interconnect supply chain ecosystem, including CPO and NPO, thereby forming a core supply system with technology-leading capabilities and forward-looking deployment capabilities.

We have built a dedicated and experienced R&D team. As of December 31, 2025, our R&D team consisted of 216 professional staff. In 2023, 2024, and 2025, our research and development expenses increased by 137.7% from RMB13.5 million to RMB32.1 million, and further increased by 61.8% to RMB52.0 million.

## MANUFACTURING

### Manufacturing Facilities

We manufacture and assemble our core optical connectivity products through our specialized and automated production facilities in PRC and Vietnam. Our strategically located manufacturing bases are equipped with advanced precision assembly lines and testing equipment, which allow us to ensure product consistency, maintain high quality, and improve operational efficiency.

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The following table sets forth the location, gross floor area, products, production capacity and capacity utilization rate relating to our existing manufacturing facilities, which produce fiber optic assemblies during the Track Record Period:

Location <sup>(1)</sup>	2023			2024		2025	
	Gross floor area (sq.m.)	Production capacity (thousand)	Capacity utilization rate (%)	Production capacity (thousand)	Capacity utilization rate (%)	Production capacity (thousand)	Capacity utilization rate (%)
Chinese Mainland	44,357.6	4,048.6	89.7	9,384.5	92.7	9,691.6	89.0
Vietnam	38,265.3	1,120.1	88.4	1,966.1	91.7	4,739.1	77.7

*Note:*

- (1) We calculate production capacity by considering the theoretical capacity of the machine equipment in the bottleneck process, as well as the comprehensive efficiency considering factors such as management efficiency of other processes, employment recruitment efficiency and new employee training.

We established our Shenzhen Guangming Plant in November 2024 to produce micro-optical assemblies. The following table sets forth the gross floor area, products, production capacity and capacity utilization rate relating to the Shenzhen Guangming Plant, which produce micro-optical assemblies in 2025:

	Gross floor area (sq.m.)	Production capacity (thousand)	Capacity utilization rate (%)
Chinese Mainland (Shenzhen Guangming Plant)	6,000.0	502.6	19.4

*Note:*

- (1) We calculate production capacity by considering the theoretical capacity of the machine equipment in the bottleneck process, as well as the comprehensive efficiency considering factors such as management efficiency of other processes, employment recruitment efficiency and new employee training.

### Manufacturing Process

The following table sets forth the typical production process of our fiber optic assemblies.



### Outsourced Production

We outsource the production of certain products, including fiber optic assemblies and fiber optic connectivity infrastructure products. The outsourcing costs were RMB12.6 million, RMB23.3 million, and RMB23.8 million, representing 4.1%, 4.5%, and 1.9% of our total cost of sales, respectively. During the Track Record Period, we had maintained collaborations with 16 manufacturers.

In selecting these third-party manufacturers, we prioritize criteria such as production scale, technological expertise, and quality control capabilities. We continuously monitor the performance of our external manufacturers and conduct in-process inspections as well as on-site audits, with finished products subject to rigorous sampling inspection. In addition, we conduct periodic

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reliability tests and performance tests on the products delivered by our external manufacturers. We maintain stringent control over the manufacturing process of our external manufacturers by requiring that all processes and products strictly adhere to our drawings, technical specifications, process requirements, and other related documents.

We are able to secure a stable relationship with our manufacturing partners at competitive market prices as we believe our strong trade reputation, large production scale and long-term relationships with our partners make us one of their preferred business counterparties. For risks related to third-party manufacturers, see “Risk Factors — Risks Relating to Our Business and Industry — We rely on third-party service providers and business partners to deliver products and services to us and our customers, exposing us to operational and performance risks associated with their activities. During the Track Record Period, we did not encounter material product liabilities associated with the manufacturing process of our external manufacturers.

### Quality Control

We have established a multi-layered compliance and quality assurance framework. We maintain TL9000 certification, the telecommunications industry-specific quality management standard, alongside the international ISO 9001:2015 standard for quality management. Our dedication to sustainable and responsible operations is further demonstrated by our ISO 14001:2015 (environmental management) and ISO 45001:2018 (occupational health and safety) certifications.

Our products comply with major global market access and safety requirements, including the CE Mark, RoHS directive, UL/ETL safety standards, and Construction Products Regulation (CPR) in Europe. This comprehensive certification matrix ensures we deliver reliable and high-quality products to our global customers.

When customers report quality issues after product delivery, we promptly initiate dedicated investigations. We maintain comprehensive records from issue identification to final resolution, ensuring traceability, root cause analysis, and continuous improvement of product quality.

During the Track Record Period and up to the Latest Practicable Date, our directors confirm that we have not been subject to any material claims or penalties arising from widespread product quality or performance failures, and have complied with all relevant quality and safety regulations applicable to our operations in all material respects.

## SALES AND MARKETING

### Our Sales Network

We have established a comprehensive sales network that spans both domestic and international markets. For the years ended December 31, 2023, 2024, and 2025, the percentages of sales revenue from the United States accounted for 82.7%, 85.2%, and 86.2%, respectively, from Chinese Mainland accounted for 6.9%, 4.7%, and 3.1%, respectively, and from other regions accounted for 10.4%, 10.1%, and 10.7%, respectively. For a detailed analysis of our revenue by geographical region of our customers, see “Financial Information — Description of Major Components of Our Results of Operations — Revenue.”

### Our Sales Model

We employ a direct sales model. We maintain a small but dedicated sales and marketing team that is strategically sized to efficiently serve our focused customer base.

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### *Principal Contractual Terms with Customers*

We enter framework agreements with certain customers. Salient terms of our sales agreements with customers are set out below:

- *Term and termination.* The terms of our framework agreements vary on a case-to-case basis.
- *Pricing policy.* We sell our products to customers at mutually agreed prices.
- *Payment and credit term.* Customers are generally required to pay us upon acceptance of our products. We generally grant a credit period to our customers, which typically ranges from 30 to 90 days.
- *Purchase amount.* The purchase amount is specified in each purchase order under the framework agreement.
- *Product return arrangements.* We typically do not allow our customers to return products to us except for limited reasons, such as product design defects or quality issues.
- *Logistics.* Logistics are usually arranged as mutually agreed with our customers, to deliver our products by their specified deadlines.

### **Pricing**

We price our products across the three core business segments according to a cost-margin methodology adapted to segment-specific value positioning and competitive dynamics. Among other factors, we mainly consider: (i) order size, (ii) raw material costs, (iii) labor costs, (iv) product specification, and (v) competitive landscape of the markets.

### **Marketing**

Our commercial approach is customer-centric and globally oriented. We actively expand our market presence through an integrated online and offline strategy, including participation in industry exhibitions, as well as leveraging digital platforms and social media platforms. In addition, we actively engage with international industry associations and organizations to enhance our brand influence. For key accounts, we have dedicated teams to provide customized services, including on-site technical communications, proactive technical engagement at early stages, and sample provision. This comprehensive approach has strengthened our industry position while fostering strong customer loyalty. As of December 31, 2025, our sales and marketing team consisted of 57 employees.

### **OUR CUSTOMERS**

Our direct customers are mainly data center infrastructure solution providers optical transceiver manufacturers and network equipment manufacturers, in various application scenarios covering AI data centers and computing power infrastructure, high-speed optical transceivers and CPO system integration, and FTTx broadband access networks.

During the Track Record Period, the aggregate revenue generated from our top five customers in each year amounted to RMB406.5 million, RMB778.6 million, and RMB1,906.8 million respectively, representing 81.3%, 87.6% and 90.6% of our total revenue in the respective year. During the Track Record Period, the revenue generated from our largest customer in each year amounted to RMB223.6 million, RMB377.2 million, and RMB1,330.6 million, respectively, representing 44.7%, 42.4% and 63.2% of our total revenue in the respective year.

So far as our Directors are aware, none of our Directors, their close associates or any Shareholders holding more than 5% of the issued share capital of our Company, had any interests in any of our five largest customers in each year during the Track Record Period.

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The following table sets forth our top five customers in each year during the Track Record Period.

*For the year ended December 31, 2023:*

Ranking	Customer	Product sold	Year of commencement of business relationship	Amount of revenue (RMB million)	% of total revenue of our Group
1	Customer A <sup>(1)</sup>	Fiber optic assemblies and fiber optic connectivity infrastructure products	2020	223.6	44.7
2	Customer B <sup>(2)</sup>	Fiber optic assemblies and fiber optic connectivity infrastructure products	2012	105.4	21.1
3	Customer C <sup>(3)</sup>	Fiber optic assemblies and fiber optic connectivity infrastructure products	2015	36.4	7.3
4	Customer D <sup>(4)</sup>	Fiber optic assemblies and fiber optic connectivity infrastructure products	2014	27.2	5.4
5	Customer E <sup>(5)</sup>	Fiber optic assemblies and fiber optic connectivity infrastructure products	2019	13.9	2.8

*For the year ended December 31, 2024:*

Ranking	Customer	Product sold	Year of commencement of business relationship	Amount of revenue (RMB million)	% of total revenue of our Group
1	Customer B	Fiber optic assemblies and fiber optic connectivity infrastructure products	2012	377.2	42.4
2	Customer A	Fiber optic assemblies and fiber optic connectivity infrastructure products	2020	261.5	29.4
3	Customer C	Fiber optic assemblies and fiber optic connectivity infrastructure products	2015	73.5	8.3
4	Customer E	Fiber optic assemblies and fiber optic connectivity infrastructure products	2019	44.5	5.0
5	Customer D	Fiber optic assemblies, micro-optical assemblies and fiber optic connectivity infrastructure products	2014	21.9	2.5

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*For the year ended December 31, 2025:*

Ranking	Customer	Product sold	Year of commencement of business relationship	Amount of revenue (RMB million)	% of total revenue of our Group
1	Customer B	Fiber optic assemblies and fiber optic connectivity infrastructure products	2012	1,330.6	63.2
2	Customer A	Fiber optic assemblies, micro-optical assemblies and fiber optic connectivity infrastructure products	2020	369.6	17.6
3	Customer E	Fiber optic assemblies and fiber optic connectivity infrastructure products	2019	86.1	4.1
4	Customer C	Fiber optic assemblies and fiber optic connectivity infrastructure products	2015	77.5	3.7
5	Customer F <sup>(6)</sup>	Fiber optic assemblies and fiber optic connectivity infrastructure products	2024	43.0	2.0

*Notes:*

- (1) Customer A: A U.S. company primarily engaged in the design, manufacturing, and delivery of innovative connectivity products.
- (2) Customer B: A U.S. company, listed on the Nasdaq Stock Market, providing communication infrastructure solution.
- (3) Customer C: A U.S. company primarily engaged in the manufacturing and supply of fiber optic and copper cable assemblies.
- (4) Customer D: A U.S. company, listed on the NYSE, providing high-technology interconnect, sensor and antenna solutions.
- (5) Customer E: A U.S. company primarily engaged in the custom cable assembly business.
- (6) Customer F: A U.S. group company with diversified businesses spanning consumer, technology, telecommunications, healthcare, and real estate.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material disputes with any of our five largest customers, and currently there is no indication or sign that any of them will alter the existing relationship with us in any aspect in the near future.

### **Customer Concentration**

Sales to our top five customers accounted for 81.3%, 87.6% and 90.6% of our total revenue for 2023, 2024 and 2025, respectively, with our largest customer representing 44.7%, 42.4% and 63.2% for the same periods. Such customer concentration exposes us to risks of significant revenue fluctuations or declines. See “Risk Factors — Risks Relating to Our Business and Industry — We

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are subject to risks of significant fluctuations or deterioration of financial performance due to our customer concentration.” Despite this, our Directors believe our business model is sustainable and we can maintain future revenue considering the following factors:

According to Frost & Sullivan, the optical connectivity market is served by a concentrated customer base. Given the market landscape, our Directors believe it is unlikely to completely eliminate reliance on these major customers in the near term.

Through years of operations, we have established and maintained stable, long-term relationships with a number of key customers. We believe our ability to secure and sustain these relationships is critical to maintaining our future revenue.

### **Customer Service**

We provide customer service throughout the entire customer engagement lifecycle. We provide timely and responsive service to our customers. Given the inherent reliability of our products, the probability of functional failures affecting product usage or performance is extremely low. In the rare event that such a quality issue occurs, we usually address it directly through product replacement. In addition, we have established dedicated service teams for key accounts, comprising key account managers, sales professionals, and product managers.

### **Product Return**

The value of products returned by customers accounted for 0.1%, 0.1% and 0.2% of our total revenue for each respective year during the Track Record Period, which is below the average level of the industry.

During the Track Record Period and up to the Latest Practicable Date, we did not receive any material complaints or product liability claims from our customers. We did not incur any material warranty expense or make any provision for such warranty expense during the Track Record Period.

## **RAW MATERIALS AND PROCUREMENT**

### **Our Key Raw Materials**

We source raw materials from global third-party suppliers, including optical fiber cables, ferrules and components.

### **Supply Chain Stability Management**

We implement a comprehensive supply chain risk management framework that includes maintaining long-term strategic partnerships with core suppliers, while also diversifying our supply base with primary and backup suppliers for critical materials and keeping a one-to-three-month stock buffer for materials with extended lead times.

### **Procurement Management**

We select suppliers based on production capacity, price, quality, delivery timeliness, and reputation. We perform stricter evaluations to select suppliers for critical components, including on-site audits, sample testing, and long-term stability testing. Once admitted, suppliers are regularly assessed on quality, delivery, technical capability, and after-sales service. Based on results, top performers may receive increased orders or long-term agreements, while underperformers may face procurement restrictions or removal from the qualified list.

Our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, we did not experience any material supply disruptions, disputes, or delays that had a significant impact on our operations.

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### OUR SUPPLIERS

#### Our Major Suppliers

During the Track Record Period, purchases from our five largest suppliers in each year amounted to RMB167.4 million, RMB350.0 million, and RMB1,073.9 million, respectively, representing 64.0%, 63.0%, and 74.3% of our total purchase amount, respectively. In addition, during the Track Record Period, purchases from our largest supplier in each year amounted to RMB49.4 million, RMB161.2 million and RMB459.4 million, respectively, accounted for 18.9%, 29.0%, and 31.8% of our total purchase amount in the same years, respectively. All of our five largest suppliers were Independent Third Parties during the Track Record Period.

None of our Directors and their respective associates or our Shareholders who hold more than 5% of our total issued Shares had any interest in our five largest suppliers during the Track Record Period. Additionally, we did not experience any material disputes with our suppliers during the Track Record Period.

The following table sets forth the details of our five largest suppliers in each year during the Track Record Period:

*For the year ended December 31, 2023:*

Ranking	Supplier	Product purchased	Year of commencement of business relationship	Purchase amount (RMB million)	% of purchase amount of our Group
1	Supplier A <sup>(1)</sup>	Components and ferrules	2020	49.4	18.9
2	Supplier B <sup>(2)</sup>	Optical cable	2012	39.3	15.0
3	Supplier C <sup>(3)</sup>	Optical cable	2018	38.2	14.6
4	Supplier D <sup>(4)</sup>	Optical cable	2021	26.4	10.1
5	Supplier E <sup>(5)</sup>	Cable	2012	14.1	5.4

*For the year ended December 31, 2024:*

Ranking	Supplier	Product purchased	Year of commencement of business relationship	Purchase amount (RMB million)	% of purchase amount of our Group
1	Supplier A	Components and ferrules	2020	161.2	29.0
2	Supplier F <sup>(6)</sup>	Optical cable and components and ferrules	2019	59.3	10.7
3	Supplier C	Optical cable	2018	57.7	10.4
4	Supplier B	Optical cable	2012	51.8	9.3
5	Supplier E	Cable	2012	20.0	3.6

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*For the year ended December 31, 2025:*

Ranking	Supplier	Product purchased	Year of commencement of business relationship	Purchase amount (RMB million)	% of purchase amount of our Group
1	Supplier A	Components and ferrules	2020	459.4	31.8
2	Supplier G <sup>(7)</sup>	Components and ferrules	2019	279.3	19.3
3	Supplier F	Optical cable and components and ferrules	2019	135.7	9.4
4	Supplier B	Optical cable	2012	120.2	8.3
5	Supplier C	Optical cable	2018	79.3	5.5

*Notes:*

- (1) Supplier A: A U.S. company primarily engaged in the design, manufacturing, and sales of high-density optical interconnect passive components.
- (2) Supplier B: A Shenzhen-based company primarily engaged in the research, development, production, and sales of optical cables.
- (3) Supplier C: A Shanghai-based company primarily engaged in the research, development, production, and sales of optical cables.
- (4) Supplier D: A Dongguan-based company primarily engaged in the research, development, production, sales, and technical services of optical fiber and optical cable products.
- (5) Supplier E: A Shenzhen-based company primarily engaged in the research, development, production and sales of communication products.
- (6) Supplier F: A U.S. company that is a communication infrastructure solutions provider, which is also our Customer B.
- (7) Supplier G: A Japan company primarily engaged in the design and manufacturing of fiber optic connectors.

### ***Principal Contractual Terms with Suppliers***

We typically enter framework agreements with our suppliers. Salient terms of our supply agreements with suppliers are set out below:

- *Price.* Prices are determined in the quotation and may be adjusted based on raw material market movements.
- *Payment and credit term.* Credit periods of 30 to 90 days are typically granted to us based on historical cooperation.
- *Logistics.* Suppliers are required to deliver to our designated facility, and we may reject or return non-conforming goods following inspection upon receipt.
- *Quality assurance.* Suppliers undertake to meet agreed product specifications and to bear liability for any quality defects identified upon acceptance.
- *Term and Termination.* In most cases, either party may terminate the agreement by writing. Termination may also occur in cases of material breach, insolvency, or the filing of an application for bankruptcy that has been accepted by the court.

### **OVERLAPPING CUSTOMERS/SUPPLIERS**

Our customers are typically large groups with diverse product lines, so we source raw materials from them based on our needs. As confirmed by Frost & Sullivan, our operation of such an overlapping model is in line with market norms.

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During the Track Record Period, we had 13, five and 11 customers that were also our suppliers, respectively, generating a revenue of RMB107.4 million, RMB384.2 million and RMB1,343.4 million, respectively, which represented 21.5%, 43.2% and 63.8% of our total revenue, respectively. For the same periods, the purchases from such overlapping customers/suppliers amounted to RMB11.2 million, RMB59.9 million, and RMB136.1 million, respectively, which represented 4.3%, 10.8% and 9.4% of our total purchase amount, respectively. During the reporting period, one of our top five customers, Customer B, was also our supplier, Supplier F. One of our top five suppliers, Supplier F, was also our customer, Customer B. In 2023, 2024 and 2025, Customer B generated a revenue of RMB105.4 million, RMB377.2 million and RMB1,330.6 million, which represented 21.1%, 42.4% and 63.2% of our total revenue, respectively. For the same periods, the purchases from Customer B/Supplier F amounted to RMB9.2 million, RMB59.3 million and RMB135.7 million, which represented 3.5%, 10.7% and 9.4% of our total purchases, respectively.

Our Directors confirm that none of the transactions between us and our overlapping customers/suppliers were interconnected or inter-conditional, and all of such overlapping customers/suppliers are Independent Third Parties. The prices of transactions with overlapping customers/suppliers are comparable to those of similar transactions conducted with other customers/suppliers of our Group. During the Track Record Period and up to the Latest Practicable Date, none of our products that are sold to our customers are then purchased by the Group, nor were there any raw materials sold to our Group by our suppliers were then purchased by such suppliers. We also confirm that all products provided to and products received from overlapping customers/suppliers during the Track Record Period were conducted at arm’s length, under normal commercial terms, and in the ordinary course of business.

### LOGISTICS AND INVENTORY MANAGEMENT

#### Logistics

For the majority of our sales, finished products are picked up by our customers directly from our production facilities. In limited circumstances where transportation arrangements are made by us, we primarily engage qualified third-party logistics service providers to deliver finished products from our production facilities to locations designated by our customers. The selection of logistics providers is based on a comparative evaluation of multiple factors, taking into account factors such as service reliability, pricing, delivery capabilities, and geographic coverage. We typically settle freight charges with our logistics providers within 30 days, depending on the agreed payment terms with each provider.

We purchase transportation insurance according to international trade terms. In the event of loss or damage occurring during transportation, the insurance coverage would apply.

To the best of our knowledge, all of these logistics service providers are Independent Third Parties. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any significant delay or improper handling of goods that materially and adversely affected our business operations.

#### Inventory Management

Our inventories are classified into three main categories based on their nature: raw materials, work-in-progress, and finished goods. The requisition and counting of inventories are conducted in accordance with our warehouse management policies and inventory counting procedures.

The finance department organizes relevant departments to conduct inventory counts on a regular basis, including a small-scale count at the end of each month (either sample count or full count as appropriate) and a comprehensive 100% physical count every six months. Upon completion of each count, the finance department prepares an inventory count report, which is submitted level by level to the financial controller, the supervising head, and the general manager for review.

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Inventory identified during counts as exceeding the storage period or as long-term slow-moving stock shall be listed in detail and properly categorized for timely redistribution or sale to reduce inventory backlog.

We manage our inventory levels based on production requirements and sales forecasts. Raw materials are procured according to production plans, with appropriate safety stock maintained for critical items to mitigate supply risks. Work-in-progress is monitored closely throughout the production process to ensure timely completion and minimize work-in-progress holding periods. Finished goods are managed with reference to customer orders and market demand to optimize inventory turnover.

### INFORMATION TECHNOLOGY SYSTEM

Our information technology system serves as the core foundation that supports our efficient operations, ensures data security, and maintains business continuity, providing key technical support for business development and management decision-making. Our Digital Information Department, as a first-tier department, assumes overall and coordinated management of related work. Based on our organizational structure, business scope, and technical capabilities, we have built a complete and highly adaptable IT infrastructure, including ERP, CRM, MES and PDM systems. To continuously enhance system reliability, security, and operational efficiency, we persistently optimize our IT management system, standardize the management of software, servers, and assets, and implement refined access control and authorization mechanisms. At the same time, through regular system updates, data backups, and cybersecurity inspections, we comprehensively improve system stability and risk resilience, thereby laying a solid technical foundation for our high-quality development. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material IT system failure or downtime that had a material adverse effect on our business operations. See “Risk Factors — Risks Relating to Our Business and Industry — Our risk management and internal control systems may not be adequate or effective in all respects, which may materially and adversely affect our business and results of operations.”

### INTELLECTUAL PROPERTY

Our patents, copyrights, trademarks, domain names, know-how, proprietary technologies, trade secrets and other intellectual property rights are critical to our business operations. We have passed the GB/T 29490–2023 “Intellectual Property Compliance Management System” certification in 2025. As of the Latest Practicable Date, we had 146 granted patents in PRC, including 17 invention patents, 127 utility model patents, and two design patents. As of the Latest Practicable Date, we had four software copyrights, 84 registered trademarks, and eight domain names in PRC. As of the Latest Practicable Date, we had two domain names in overseas.

We mainly acquire patents through self-development. As of the Latest Practicable Date, we owned all of our patents as well as patent applications and had no co-ownership or co-sharing arrangements of our patents and patent applications with third parties. For further details our portfolio of material intellectual property rights as of the Latest Practicable Date, please see “Appendix VI — Statutory and General Information — Further Information About Our Business.”

During the Track Record Period and up to the Latest Practicable Date, we did not experience any threatened or pending disputes relating to infringement of intellectual property rights which would have a material adverse effect on our business. See “Risk Factors — Risks Relating to Our Business and Industry — We may not be able to prevent others from making unauthorized use of our intellectual property.”

### COMPETITION

According to F&S, the global optical connectivity industry is a core foundational segment of optical communication systems, focusing on hardware and ancillary components used for optical signal transmission, distribution and interconnection. From 2021 to 2025, the global optical

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connectivity market size in terms of user spending increased from RMB131.0 billion to RMB205.3 billion, representing a CAGR of 11.9% from 2021 to 2025, and is expected to reach RMB709.2 billion by 2030, representing a CAGR of 28.1% from 2025 to 2030. In 2025, the North American market size reached RMB78.8 billion, representing a CAGR of 15.5% from 2021 to 2025. Going forward, as the demand for optical connectivity in AI data centers continues to be released, the North American market is expected to maintain strong growth resilience, with market size projected to increase to RMB317.0 billion by 2030, representing a CAGR of 32.1% from 2025 to 2030. The optical connectivity industry is competitive and relatively fragmented, with the top five manufacturing solution providers collectively accounting for 33.9% of the market, in terms of fiber optic assembly revenue. In 2025, measured by revenue from sales of fiber optic assemblies, the Company ranked first globally, achieving revenue from sales of fiber optic assemblies of RMB2.0 billion, representing a market share of 9.7%. From 2023 to 2025, the Company recorded a revenue from sales of fiber optic assemblies CAGR of 115.3%, which is the highest among the global top five optical connectivity product and solution provider. See “Industry Overview.”

### THIRD PARTY PAYMENT ARRANGEMENT

During the Track Record Period, we received payments from third parties on behalf of a small number of our customers through bank accounts not held by the contracting parties under the relevant sales and purchase agreements (the “**Third Party Payment Arrangements**”). These arrangements were primarily initiated by our customers for operational convenience, and the designated third party payors were typically their legal representatives, ultimate beneficial owners and third party entities.

In the year ended December 31, 2023, 2024 and 2025, we received third-party payments totaling RMB0.5 million, RMB0.6 million and RMB0.4 million, which accounted for 0.10%, 0.07% and 0.02% of our total revenue in the respective years. During the Track Record Period, we duly recorded all such payments in accordance with our internal accounting policies and the applicable tax regulations.

Upon identification of such arrangements, we promptly took steps to rectify and prevent further occurrence of Third Party Payment Arrangements. We have ceased accepting payments from accounts not held by the contracting customers since January 2026, enhanced internal protocols by requiring our finance team to reject unmatched payments and to verify all payment instructions against registered customer records and initiated internal training across relevant departments to strengthen awareness and compliance with the updated policy.

According to our PRC Legal Advisors, in light of the aforementioned, Third Party Payments do not breach any mandatory or prohibitive provisions of the current applicable PRC laws and regulations.

According to Frost & Sullivan, it is not uncommon for customers, especially those who are small-sized, to settle their corporate transactions via third-party payers for convenience and efficiency.

Based on the above, and having made all reasonable enquiries, our Directors confirm that the historical Third Party Payment Arrangements have not had and will not have any material adverse impact on our business operations, financial condition or internal control systems.

### HISTORICAL TRANSACTIONS SUBJECT TO POTENTIAL SANCTION RISKS

During the Track Record Period, we had transactions with one customer in Iran in 2024, and we received payments in USD for such transaction. Revenue derived from such customer amounted to RMB41,836.7 during the Track Record Period. Our Directors have confirmed that our transactions with such customer have been completed and settled in 2024 and we have ceased all of our transactions relating to Iran since November 2024.

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Our International Sanctions Advisor has advised us that such USD-denominated transactions appear to be in violation of U.S. primary sanctions laws that prohibit the use of the U.S. financial system for this type of trade with Iran. Accordingly, the Iran USD sales likely constituted Primary Sanctioned Activity.

As advised by our International Sanctions Advisor and taking into account that (i) all Iran historical transactions were completed by November 2024 and only one payment was received during the Track Record Period, (ii) the Iran historical transactions only involve optical connectivity products manufactured in the PRC, (iii) the aggregate revenue derived from the Iran historical transactions represented 0.001% of our Group’s total revenue during the Track Record Period which was negligible in terms of revenue, (iv) the only Iranian customer was not designated on any sanctions list; and (v) as of the Latest Practicable Date, our Group has not been notified or received any notification from the relevant authorities or banks in connection with the Iran historical transactions, it is reasonable to conclude that sanctions risks (including designation as a Sanctioned Target) on our Group shall be relatively remote.

We have implemented a series of internal control measures as a part of our commitment to regulatory compliance and risk management. We have implemented a sanction-related internal policy to govern our approach to identifying, assessing, and mitigating OFAC-related risks. In addition, our system incorporates controls over customer country selection, with no option to select any jurisdiction subject to comprehensive OFAC sanctions. Consequently, the system precludes the onboarding of any customer from a sanctioned region and the generation of any order associated with such customer. We also maintain a regular process for circulating current OFAC sanctions lists to our sales team, to enhance frontline awareness and enable timely escalation of potential sanctions-related issues prior to order finalisation.

### TRANSFER PRICING TRANSACTIONS

Our operations are managed through subsidiaries in multiple jurisdictions. During the Track Record Period, our intra-group transactions primarily involved the purchase and sale of tangible goods and provision of services among our entities in the PRC, Hong Kong and Vietnam.

We have engaged an international professional advisory company as an independent transfer pricing consultant (the “**Transfer Pricing Consultant**”) to review our transfer pricing arrangements from an arm’s length compliance perspective. The Transfer Pricing Consultant reviewed the related party transactions to determine whether their price and profit level during the Track Record Period fall within the price and profit benchmark of arm’s length transactions. The analysis is based on the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2022 (“**OECD Transfer Pricing Guidelines**”) issued by the OECD, which are consistent with the transfer pricing regulations in PRC, Hong Kong, and Vietnam.

The Transfer Pricing Consultant selected the transactional net margin method (“**TNMM**”) as the most appropriate transfer pricing method to assess whether the transfer pricing arrangements related to the related party transactions were consistent with the arm’s length principle. The Transfer Pricing Consultant has selected the full cost plus rate, operating margin before interest and tax, and berry ratio of the uncontrolled third-party comparable companies as the profit level indicator (“**PLI**”) for different subsidiaries to provide a basis for analysis of the controlled intra-group transactions respectively. After conducting transfer pricing benchmarking analysis by screening and analyzing comparable companies, the Transfer Pricing Consultant concluded that given the profit level of the related subsidiaries and the appropriate provisions made during the Track Record Period, the related party transactions were generally consistent with the arm’s length principle and the Transfer Pricing Law and Regulation of PRC, Hong Kong and Vietnam, and there is no further material financial impact on the Group’s financial statements.”

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Our Directors confirm that during the Track Record Period and up to the Latest Practicable Date, we were not aware of any outstanding enquiries, audit, investigation or challenge by any tax authorities in Hong Kong, Chinese Mainland and Vietnam in relation to our intra-group transactions and transfer pricing arrangements.

We have been and will continue to closely monitor our transfer pricing arrangements including reviewing the reasonableness of the pricing policy of intra-group transactions from time to time. However, similar to other matters relating to tax, we cannot assure that our transfer pricing arrangements will not be subject to review and possible challenge by any tax authorities in future, though the Directors believe that we have reasonable grounds to defend ourselves against such possible challenge. See “Risk Factors — Risk relating to our business and industry — Our operations may be subject to transfer pricing adjustments by competent tax authorities, which could result in additional tax liabilities and related penalties.”

### OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INITIATIVES

#### Environment, Social, and Governance (ESG)

##### ESG Governance

###### *ESG Management and Targets*

We have deeply integrated the concept of ESG sustainable development into its overall business strategy and entire operation management. We are committed to advancing high-quality development alongside social responsibility, coordinating the synergistic development of environmental, social, and governance initiatives, and steadily achieving the sustainable development goal of win-win economic, environmental and social values. The Board of Directors will conduct special reviews of major annual ESG issues and performance, and has formed a closed-loop management system of strategy formulation, implementation, supervision and review, and continuous optimization through review and optimization and annual supervision to ensure the efficient implementation of the sustainable development strategy.

###### *Business Ethics Observance*

We maintain a zero-tolerance principle toward corruption and fraud. In April 2025, the Company issued the Anti-Bribery and Whistleblowing Management Policy, to regulate the Code of Conduct for all employees and stakeholders, completed the signing of the Clean Practice Agreement for personnel in key positions in December, and organized all directors to complete clean practice training, and achieved 100% coverage rate of directors’ training. We have established a standardized and comprehensive whistleblowing and oversight mechanism, publicized whistleblowing channels, standardized case handling procedures, and strictly implemented information confidentiality management to ensure the safety and smoothness of supervision channels in all aspects. In 2025, we had no litigation cases related to corruption and fraud, and achieved stable and positive results in corporate integrity governance and compliance operation.

##### Green Development

###### *Environmental Management System*

We have established a systematic environmental management target system to ensure that there are no fire incidents, standardized treatment of solid wastes and standardized emission of wastewater, exhaust gas and noise throughout the year. We first obtained ISO 14001:2015 certification in 2019 and completed re-certification in 2025. During the Track Record Period, there were no major environmental violations, pollution incidents and administrative penalties, and its environmental management performance remained stable.

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### *Climate Change Response*

In terms of risk and opportunity management, we routinely identify physical risks (such as extreme weather, long-term climate change), transformation risks (such as policy and legal risks, reputational risks, technological risks) and transformation opportunities, and formulate and update response measures in a timely manner. At the strategic level of climate change response, we closely follow the national dual-carbon and energy conservation and emission reduction policies, comprehensively identify and account for greenhouse gas (GHG) emissions across Scopes 1, 2, and 3 throughout the entire industrial chain, provide data decision-making support for emissions reduction planning, and steadily advance the dual-carbon goal.

	2023	2024	2025
Scope 1 GHG emissions (tCO <sub>2</sub> e)	7.8	9.0	10.1
Scope 2 GHG emissions (tCO <sub>2</sub> e)	616.2	936.3	2,214.5
Scope 3 GHG emissions (tCO <sub>2</sub> e)	8,334.9	13,684.6	27,582.1
Total GHG emissions (tCO <sub>2</sub> e)	8,959.0	14,629.8	29,806.7

### *Energy Management*

We adhere to the concept of “green operation, energy conservation and emission reduction”, conducts production and operation in compliance with regulations, focuses on core energy consumption areas such as hydropower, raw materials and electricity, and promotes energy conservation and consumption reduction and greenhouse gas emission reduction on a regular basis through refined resource management and control and optimization of production and energy consumption mode. In accordance with the ISO14001 environmental management system, the Company has established and improved the energy and consumption management and control system, introduced special management procedures for energy consumption and ozone layer substances, established a top-down energy-saving management structure, clarified the management responsibilities at all levels, and implemented standardized management of energy, water resources and packaging materials throughout the process to eliminate energy waste. We actively respond to the national dual-carbon strategy and continues to deepen the transformation of energy conservation and carbon reduction. Through process optimization, equipment upgrading, clean energy substitution, elimination of high-energy-consuming equipment and other measures, the carbon emission intensity will be reduced, the carbon emission accounting system will be improved, and the green awareness of all employees will be strengthened by relying on normalized energy-saving training, so as to fulfill corporate environmental protection responsibilities in an all-round way, and help enterprises develop green and low-carbon in the long term. In 2023, 2024 and 2025, our energy consumption was 191.5 tons of standard coal equivalent (tce), 280.9 tce and 652.2 tce, respectively.

### *Water Resource Management*

We formulate the “Noise, Wastewater and exhaust gas Management Procedures” to standardize waste management. We have installed water meters and established a monthly water consumption analysis mechanism to explore the potential of water-saving and implement water-saving measures. In 2023, 2024 and 2025, our total water consumption was 13,302.7 tons, 21,596.6 tons and 46,902.9 tons, respectively.

### *Waste and Pollution Management*

We have established a hierarchical environmental management system and an environmental responsibility mechanism for all employees, so as to ensure that emissions of wastewater, exhaust gas, and noise meet the standards and that solid waste is disposed of with 100% compliance. We plan to regularly carry out environmental protection training and emergency drills to build a solid defense

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line for green production and environmental safety in all aspects. In 2023, 2024 and 2025, our solid waste emissions were 147.8 tons, 259.8 tons and 570.7 tons, and our wastewater emissions were 11,972.4 tons, 19,437.0 tons and 40,977.7 tons, respectively.

### **Shared Social Responsibility**

#### ***Product Quality and Service***

We have obtained ISO 9001, ISO 14001, and ISO 45001 certifications, focusing on product quality and service risk management and control throughout the entire lifecycle. From 2023 to 2025, there were no safety or health-related product recalls self-developed MMC ultra-high-density interconnection solution received official certification from U.S. Conec in November 2025.

#### ***Employee Development***

We are committed to creating a workplace environment that is diversified, inclusive, compliant and safe to ensure the well-being of employees and the steady development of the enterprise. In our hiring and employment practices, we adhere to the principle of job competence, explicitly prohibit employment discrimination, and ensure the equal development of employees in terms of background, gender and age. In accordance with laws and regulations, we safeguard employees’ interests such as compensation, leave, social security, occupational health, and support various living benefits and incentive mechanisms such as performance, promotion, equity, to realize the sharing of interests and common growth of employees and the enterprise.

We have established a comprehensive employee communication and complaint mechanism, unblocked the complaint channels and protected the interests of whistleblowers, and maintained a zero-tolerance attitude towards workplace bullying, sexual harassment and discrimination. It has established a comprehensive training and development system, empowering employees to grow through mentors and clear promotion channels. We provide a series of training courses and membership program to our employees. We establish an illegal employment prevention and control system through on-boarding verification and multi-channel supervision, and strictly abide by the bottom line of labor compliance based on the principle of “zero-tolerance, early detection and swift resolution”.

#### ***Occupational Health and Safety***

We strictly adhere to the national laws and regulations relating to occupational health and safety production, and obtained certification for both the ISO14001:2015 Environmental Management System and ISO45001:2018 Occupational Health and Safety Management System, thereby standardizing and systematizing environmental and safety management, and effectively ensuring the occupational health of employees and the safety of production and operation. From 2023 to 2025, there were no work-related fatalities of our employees.

#### ***Community Contribution***

We promote the concept of healthy sports, gather the vitality of employees through sports, and regularly organize cultural and sports activities such as marathons, city runs and mountaineering, so as to create a corporate culture of sports and health, and help employees maintain a good physical and mental condition. We actively fulfill our social responsibilities, for example, we sponsored the “Light Chasing Run” for three consecutive years and supported various sports events, to promote the sportsmanship and convey the positive values of the enterprise.

### **EMPLOYEES**

As of December 31, 2025, we had a total of 3,645 employees and most of our employees were based in the PRC and Vietnam.

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The following table sets forth a breakdown of our full-time employees by function as of December 31, 2025.

<b>Function</b>	<b>Number of Employees</b>	<b>Percentage (%)</b>
Production	3,212	88.1%
Research and development	216	5.9%
Administration and management	160	4.4%
Sales and marketing	57	1.6%
<b>Total number of full-time employees</b>	<b>3,645</b>	<b>100.0%</b>

### Recruitment and Human Resource Management

We highly value the potential of our employees and have invested substantial effort and resources in recruiting and training our employees. Our success hinges on our ability to attract, retain and motivate qualified talent, and we believe that our high-quality and diverse talent pool is one of our core strengths.

We offer competitive compensation and benefits to attract and retain top talent. In addition to base salaries, we provide performance-based bonuses, a comprehensive range of allowances, overtime pay, and long-term incentive plans for eligible employees. We also conduct regular performance evaluations and offer merit-based promotions, salary adjustments, and various recognition awards to reward outstanding and long serving employees.

In light of the long-term benefits of talent cultivation, we provide internal training programs to our employees periodically to enhance their technical know-how and solidify their knowledge and expertise for the industry.

### Employment Contract and Employee Benefits

We enter into standard employment agreements with all full-time employees, sign confidentiality agreements with all currently serving and compensated directors, senior management members and core technical personnel. These agreements typically include confidentiality obligations effective during and after employment.

We believe that we maintain good working relationships with our employees, and we have not experienced any material labor disputes, strikes, protests or any difficulty in recruiting staff for our operations during the Track Record Period and up to the Latest Practicable Date.

### Social Insurance

Pursuant to PRC social insurance regulations, we provide social insurance including pension insurance, unemployment insurance, work-related injury insurance, maternity insurance and medical insurance for our employees based in China.

During the Track Record Period, we did not make full contributions to the social insurance and housing provident funds as required by the relevant PRC laws and regulations for our employees in certain PRC operating entities of our Group. For the same period and up to the Latest Practicable Date, we had not received any notices or penalties from the social insurance authorities or the housing provident fund authorities requiring us to make any additional social insurance and housing provident fund contributions. As of the Latest Practicable Date, considering that (i) we had obtained Public Credit Information Enquiry Report (No Record of Unlawful or Irregular Conduct) issued by Shenzhen Public Credit Center and Jiangsu Province Public Credit Center and consultation from local social insurance and housing provident fund authorities, which confirmed that we had been

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subject to no penalties related to social insurance or housing provident fund during the Track Record Period, (ii) we were not aware of any plans by the regulatory bodies to conduct a comprehensive recovery or impose penalties to make the outstanding shortfall, (iii) if we are required to make such payments, we will promptly settle the outstanding shortfall in social insurance and the housing provident fund, and (iv) the Ministry of Human Resources and Social Security have strictly prohibited the centralized collection of historical shortfalls for social insurance and housing provident fund contributions in the absence of material employee complaint, our PRC Legal Advisor is of the view that, under the premise that there are no significant changes to current PRC policies and regulations or to the enforcement and supervision requirements of local governments, the likelihood that we would be subject to material administrative penalties due to our failure to provide full social insurance and housing provident fund contributions is remote. It is also understood that, absent changes in enforcement practices, policy shifts, or employee-initiated complaints or proceedings, the likelihood to proactively pursue retrospective collection of unpaid amounts by the authorities on a collective basis is remote.

As of the Latest Practicable Date, we had not received any notification from the relevant PRC authorities requiring us to pay all shortfall with respect to social insurance and housing provident funds or imposing any administrative penalties on us.

### PROPERTIES

As of the Latest Practicable Date, we did not own any properties. As of the Latest Practicable Date, we had thirteen main leased properties in the PRC, with a total aggregate gross floor area of approximately 54,943.2 sq.m, mainly for office, factory facilities and business development. As of the Latest Practicable Date, eight main leased properties have not yet obtained property right certificates, covering a total gross floor area of approximately 21,031.56 sq.m. As of the Latest Practicable Date, we had three main leased properties in Vietnam, with a total aggregate of 38,265.3 sq.m, mainly for office and factory facilities.

Pursuant to the applicable PRC laws and regulations, property lease agreements shall be registered with the relevant local branches of the PRC Ministry of Housing and Urban-Rural Development. As of the Latest Practicable Date, we had not completed lease registration for all of our leased properties. According to the relevant PRC laws and regulations, we may be ordered by the relevant government authorities to register the relevant lease agreements within a prescribed period, failing which we may be subject to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease. As advised by our PRC Legal Advisors, the lack of registration of the lease agreements does not affect the validity of such lease agreements.

As advised by our PRC Legal Advisor, if the lessor of the leased properties does not have the requisite rights to lease the relevant properties, we would not be subject to any administrative penalties with respect to these properties, but our lease may be affected, and, as a result, we may be required to vacate the relevant properties and relocate. As of the Latest Practicable Date, we were not aware of any challenge made by a third party or competent government authority on the titles of any of these leased properties that might affect our current occupation. We believe that in the event that the relevant rightful title holders or other third parties challenge our use of such leased properties and we are required to relocate, we are able to find suitable alternative properties within the proximate area, without incurring substantial additional costs nor imposing any material adverse effect on our business, financial condition and results of operations. For further details, see “Risk Factors — Risk Relating to Our Business and Industry — The validity of our rights to use the leased properties may be subject to challenge by property owners or other third parties, which could disrupt our operations and result in unplanned relocation costs.”

### Property Valuation

As of the Latest Practicable Date, no single property interest forming part of our Group’s property activities had a carrying amount of 1% or more of our total assets and no single property interest forming part of our Group’s non-property activities had a carrying amount of 15% or more

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of our total assets. According to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report as described under paragraph 34(2) of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance.

**INSURANCE**

We maintain insurance policies to cover various aspects of our business, including short-term export credit insurance, overseas investment equity insurance, and transportation insurance, to safeguard our business continuity. In line with general market practice, we do not maintain any business interruption insurance or insurance policies covering damages to our network or information technology systems. We regularly review our insurance policies to ensure compliance with statutory requirements. We believe that our existing insurance coverage is adequate for our operations and aligns with industry standards.

During the Track Record Period, we were not subject to any material claim of insurance. However, we may still be exposed to potential claims and liabilities exceeding our insurance coverage. For further details, see “Risk Factors — Risks Relating to Our Business and Industry — We may not have sufficient insurance coverage.”

**AWARDS AND RECOGNITION**

During the Track Record Period, our achievements in products and R&D capabilities have been widely acknowledged through various prestigious awards and recognitions.

Based on the Group’s experience and technical capabilities, we have been invited by government authorities to provide technical views and practical feedback in connection with the development of certain industry standards. A list of the standards we have participated in formulating is set out below.

<b>Standard Type</b>	<b>Standard Name</b>
National Standard	20230193-T-469 Information technology — Data center facilities and infrastructure — Part 1: General concepts
National Standard	20231991-T-339 Fiber optic interconnecting devices and passive components — Fiber optic connector interfaces — Part 1: General and guidance
National Standard	20240573-T-339 Fiber optic interconnecting devices and passive components — Mechanical-type and fusion-type splice protectors for optical fibers and cables — Part 1: Generic specification
National Standard	20241828-T-339 Fiber optic interconnecting devices and passive components — Basic test and measurement procedures — Part 2–11: Tests — Axial compression

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The following table sets out the details of some of the notable awards and recognitions which we have received:

<b>Award/Recognition</b>	<b>Award Year</b>	<b>Awarding Institution/Authority</b>
Key National-level Specialized, Sophisticated, Distinctive and Innovative “Little Giant” Enterprise	2025	Ministry of Industry and Information Technology
Guangdong Provincial Manufacturing Single Champion Enterprise	2025	Department of Industry and Information Technology of Guangdong Province
Shenzhen/Bay Area Well-known Brand	2025	Shenzhen Well-known Brand Evaluation Committee
Specialized and Sophisticated “Little Giant” Enterprise	2024	Ministry of Industry and Information Technology
Engineering Technology Research Center	2023	Department of Science and Technology of Guangdong Province
Independent Innovation Benchmarking Enterprise	2023–2025	Shenzhen Enterprise Innovation Record Review Committee & Organizing Committee

## LICENSES AND PERMITS

As confirmed by our Legal Advisors as to PRC, during the Track Record Period and as of the Latest Practicable Date, we had obtained all requisite licenses, approvals and permits from relevant government authorities that are material to our business operations in PRC. We are required to renew such certificates, permits and licenses from time-to-time, and we are continually overseeing the compliance with the relevant laws and regulations. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material difficulties in renewing the licenses, approvals and permits, and currently we do not expect any material difficulties in such renewal in PRC.

As of the Latest Practicable Date, one of our Vietnam Subsidiaries, ADTEK Manufacturing, was in the late stage of obtaining fire approval for the renovation works it had carried out for its leased premises in 2025. As confirmed by our Vietnam Legal Advisors, save for the foregoing, during the Track Record Period and as of the Latest Practicable Date, the Vietnam Subsidiaries had obtained all licenses, approvals, and permits from the relevant government authorities in Vietnam that are material to their respective business operations. Our Vietnam Legal Advisors are of the view that the risk of ADTEK Manufacturing being subject to a temporary suspension of use of the relevant leased premises is low, taking into account that: (i) ADTEK Manufacturing confirmed that it was in the late stage of completing the fire prevention and fighting acceptance procedures to obtain such fire approval and has undertaken to complete such procedures; (ii) ADTEK Manufacturing confirmed that it does not foresee any legal impediment to obtaining such fire approval; and (iii) that ADTEK Manufacturing has not received any notice from any competent authority in relation to the absence of such fire approval.

We are required to renew any such certificates, permits and licenses from time-to-time, and we are continually overseeing the compliance with the relevant laws and regulations. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material difficulties in renewing the licenses, approvals and permits, and currently we do not expect any material difficulties in such renewal in Vietnam.

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### CERTIFICATES, LICENSES, APPROVALS AND PERMITS

The following table sets out a list of material certificates, licenses, permits and approvals currently held by our subsidiaries in the PRC as of the Latest Practicable Date:

<b>License/Approval/Permit</b>	<b>Holder</b>	<b>Issuing Authority</b>	<b>Validity Period</b>
Registration of Importer/ Exporter	Issuer	Fuzhong Customs District	Long-term
	ADTEK Intelligent	Shanwei Customs District	Long-term
	Hylink Technology	Fuzhong Customs District	Long-term
	ADTEK Precision	Fuzhong Customs District	Long-term
	ADTEK Intelligent Suqian	Suqian Customs District	Long-term

The following table sets out a list of material certificates, licenses, permits and approvals our subsidiaries held in Vietnam as of the Latest Practicable Date:

<b>License/Approval/Permit</b>	<b>Holder</b>	<b>Issuing Authority</b>	<b>Date of Grant</b>
Investment Registration Certificate (as the 3 <sup>rd</sup> amendment)	Fiber Connect Vietnam	Industrial Zones Authority of Bac Ninh Province	January 27, 2026
Enterprise Registration Certificate (as the 4 <sup>th</sup> amendment)	Fiber Connect Vietnam	Business Registration and Enterprise Management Office of Bac Ninh Province	December 15, 2025
Business Location Registration Certificate with registration number 00001 (as the 1st amendment)	Fiber Connect Vietnam	Business Registration and Enterprise Management Office of Bac Ninh Province	18 December 2025
Confirmation on Environmental Registration	Fiber Connect Vietnam	People’s Committee of Noi Due Commune	June 27, 2025
Chemical Incident Prevention and Response Measures	Fiber Connect Vietnam	Fiber Connect Vietnam	July 22, 2025
Investment Registration Certificate (as the 1st amendment)	ADTEK Manufacturing	Industrial Zones Authority of Bac Ninh Province	October 9, 2025
Enterprise Registration Certificate (as the 3rd amendment)	ADTEK Manufacturing	Business Registration and Enterprise Management Office	December 15, 2025

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License/Approval/Permit	Holder	Issuing Authority	Date of Grant
Confirmation of Environmental Registration	ADTEK Manufacturing	People’s Committee of Viet Hung Commune	June 17, 2025
Chemical Incident Prevention and Response Measures	ADTEK Manufacturing	ADTEK Manufacturing	July 22, 2025

### LEGAL PROCEEDINGS AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any actual or pending legal, arbitration or administrative proceedings (including any bankruptcy or receivership proceedings) that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation and compliance.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material non-compliance incidents that have led to fines, enforcement actions, or other penalties that could, individually or in aggregate, have a material adverse effect on our business, results of operations and financial conditions.

According to our PRC Legal Advisors, the business operations we engaged in PRC had been carried out in compliance with applicable PRC laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date. According to our Vietnam Legal Advisors, save for the disclosure above, the business operations conducted by the Vietnam Subsidiaries had been carried out in compliance with applicable Vietnamese laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date. For further details, see “Risk Factors — Risks Relating to Our Business and Industry — Failure to obtain or maintain the necessary licenses, permits or approvals in any jurisdiction where we operate could subject us to significant penalties, regulatory proceedings, or other enforcement actions.”

### RISK MANAGEMENT AND INTERNAL CONTROL

We have established a comprehensive risk management and internal control system to facilitate compliance, operational efficiency, and financial integrity. Our risk management policies cover various critical aspects of our operations, including financial reporting, information system and data security, compliance, intellectual property, capital management, audit mechanisms and human resources management. Our Board of Directors is responsible for overseeing risk management and internal controls, ensuring that they are adequate, effective and aligned with our strategic goals. Our senior management team oversees the daily implementation of these internal control procedures, ensuring compliance across all subsidiaries and functional departments. We also conduct periodic reviews of our policies and procedures to mitigate risks and align with regulatory requirements and business objectives.

#### Financial Reporting Risk Management

To mitigate financial reporting risks, we have put in place comprehensive accounting policies covering financial management, budgeting, and financial statement preparation. Under these policies, our finance department regularly reviews management accounts, while our Audit Committee provides oversight over the financial reporting process and internal controls. The Board of Directors confirms that, as of the Latest Practicable Date, we have maintained effective internal control over financial reporting in all material aspects, in accordance with the requirements of the internal control standard system.

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### **Compliance Risk Management**

We have implemented strict internal procedures to facilitate the compliance of our operations with relevant laws and regulations. Our in-house legal counsel is responsible for monitoring changes in regulatory frameworks and implementing necessary adjustments to our policies and procedures. We conduct comprehensive due diligence before entering into contracts with customers, suppliers, and third parties. Our compliance risk management framework includes regular training programs, internal audits, and monitoring mechanisms to ensure adherence to relevant laws and corporate policies.

### **Intellectual Property Risk Management**

As a technology-intensive company, we have been and may continue to be subject to claims from companies holding patents or other intellectual property rights, alleging infringement of such rights or otherwise asserting their rights and urging us to obtain licenses in the course of our operations. See “Risk Factors — Risks Relating to Our Business and Industry — We may be subject to claims by third parties for intellectual property infringement.” We have established a robust intellectual property management system and implemented various internal policies to safeguard proprietary technologies, patents, trade secrets, trademarks and copyrights. We closely monitor potential intellectual property disputes and taking necessary legal action to enforce our rights. We continuously review and improve our intellectual property policies to enhance the protection of our technological assets and maintain our competitive edge.

### **Internal Control and Board Oversight**

We have implemented strict segregation of duties to prevent conflicts of interest and unauthorized transactions. We have established delegation of authority for approving procurement, financial transactions, and contract execution to enhance control mechanisms. We have integrated automated control systems with ERP and other enterprise management tools to ensure compliance and efficiency in business operations.

We will conduct periodic audits and risk assessments and report to Board of Directors. We continuously monitor and improve our internal control processes to enhance corporate governance and risk mitigation.

## **DATA PRIVACY AND SECURITY**

In the ordinary course of our business operations, we primarily collect, store, and process data related to transactions with corporate customers, including their names, addresses, contact information, and order details. Our operations generally do not involve the collection or processing of personal information from individual customers, nor do they involve any important data as defined by the competent government authorities.

During the Track Record Period, we did not engage in any cross-border data transactions, nor are we considered an operator of critical information infrastructure under the Cybersecurity Review Measures.

We believe that the confidentiality, integrity, and availability of data are vital to our business operations. In recent years, data security and privacy protection have become a global regulatory priority, with cybersecurity, data security, and personal information protection laws in the PRC undergoing rapid development. Our practices regarding the collection, use, storage, disclosure and transfer of various types of data may be subject to increased administrative scrutiny. See “Regulatory Overview — Laws and Regulations on Cyber Security, Data Security and Personal Information Protection.”