

2025

Environmental, Social and Governance (ESG) Report

Flytronics Company Limited

25F, West Tower, Lepu Building, No. 66 Xingke Road, Xili Community,
Nanshan District, Shenzhen



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ABOUT THIS REPORT

This is the first Environmental, Social and Governance (ESG) Report (hereinafter referred to as “this Report”) of Flytronics Group (hereinafter referred to as “Flytronics”, “Flytronics Group”, the “Company”, or “we”), aiming to disclose to all stakeholders the measures taken and achievements made by Flytronics in its operations regarding sustainability topics.

Reporting Scope



The disclosure scope of this Report covers Flytronics Group and its operationally controlled entities (see the table below for details).

Company Name	Designation
Flytronics Group	Flytronics, Flytronics Group
Shenzhen Flyking Technology Co., Ltd.	Flyking Technology
Shenzhen Kamax Technology Co., Ltd.	Kamax
Shanghai Grand Vision Electronics Technology Limited.	Grand Vision
ESiC Technology (Shenzhen) Co., Ltd.	ESiC
Flyking Technology Co Ltd.	/
Kamax Technology Co Ltd.	/
Grand Vision Electronics Technology Ltd.	/
ESiC Technology (HK) Co Ltd.	/

Time Frame



This Report is an annual report, covering the period from January 1, 2025 to December 31, 2025 (hereinafter referred to as the “Reporting Period”). To enhance the comparability and completeness of this Report, certain content may extend beyond the above scope.

Data Sources



The information and data disclosed in this Report are derived from the official internal documents and statistical reports of Flytronics Group and its subsidiaries. The financial information in this Report is denominated in RMB.

Basis of Preparation



The Report was prepared with reference to the requirements of the Sustainability Reporting Standards (GRI Standards 2021) of the Global Sustainability Standards Board (GSSB) and the Sustainable Development Goals (SDGs) of the United Nations. During the preparation process, this Report was ultimately developed by identifying key stakeholders, analyzing and prioritizing material topics, defining the report content, and compiling, organizing, and reviewing relevant materials.

Publication Channel



This Report is published in electronic form and is available for online viewing or download at <https://flytronics-group.com/>. This Report is available in both Chinese and English. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

Feedback



Flytronics Group looks forward to receiving readers’ comments and suggestions after reading this Report and sincerely invites you to provide feedback through the following contact information.



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CEO'S MESSAGE >

As the global semiconductor industry continues to evolve, localization is accelerating, while expectations for compliance and sustainable supply chains are rising. ESG is no longer a value-added initiative. It has become essential for electronic information companies to build lasting competitiveness, connect with global markets, strengthen partnerships across the supply chain, and navigate industry cycles.

At Flytronics Group, we have always embraced the philosophy of "Think Global, Act Local". Guided by our three strategic priorities—internationalization, digitalization, and systemization—we continue to deepen our presence in the semiconductor industry. We expand with a global perspective, improve operational efficiency through digital technologies, and reinforce our management systems to build a compliant, collaborative, and sustainable business ecosystem together with our stakeholders.

Our business strategy is built on four complementary pillars: independent distribution, authorized distribution, global sourcing of non-standard mechanical components, and supply chain consulting supported by SRM software. Together, these capabilities enable us to deliver integrated procurement and supply chain solutions for customers in automotive electronics, industrial automation, new energy, rail transit, and other high-value sectors.

As domestic semiconductor brands continue to grow, we are helping more of them reach international markets. Supported by our global network, we provide customers with cost optimization, dual-source strategies, one-stop procurement, and comprehensive technical support. At the same time, we maintain rigorous supplier management through qualification reviews, performance evaluation, and risk control mechanisms to ensure compliance and quality across the supply chain. Guided by our commitment to "Service Excellence, Customer First", we continue to enhance customer value through standardized services, end-to-end supply chain management, and long-term partnerships that support the sustainable growth of the industry.

In corporate governance, we are committed to disciplined management and sound operations. Our governance framework combines strategic oversight with close collaboration across business units, while digital systems enhance visibility, traceability, and risk management throughout our operations. We maintain robust approval, financial verification, internal control, and risk management processes, supported by global tax compliance and integrated business workflows. These measures help us uphold the highest standards of compliance in everything we do. We also promote ethical business practices and transparent procurement, building a culture of integrity that supports the long-term, sustainable growth of our global business.

People are at the heart of our success. We are committed to building a diverse, inclusive, and respectful workplace while fully complying with labor laws and regulations wherever we operate. We invest in talent development through structured learning programs and dual career paths for both management and professional employees. At the same time, we continue to strengthen employee well-being by enhancing healthcare, sports and wellness programs, mental health support, and other initiatives that foster a caring workplace. Beyond our business, we remain actively engaged in rural education, support for children with special needs, and emergency relief efforts, fulfilling our responsibilities as a responsible corporate citizen.

Environmental sustainability remains an integral part of our long-term strategy. We embed green and low-carbon practices throughout our operations, from offices and warehouses to logistics. By improving energy efficiency and promoting responsible resource use, we continue to reduce our environmental footprint. We also encourage a low-carbon workplace by integrating sustainable practices into everyday operations. In logistics, we optimize transportation planning and improve resource utilization to reduce energy consumption and carbon emissions, supporting more sustainable growth for both our business and the wider industry.

Looking ahead, Flytronics Group will remain committed to our global vision while continuing to strengthen our business through digital innovation and disciplined management. Guided by our commitment to putting customers first, creating shared value, advancing sustainable development, and acting with responsibility, we will continue to build long-term partnerships with our customers, suppliers, and industry peers. Together, we will drive the high-quality, sustainable growth of China's semiconductor industry and create lasting value for all our stakeholders.

Mr. He Jin, CEO of Flytronics Group

01 . ABOUT FLYTRONICS

Topics covered in this chapter: Stakeholder communication

1.1. ABOUT FLYTRONICS GROUP



1.1.1 Company profile

Founded as Shenzhen Flying Technology Co., Ltd. in 2010 and restructured into a holding company in 2023, Flytronics Group is now a global integrated service provider in the electronic components supply chain. Our comprehensive service portfolio covers localized substitution selection, shortage material supply, cost optimization, NPI (new product introduction) material support, electrification integration solutions, sourcing of non-standard customized parts, and supply chain digital platform services, delivering one-stop, end-to-end integrated solutions for our customers.

The Company has obtained authorizations from more than 60 well-known domestic and international semiconductor brands. Leveraging our global resource network, we connect with over 5,000 qualified suppliers covering manufacturers, distributors, and OEM (original equipment manufacturer) inventory channels, and interface with more than USD10 billion in global inventory resources. With over a decade of deep industry expertise, the Company has concluded over 100,000 transactions, enabling us to accurately and efficiently match global supply chain resources and provide customers with comprehensive value solutions, including localized substitution selection, supply of scarce materials, cost optimization, NPI material support, electrification integration solutions, sourcing of non-standard customized parts, and supply chain digital platforms. At the same time, we have assembled more than 70 brand experts, continuously expanded diversified procurement channels, and deepened our multi-brand cooperation layout.



1.1.2 Global presence

The Company is headquartered in Shenzhen, with business operations extending worldwide. To stay close to customers and provide efficient services, Flytronics Group has established subsidiaries in Hong Kong, the Netherlands, Germany, South Korea, Singapore, and the United States, and has set up offices in Shanghai, Suzhou, Dongguan, Xiamen, Taiwan, Mexico, etc.



1.1.3 Development history

Year	Milestones
2010	Founded Flying Technology
2015	Launched the ERP management system
2016	Established offices in Shanghai and Suzhou
2017	Company revenue exceeded USD66 million
2018	Established offices in Xiamen, Dongguan, and Taiwan; became a member of ERAI (Electronic Resellers Association International)
2019	Obtained ISO9001 certification
2020	Established offices in the US and Germany
2021	Achieved over 30 franchised manufacturer lines
2022	Established the Flying Technology Quality Testing Laboratory; named as the 2022 “Outstanding Rising Star Distributor” by AspenCore; became a member of IPC (Association Connecting Electronics Industries)
2023	Established Flytronics Group; set up offices in the Netherlands, Singapore, and South Korea; named as the 2023 “Outstanding Distributor in Supply Capability” by AspenCore; obtained ISO 9001, ISO 14001, ISO 45001 and ESD S20.20 certifications, and IATF 16949 certification (SGS second-party audit conformity certificate)
2024	Obtained AS6081 certification; named as the 2024 “International Rising Star” by AspenCore; ranked 10th in the 2024 Top Asia Pacific Distributors
2025	Established an office in Mexico; included in the 2025 Top 50 Global Electronics Distributors list and the 2025 Top 10 Asia Pacific Distributors list

1.1.4 Business footprint and solutions

Flytronics Group’s business covers core sectors such as new energy, semiconductor manufacturing, network communications, smart healthcare, industrial control, automotive electronics, consumer electronics, aerospace, supercomputing, and data centers, providing professional and customized supply chain support for customers across various fields. Leveraging our portfolio of specialized brands, we have built a full-scope supply chain service system featuring clear division of responsibilities and efficient collaboration.



Flyking

as the core vehicle of the Company’s component supply chain, provides comprehensive services such as scarce material supply, PPV (purchase price variance) cost savings, inventory management, and NPI material support, connecting the entire process of component procurement, control, and support to ensure stable supply of materials for enterprise production and R&D.



Grand Vision

focuses on the electrical support field, integrating more than 10 well-known electrical component product lines to provide wire harnesses and complete machine assembly and customized electrical integration solutions, supporting the electrical needs of complete machine across diverse industries.



KAMAX

is deeply engaged in the semiconductor business. Leveraging agency resources from more than 40 well-known semiconductor brands, it provides customers with localized substitution solutions and product solution design services, empowering customers in chip selection and product R&D.



ESiC

officially joined Flytronics Group in 2025, focusing on non-standard customization and digital services. It can provide customers with sourcing, prototyping, and procurement services for non-standard customized parts such as stamping parts, plastic parts, and sheet metal parts, efficiently addressing supply challenges for customized components. It also provides supply chain management consulting and builds SRM supply chain management platforms to help enterprises achieve refined supply chain management and control.

Mission

Our goal is to offer one-stop supply chain solutions to global electronics industry clients, leveraging advanced technology and innovative ideas to continuously generate value for all stakeholders.

Vision

Through mutual partnerships, we aim to create a positive impact to the global electronic component supply & service sector, providing top-notch supply chain solutions and fostering technological innovation and industry advancement.

Values

We prioritize integrity, customer satisfaction, value creation, and results-driven actions, embracing diversity and inclusion, and collaboration.

1.1.5 CORPORATE CULTURE

1.1.6 Honors and awards in 2025

★ Industry award



2025
Top 50 Global Electronics Distributors

Award-Winning Company:
Shenzhen Flyking Technology Co., Ltd.

Awarding Organization:
Supply Chain Connect

★ Industry award



2025
Top Asia Pacific Distributors

Award-Winning Company:
Shenzhen Flyking Technology Co., Ltd.

Awarding Organization:
Supply Chain Connect

👍 Customer award

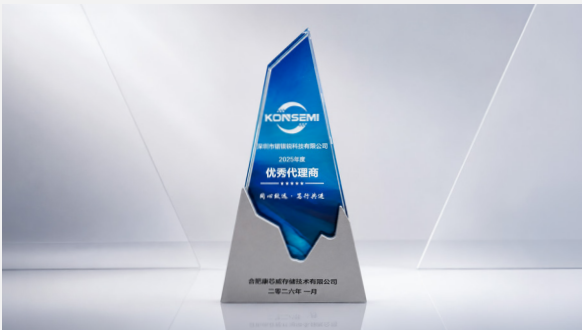


2025
Best Partner Award

Award-Winning Company:
Shenzhen Flyking Technology Co., Ltd.

Awarding Organization:
Kolb Design Technology GmbH & Co. KG

👍 Customer award



2025
Outstanding Agent

Award-Winning Company:
Shenzhen Kamax Technology Co., Ltd.

Awarding Organization:
Hefei Konsemi Storage Technology Co., Ltd.

1.1.7 Association memberships

Flytronics Group actively engages in the development of various industry associations and professional organizations, strengthening our core strengths while actively promoting coordinated and mutually beneficial cooperation across upstream and downstream partners. With an open and collaborative approach, we work alongside industry peers to explore technological innovation, participate in the joint development of industry standards, assess market development trends, build industry consensus, and jointly promote high-quality industrial upgrading.

	Company Name	Organization Name	Role
1	Flytronics Group	Electronics Reseller Association International (ERAI)	Member
2	Flytronics Group	Association Connecting Electronics Industries (IPC)	Member
3	Flytronics Group	Dun & Bradstreet	Member
4	Shenzhen Flyking Technology Co., Ltd.	Shenzhen Internet of Things Industry Association	Vice President
5	Shenzhen Flyking Technology Co., Ltd.	Shenzhen Artificial Intelligence Industry Association	Council Member
6	Shenzhen Kamax Technology Co., Ltd.	Electronic Components Application and Supply Chain Branch of CIITA	Member



1.2. SUSTAINABLE DEVELOPMENT MANAGEMENT



1.2.1 Sustainable development governance structure

Flytronics Group has established a comprehensive sustainable development governance system, with the CEO serving as the highest-level coordinator of the sustainable development strategy, leading the top-level design, direction setting, and overall advancement of the Company’s ESG strategy, and fulfilling overall coordination and oversight responsibilities for the setting of sustainable development-related goals, the establishment of governance mechanisms, and the progress of key initiatives. The core ESG management team, composed of department heads, works together to identify key ESG topics, plan governance pathways, and establish the management system, laying the foundation for implementing sustainable development policies and managing risks and opportunities. Meanwhile, we have established a dedicated team to implement the governance structure, align cross-departmental operations, and ensure the orderly and efficient progress of all ESG management efforts.

CASE ESG Strategic Management Training

The Company continues to strengthen ESG leadership development of the senior management. The CEO, together with middle and senior management personnel, participated in specialized training on “ESG Strategic Management” to deepen their understanding of sustainable development concepts and practices, consolidate the theoretical foundation for ESG strategic decision-making, and promote the integration of ESG concepts into the Company’s long-term development strategy.



1.2.2 Analysis of material topics

With reference to the GSSB’s GRI Standards 2021, the Company has systematically identified and assessed material topics, clarifying the core areas of concern for sustainable development and providing solid support for the formulation of top-level ESG strategies and the deployment of key initiatives. The topic analysis process is as follows:

Understanding the organization’s context:

We comprehensively reviewed our business activities, external environment, and key affected stakeholders, laying the foundation for topic identification.

Identifying actual and potential impacts:

Based on the Company’s actual operating conditions, we identified potential topics and reviewed relevant impacts, risks, and opportunities. Ultimately, we have identified the following 16 potential material ESG topics:

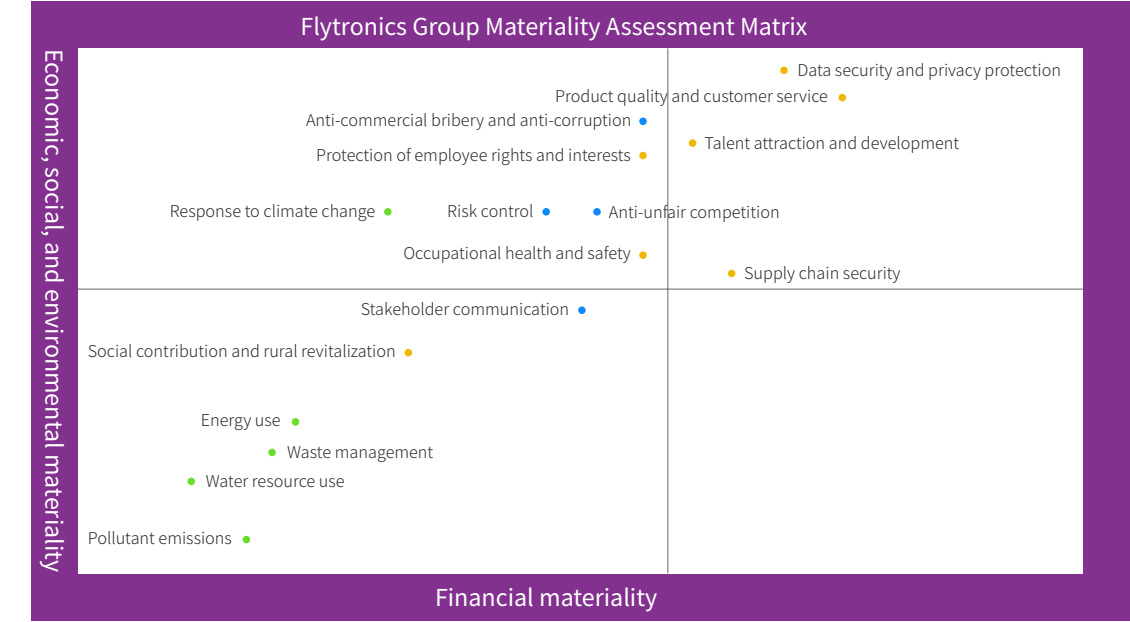
Environmental	Social	Governance
Response to climate change	Social contribution and rural revitalization	Stakeholder communication
Pollutant emissions	Supply chain security	Risk control
Waste management	Product quality and customer service	Anti-commercial bribery and anti-corruption
Energy use	Data security and privacy protection	Anti-unfair competition
Water resource use	Protection of employee rights and interests	
	Talent attraction and development	
	Occupational health and safety	

Assessing the materiality of impacts:

Questionnaires were distributed to the Company’s investors, senior management personnel, and finance team to assess the level of financial materiality of each topic based on whether it was expected to have a material impact on the Company’s business model, business operations, development strategy, financial position, operating results, cash flows, financing methods, and costs in the future. At the same time, survey questionnaires were distributed to internal and external stakeholders to assess the level of impact materiality of each topic based on whether the Company’s performance on the corresponding topic would have an actual or potential material impact on the economy, society, and the environment. A total of 168 valid questionnaires were collected for the surveys on impact materiality and financial materiality.

● **Prioritizing the most material impacts to be reported:**

A matrix was prepared to disclose material topics. The 2025 material topic matrix is shown in the figure. Among the 16 topics, four topics have double materiality, namely data security and privacy protection, product quality and customer service, talent attraction and development, and supply chain security.



1.2.3 Stakeholder communication

The Company upholds the philosophy of openness and collaboration and has established a regular, multi-dimensional stakeholder communication mechanism. Through diverse channels such as telephone, email, and dedicated meetings, we deepen long-term, trust-based cooperation with shareholders, employees, suppliers, customers, and all sectors of society. We actively listen to the demands and development expectations of all parties, synchronize work progress, solicit opinions and suggestions on key issues such as operational governance, supply chain collaboration, green operations, and employee development, and translate communication outcomes into practical measures for management optimization.

Stakeholders	Topics of Concern	Communication Methods	Communication Frequency
Investors/Shareholders	Risk control, anti-commercial bribery and anti-corruption, product quality and customer service, supply chain security, data security and privacy protection, stakeholder communication	Shareholders' meetings, investor engagement activities	As needed
Government /Regulatory authorities	Pollutant emissions, waste management, anti-commercial bribery and anti-corruption, anti-unfair competition, occupational health and safety	Policy communication, special inspections, official correspondence	As needed
Academic institutions /Research institutions	Talent attraction and development, product quality and customer service, supply chain security	Industry-academia-research collaboration, technical seminars	As needed

Customers/Consumers	Product quality and customer service, supply chain security, data security and privacy protection, response to climate change	Customer satisfaction surveys, customer on-site audits, customer	As needed
Suppliers	Supply chain security, product quality and customer service	Supplier audits, supplier training, daily communication	As needed
News media	Product quality and customer service, social contribution and rural revitalization, stakeholder communication	Media interviews, official information releases	As needed
NGOs/Industry associations	Product quality and customer service, talent attraction and development	Strategic cooperation communication, industry conferences	As needed
Community residents /General public	Social contribution and rural revitalization, occupational health and safety	Public welfare projects	As needed
Management of the Company	Supply chain security, product quality and customer service, data security and privacy protection, protection of employee rights and interests, stakeholder communication, risk control	Internal work reports, management meetings	As needed
Employees	Protection of employee rights and interests, talent attraction and development, occupational health and safety, data security and privacy protection, stakeholder communication	High-level dialogues, employee activities, employee training	As needed

CASE Flytronics Group Participated in the G20 Young Entrepreneurs' Alliance Summit (G20 YEA Summit)

As a representative of Chinese enterprises, Flytronics Group traveled to Johannesburg, South Africa, to attend the G20 YEA Global Summit, where it engaged in high-level cross-border industry exchanges and cooperation with enterprises and young leaders from G20 member countries. Leveraging our global semiconductor footprint and advantages in complete supply chain solutions, we engaged in in-depth communication with stakeholders such as global enterprises and industry elites. We presented our technology offerings in power informatization, automation, and power supplies, while sharing insights from our journey to globalize domestic semiconductors. Through high-level international dialogues, we have deepened mutual trust across the industry, established cross-border cooperation channels, and laid a solid foundation for our brand globalization, cross-border resource connection, and collaborative industrial development.



02. QUALITY OPERATIONS

Topics covered in this chapter: Product quality and customer service, Supply chain security, Data security and privacy protection

2.1. SAFEGUARDING CUSTOMER VALUE



Governance

Flytronics Group places great importance on product quality and customer service management, with clearly defined responsibilities and authorities across all departments. The Quality Assurance Department coordinates quality control and customer service-related management matters, the Sales Department is dedicated to customer communication, and the Logistics Department is fully responsible for warehousing and logistics operations. We have formulated various policies and control procedures, including the Customer Service Management Regulations, the Customer Satisfaction Control Procedure, the Customer Complaint Control Procedure, the Laboratory Management Control Procedure, and the Warehousing Work Safety Management System, and continuously revise and improve them in line with industry standards and customer requirements to ensure that quality management requirements are executable, traceable, and effectively implemented.

Strategy

Flytronics Group adheres to a customer-centric approach in business operations, incorporating customer service, quality assurance, warehousing, and logistics into the overall management system. Through systematic mechanism development, whole-process response, and closed-loop improvement, we continuously enhance customer satisfaction and loyalty, consolidate long-term and stable partnerships, and provide solid support for sustainable business development.

Impact, risk, and opportunity management

Quality control

Flytronics Group has always regarded quality control as the core foundation of corporate operations and customer service, ensuring material compliance, stable quality, and reliable delivery through a systematic framework, professional laboratories, and whole-process control measures.

Quality system development

We strictly comply with the Product Quality Law of the People's Republic of China and applicable laws and regulations in the regions where we operate, and have established a

quality management policy of “ex-ante prevention, whole-process control, continuous improvement, timely reporting, prevention of outflow of defective products, and customer satisfaction”. The scientific and efficient quality and safety management policy and the comprehensive quality and safety management system safeguard excellent product quality on all fronts.

Each year, we conduct internal quality management audits and third-party supervisory audits against customer requirements and industry standards to identify improvement points in quality work and ensure that our products meet customers' quality management requirements. Flyking Technology has maintained multiple international quality management-related certifications, including ISO 9001 and AS6081, for many consecutive years, and has obtained the IATF 16949 second-party audit conformity certificate.



Laboratory testing

The Company has established an in-house professional quality testing laboratory equipped with precision instruments such as X-ray fluoroscopes, metallographic microscopes, digital bridges, oscilloscopes, solder pots, EDXRF spectrometers, and energy-dispersive X-ray fluorescence thickness analyzers, enabling testing of electronic components in multiple aspects, including appearance, dimensions, non-destructive analysis, electrical performance, reliability, and environmental protection. We have formulated the Laboratory Management Control Procedure to enhance compliant laboratory management, maintain a sound testing environment, and ensure the standardization of tests and the accuracy of test results. After materials pass testing, QC-approved labels are affixed, and the entire testing process is documented with photographs. This ensures full traceability throughout the workflow, from sample reception and test execution to final report issuance.



Laboratory Testing Environment

● Customer service

Flytronics Group continuously improves its customer service procedures and enhances response efficiency, making every effort to provide customers with stable, timely, and professional services and maintain long-term, positive partnerships with customers.

■ Customer demand response

During order execution, we rigorously manage delivery timelines and adhere to our response time commitments of “1210 for in-stock items, 1421 for made-to-order items”. This ensures that order progress, logistics status, and delivery conditions remain clear, controllable, and traceable throughout the entire process. Flytronics Group has established an efficient customer demand response mechanism, promptly responding to customer requests through regular visits, strengthened high-level engagement, and rapid handling of various abnormal issues.

In-stock items:

- On the first day, confirm that the order has been placed with the supplier;
- On the second day, confirm the supplier’s shipping time; if shipped, obtain the tracking number;
- One day before the expected arrival date, check whether there are any logistics abnormalities;
- On the day of arrival, ensure that the QC and warehousing procedures are completed and that the system shows the items are in stock.

1210
for in-Stock Items

Made-to-order items:

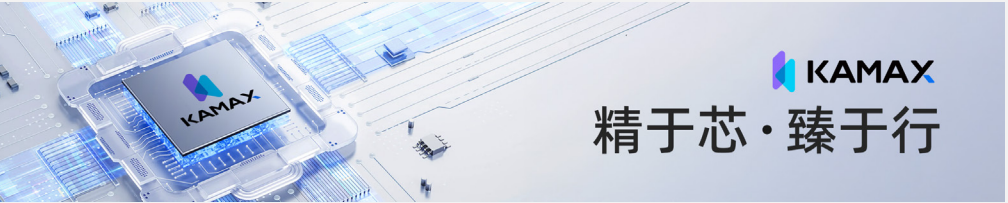
- In the first week, confirm the delivery date;
- After the fourth week, confirm whether pull-in is feasible;
- Two weeks before delivery, confirm that the supplier has shipped the goods;
- One week before delivery, confirm that the QC and warehousing procedures are completed and that the system shows the items are in stock.

1421
for Made-to-Order Items

Response Time Commitments of “1210 for in-Stock Items, 1421 for Made-to-Order Items”

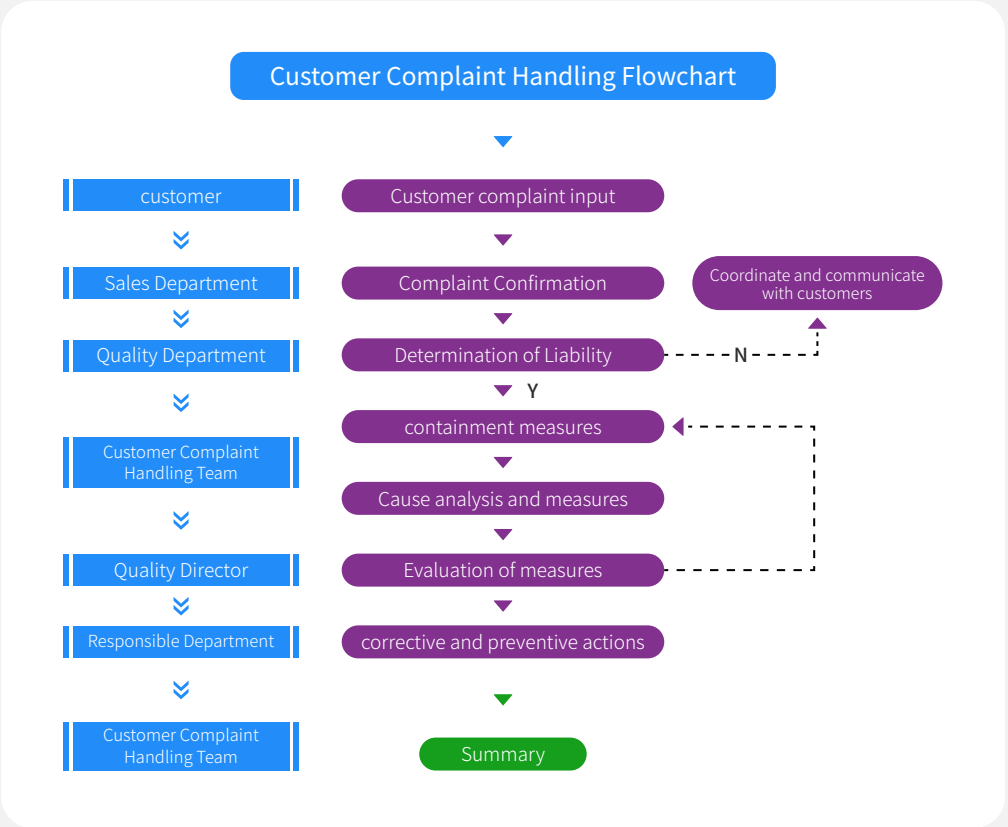
CASE Kamax Responded Quickly to Support Domestic Chip Substitution

In June 2025, affected by global market fluctuations, the continued rise in overseas chip prices, and the ongoing extension of supply cycles, a customer faced significant constraints on normal production and market planning and urgently needed suitable domestic chips for substitution. Kamax promptly partnered with the original manufacturer to form a dedicated task force, deeply engaging with customers’ specific application scenarios. The team swiftly completed chip selection, performance benchmarking, and compatibility testing, while also assisting customers in advancing sample testing and small-batch pilot production. As a result, the localized substitution of chips was efficiently realized.



■ Customer complaints and product recalls

The Company has established standardized customer complaint management and exception handling mechanisms, implementing whole-process recording, analysis, handling, and tracking of customer feedback. Within two hours after a customer complaint is accepted, the handling procedure is initiated. The Quality Assurance Department takes the lead in conducting inspections and determining causes, and implements isolation and control of defective materials to prevent the spread of risks. For suspected or confirmed counterfeit materials, the Company implements a strict after-sales protection policy, providing replacement or cost refund services for at least one year after delivery to effectively safeguard customer rights and interests.



For major quality anomalies, we fully adopted the 8D analysis method and established cross-functional teams to carry out temporary handling, root cause identification, formulation of corrective measures, and recurrence prevention management, forming complete improvement reports and conducting follow-up verification. In addition, we regularly conduct statistical analysis of customer complaint data and prepare monthly quality reports to drive closed-loop rectification of issues, ensure that similar issues do not recur, and continuously improve quality control.

In 2025, the Company recorded no product recalls and no major liability accidents related to product safety and quality that resulted in penalties.

■ Customer satisfaction survey

Each year, led by the Sales Department, the Company organizes customer satisfaction surveys for key customers, designing dedicated questionnaires by region and business type to comprehensively evaluate the customer cooperation experience. After the survey is completed, we conduct systematic analysis and summary, prepare a customer satisfaction evaluation report, formulate improvement plans for weak areas, define responsible entities and implementation plans, and provide customers with timely feedback on improvement progress.

In 2025, a total of 70 customers were surveyed, with a response rate of 100% and an average score of 96 points.

■ Industry exchange

The Company actively participates in high-end industry exchange activities in China and abroad, using exhibition platforms to connect with global resources, gain insights into market trends, showcase comprehensive service capabilities, and continuously enhance brand influence and market competitiveness.

CASE Flytronics Group Attended International Electronics Exhibitions

In 2025, Flytronics Group attended electronica Shanghai and the Korea Electronics Show (KES), showcasing our global supply chain services, diversified product solutions, electrical integration solution capabilities, and full-lifecycle quality control system. These offerings precisely address our customers' core needs in supply stability, inventory readiness, solution adaptability, cost optimization, delivery assurance, and risk response.



● Warehousing and logistics safety

■ Warehouse environment control

Flytronics Group conducts warehousing management in strict accordance with the Warehousing Work Safety Management System, the Temperature and Humidity Operating Instructions, and other policies. To ensure the safe storage and global allocation of

electronic components, we have established professional warehouses in Shenzhen and Hong Kong, respectively, and implement 24-hour automatic constant temperature and humidity control to ensure a stable storage environment for electronic components. Meanwhile, our warehouses are equipped with comprehensive surveillance coverage, police-linked security systems, and intrusion alarm systems, with access restricted by dual-factor authentication combining fingerprint and key. Throughout the entire operation process, we use PDA scanning for verification and conduct regular inventory counts to ensure inventory accuracy and comprehensively safeguard the warehousing environment and material safety.

■ ESD control

The Company has established a robust ESD protection management system and obtained ESD S20.20 certification. Our warehouses are equipped with electrostatic testing devices, and all operators are required to wear anti-static clothing and wrist straps throughout their work. All equipment and tools are securely grounded. Warehousing areas are managed by zones in accordance with ESD control requirements. ESD protection is integrated into routine quality inspection processes, effectively preventing electrostatic damage to components and ensuring the safety of materials throughout the entire storage and handling cycle.



ESD S20.20

■ Logistics safety management

The Company standardizes whole-process logistics operations in strict accordance with the Logistics Operation Instructions, implementing standardized management for processes including receipt, tallying, inspection, storage, customs declaration, outbound delivery, returns, and exchanges. For our cross-border logistics operations, we rely on supply chain companies with AEO advanced certification to ensure standardized procedures, thereby safeguarding customs clearance security and efficiency. At the same time, transportation insurance and exception handling mechanisms have been established to comprehensively safeguard the safety and stability of goods across all logistics processes.

| Metrics and targets

The Company set management targets for product quality and customer service, including customer complaint defect batch rate and customer satisfaction, respectively, and successfully achieved all metrics. In 2025, the target value for the customer complaint defect batch rate was less than 0.1%, with the actual result at 0.011%; the customer satisfaction target was 85 points, with the actual score reaching 96 points.

2.2. GLOBAL SUPPLY CHAIN MANAGEMENT



Governance

Flytronics Group has formulated the Supplier Management Control Procedure to improve its global supply chain management system. We have established a supply chain governance structure with clearly defined responsibilities and authorities, under which the Procurement Director is responsible for the overall planning of the Company’s sustainable supply chain development, and the procurement team is organized by brand business into five specialized groups to enhance depth and professionalism, covering original manufacturer channels and agency channels.

Strategy

The Company adheres to a prudent, compliant, and efficient approach to supply chain management, implements standardized whole-process management of partner suppliers, controls partner qualifications and service quality, further explores opportunities for cost optimization, and steadily enhances supply assurance capabilities, thereby supporting steady business development through a robust supply chain system.

Impact, risk, and opportunity management

Supplier management

Currently, 90% of the Company’s suppliers are local. Through proximity-based collaboration, we have effectively shortened transportation and delivery lead times, improved supply responsiveness, and significantly enhanced the stability and resilience of our supply chain. This enables rapid response and efficient support, while better facilitating our customers’ efforts in localized substitution. The Company’s supplier management covers five stages: admission, maintenance, review, performance improvement, and elimination. We implement full-lifecycle dynamic control over the qualifications, quality, delivery and services of all suppliers.

Supplier admission

The Company implements tiered review and admission management for new suppliers. Through official website information verification, qualification document review, ERAI risk checks, and self-assessment, suppliers may be included in the approved vendor list (AVL) only after approval through the SAP system.

Supplier maintenance

The Company implements dynamic management of supplier information. Suppliers with no transactions for more than one year are automatically transferred to the inactive list, and any subsequent cooperation requires re-certification in accordance with the established procedure. The Company continuously maintained supplier qualifications, authorizations, and basic information to ensure authentic and valid cooperation status.

Supplier review

The Company implements classified supplier management, regularly reviews suppliers’ authorization qualifications, business licenses, ERAI records, and sanctions list status, and applies differentiated admission and management requirements to suppliers of different levels.

Supplier performance improvement

The Company regularly conducts performance assessments of qualified suppliers, covering five dimensions: order transfer rate, on-time delivery rate, delivery rate, quality return rate, and service quality. Suppliers that failed the assessment are required to submit a Corrective and Preventive Action (CAPA) Report. Reinstatement of cooperation is permitted only after the corrective actions have been verified and accepted.

Supplier elimination

The Company directly blacklists any supplier involved in counterfeit or refurbished goods, fraud, misconduct, or refusal to compensate for major losses. Such suppliers are system-blocked from all procurement and will never be re-engaged.

CASE 1 Supplier Onboarding of Flyking Technology

For the onboarding of a supplier, Flyking Technology confirmed through evaluation that the supplier had significant location advantages, with its factory only 18 kilometers from the company’s warehouse, emergency response controllable within four hours, and favorable overall supporting conditions. After a three-month trial run, the supplier met all assessment indicators, and Flyking Technology has signed a formal Quality Agreement with the supplier. During the onboarding process, we completed qualification review, license verification, and ERAI risk screening in sequence, and completed SAP system approval in combination with the supplier’s self-assessment materials, adding it to the qualified supplier list. During cooperation, we continuously updated the supplier’s profile and regularly conducted compliance reviews and on-site audits. To date, the supplier’s quarterly performance ratings have all been satisfactory, and the overall cooperation status has remained stable.

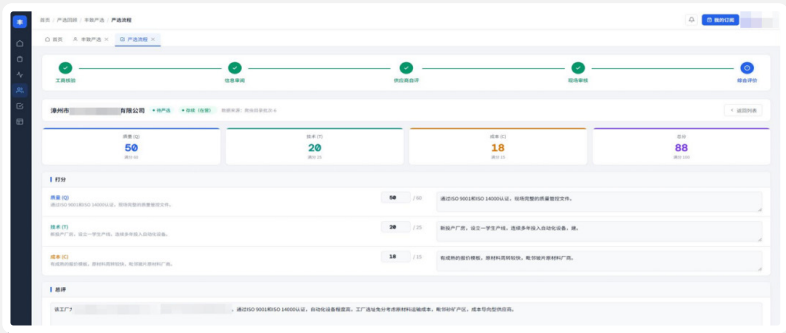
CASE 2 “ESiC Select” Supplier Evaluation System

“ESiC Select” is a whole-process supplier certification and tiered management mechanism established by the ESiC Bole platform for the manufacturing industry, covering the entire closed-loop process of screening, assessment, certification, and ongoing

management from potential suppliers to qualified suppliers. The procedure comprises five key steps, including verifying the legal existence of enterprises through Qichacha, completing information review and risk identification in the system , conducting supplier self-assessments or on-site audits, generating standardized selected supplier reports, and enabling tag-based search and precise matching.

The evaluation system adopts a dual-dimensional assessment based on objective tags and subjective profiles. Objective tags cover verifiable information such as corporate qualifications, quality certificates, years since establishment, import and export qualifications, and annual revenue. Subjective tags are assigned by professional procurement teams based on the on-site assessments of response speed, management level, willingness to cooperate, product competitiveness, and other factors.

Based on the evaluation results, “ESiC Select” implements admission and quality control standards above industry levels and applies strategic-level and preferred-level tiered management by category quadrant. To date, the platform has brought together more than 1,000 selected suppliers and tens of thousands of potential suppliers. End-to-end digital documentation and forward-looking risk controls enable us to directly provide stable, traceable, and highly credible supply chain resources for high-end customers in China and overseas.



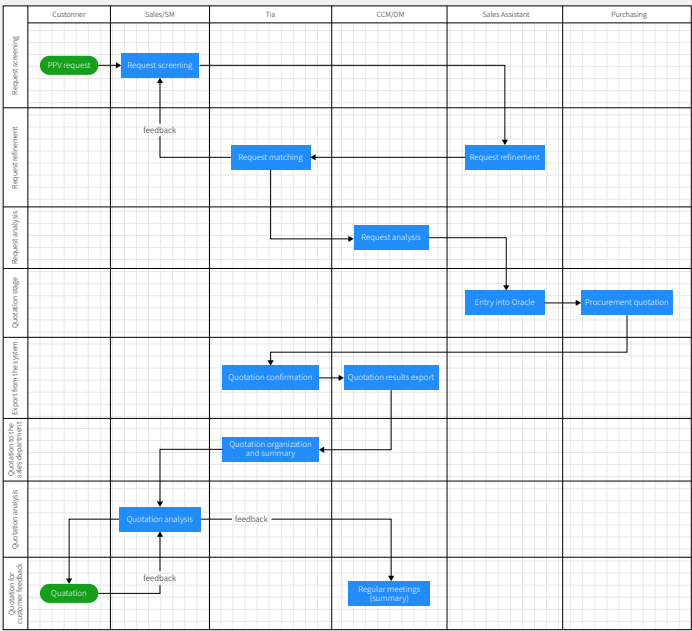
● Supply chain cost reduction

Leveraging its global supply chain network and professional service capabilities, Flytronics Group focuses on customers’ core needs for continuous supply chain cost reduction. Through one-stop services such as PPV cost savings, real-time price tracking, BOM analysis, global inventory integration, and NPI new product material support, we efficiently respond to market price fluctuations, optimize procurement costs and supply chain efficiency, and enable customers to achieve stable and sustainable cost reduction and efficiency improvement.

CASE PPV Management Mechanism of Flying Technology

Flying Technology has established a standardized PPV cost optimization mechanism. After receiving customers’ cost reduction requests, it conducts multi-level price comparisons and creening, combines historical transaction prices with public market prices on mainstream

e-commerce platforms, and completes request screening and confirmation based on the reasonableness of price differences. Subsequently, it quickly completes internal entry, professional procurement quotation, and result feedback, forming an efficient closed-loop cost reduction service procedure that can help customers achieve more than 10% optimization in procurement costs and continuously support supply chain cost reduction and efficiency improvement.



CASE Grand Vision Supported the Cost Reduction and Efficiency Improvement of a Data Center Liquid Cooling Cabinet Project

Leveraging its integrated service capabilities encompassing in-house manufacturing, global distribution partnerships, and systems integration, Grand Vision has established a distinctive competitive edge in high-end sectors such as new energy, automotive electronics, and industrial automation. This edge is defined by high barriers to entry, strong cross-segment synergies, and a one-stop service model, enabling the company to rapidly deliver efficient and reliable supply chain solutions to customers. In December 2025, in response to the long lead times and high costs of film capacitors faced by a customer for a data center liquid cooling cabinet project, Grand Vision assembled a dedicated team and collaborated closely with both the customer and the original manufacturer to conduct joint alternative selection for film capacitors. As a result, it helped the customer reduce costs by over 15%, while significantly shortening the lead time from 8–12 weeks down to just 3–4 weeks.

Metrics and targets

To strengthen supply chain security and eliminate the risk of counterfeit materials, the Company set an annual target of zero non-conforming batches of incoming counterfeit products. This target was successfully achieved in 2025.

2.3. INFORMATION SECURITY AND DIGITALIZATION



Governance

Flytronics Group attaches great importance to cybersecurity, data compliance, and digital risk management, strictly complies with the Data Security Law of the People’s Republic of China, the Cybersecurity Law of the People’s Republic of China, the Personal Information Protection Law of the People’s Republic of China, and other laws and regulations of the places where we operate, and has developed the Information Security Management Control Procedure. The Company’s work related to information security management and digital operations is led by the Chief Information Officer, who coordinates system operation and maintenance, customized development, procedure establishment, business alignment, and overall planning.

Strategy

The Company implements information security management in accordance with regulatory requirements, establishes a comprehensive protection system, ensures data retention and security self-inspections, and safeguards business and customer information on all fronts. We simultaneously advance the development of digital platforms and ensure the stable operation of our business through robust security controls.

Impact, risk, and opportunity management

Data security management

The Company attaches great importance to data security and information protection, and has developed a whole-process, multi-level data security management system to comprehensively ensure that corporate data and customer information are secure and controllable.

Data permission control

Upon employee onboarding, work accounts are created in a unified manner according to the established procedures; upon resignation, all system accounts and access permissions are immediately locked and disabled. The Company strictly assigns system operation permissions based on job responsibilities. We regularly conduct password compliance audits, implement a strong password management strategy, and monitor abnormal login behavior in real time.

Multiple data backups

The Company adopts a dual data backup mechanism that combines cloud platforms and local storage. Core business data is centrally stored on SaaS platforms, while important internal documents are stored off-site in Shenzhen and Hong Kong through the NAS system. Data security is ensured through the deployment of RAID 1 disk arrays at individual sites to guarantee disk-level hardware redundancy, the configuration of cross-node automated synchronization policies, and the periodic retrieval and on-premises local backup of SaaS cloud data.

System vulnerability assessment

The Company regularly monitors system and network security operations, proactively conducts

system vulnerability assessments, and promptly identifies and eliminates security risks. We have established a comprehensive emergency response mechanism, enabling rapid handling of system or network anomalies, switchover to backup lines, and whole-process recordkeeping, thereby continuously enhancing the overall security defense capabilities of our information systems.

Customer information confidentiality

Customer information is one of the most critical categories of sensitive data for Flytronics Group. In the course of business operations, we strictly regulate the scope of collection, use, and storage of customer information, exercise rigorous control over the external provision and transmission of information, and strengthen the isolated protection of sensitive information such as transaction records and quotation history. Through end-to-end management and control, we effectively prevent customer information leakage, misuse, and unauthorized access, fully safeguarding customer information security and privacy compliance.

CASE Information Security Assurance for Customer Supply Chain Systems

When providing customers with supply chain system development services, ESiC always prioritizes customer data security and privacy protection. The software systems provided by ESiC are deployed in server environments designated by customers. Under normal circumstances, our O&M and R&D teams do not directly access, obtain, or store any customer business data. Secure isolation between internal and external data is achieved through measures such as multi-layer permission control, transmission encryption, sensitive data anonymization, and whole-process operation auditing. At the same time, we strictly regulate the boundaries of operations and maintenance, do not set up backdoors, and do not request long-term access permissions, ensuring that customers retain full data sovereignty and control, and comprehensively safeguarding customer information security and compliance.

Digital operations

Flytronics Group attaches great importance to the deep integration of business and digital technologies. Focusing on core areas such as customer management and supply chain collaboration, we improve our system deployment and are committed to empowering high-quality corporate development through digitalization.

Customer relationship management (CRM) platform

The Company has launched a CRM platform, enabling unified management and presentation of customer information, visit records, and basic data, and providing systematic support for customer follow-up and business accumulation.

Supplier relationship management (SRM) system

The Company is developing a supplier relationship management platform to enable centralized statistics, visualized display, and BI cockpit analysis of supplier data, enhancing supply chain management efficiency and decision-making support capabilities. The platform is expected to go live in 2026.

Metrics and targets

During the Reporting Period, the Company experienced no information security incidents, received no complaints related to customer privacy infringement, and achieved its information security management targets.

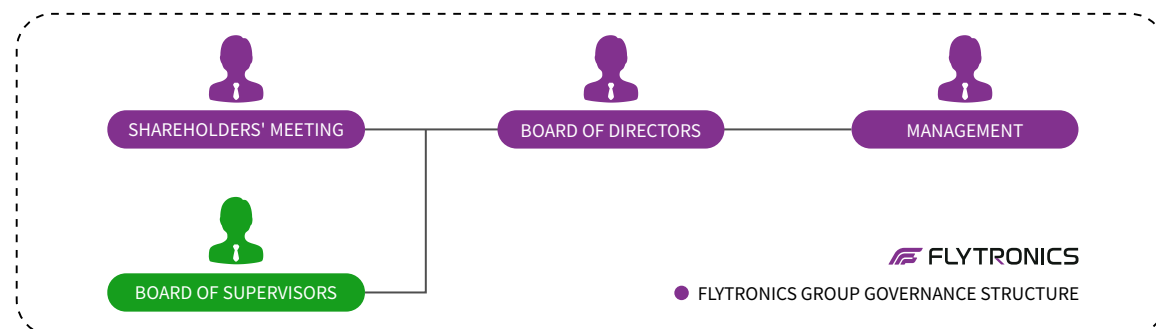
03. EXCELLENCE IN GOVERNANCE

Topics covered in this chapter: Corporate governance, Risk control
Anti-commercial bribery and anti-corruption, Anti-unfair competition

3.1. CORPORATE GOVERNANCE



Flytronics Group strictly complies with laws and regulations such as the Company Law of the People's Republic of China, as well as regulatory requirements related to commercial registration. We have formulated and strictly implemented internal governance policies such as the Articles of Association, standardized the exercise of shareholder rights and the deliberation and decision-making mechanisms of the Shareholders' Meeting, clarified the responsibilities, authorities, and performance boundaries of directors, supervisors, the Board of Directors, the Board of Supervisors, and the management team, improved decision-making procedures for financial and accounting management, major investment and operations, external guarantees, and equity transfers, and established a corporate governance structure with clearly defined rights and responsibilities, coordinated operations, and mutual checks and balances, effectively ensuring standardized, orderly, and stable operation of the Company's business and governance.



● Shareholders' Meeting

The Company regularly convenes and holds shareholders' meetings in strict accordance with the Articles of Association and other provisions, ensuring shareholders' right to know and right to participate, and deciding on matters related to the remuneration of directors and supervisors. The Shareholders' Meeting is the Company's highest authority.

During the Reporting Period, the Company held two shareholders' meetings in total, at which four matters were reviewed and approved.

● Board of Supervisors

The Board of Supervisors is responsible for supervising the performance of duties by directors and senior management personnel and safeguarding the legitimate rights and interests of shareholders.

● Board of Directors

The Board of Directors is accountable to the Shareholders' Meeting and is responsible for implementing resolutions of the Shareholders' Meeting, developing financial and investment plans, appointing the management team, formulating internal management policies, and making decisions on routine operations. Directors are elected or replaced by the Shareholders' Meeting, with a term of three years, and may be re-elected upon expiration of their term. Currently, female directors account for 20% of the board, bringing diverse perspectives that enhance the quality of decision-making of the Board and provide strong support for the Company's long-term sustainable development. To enhance the soundness and effectiveness of decision-making by the Board of Directors, the Company focuses on optimizing the Board composition and ensuring diversity in directors' backgrounds.

| List of Board Members

Name	Gender	Position
He Jin	Male	Chairman and Global Chief Executive Officer
Wang Zhongliang	Male	Senior Vice President
Huang Shihai	Male	Sales Director
Chen Jianrong	Female	Procurement Director
Zhang Chunfeng	Male	Senior Trade Manager

During the Reporting Period, the Company convened two meetings of the Board of Directors, at which four matters were reviewed and approved.

3.2. COMPREHENSIVE COMPLIANCE AND INTERNAL CONTROL



| 3.2.1 Operational risk control

Flytronics Group has continuously improved its internal control system and enhanced its operational management and risk prevention and control capabilities. Through sound systems, regular inspections, and specialized controls, we have strengthened management of key operational processes, such as quality control, procurement pricing, supplier compliance, customer credit and payment collection, business ethics, and integrity compliance, effectively preventing potential operational risks and ensuring stable and compliant operations.

● Risk control structure

Based on our business model, we place internal control and risk governance under the centralized leadership of our core management team and implement control responsibilities through a flat management structure to enhance the efficiency of risk response.

● Risk control measures

Authority process control: We have established a complete ToA (Table of Authorization) approval authority management structure. Based on the actual transaction scale and the attributes of business matters, we define corresponding approval levels and scopes of authority, clearly delineate management powers and responsibilities across all processes, and achieve closed-loop control over the whole process of each business activity.

Financial process control: In daily accounting, we strictly control the quality of financial data, continuously ensuring that accounting information is true and complete and that accounting standards are standardized and consistent, safeguarding the objectivity and fairness of financial statements, and effectively preventing risks of data discrepancies and material misstatements.

Regular inspection control: We conduct quarterly verification of core accounts, including accounts receivable, accounts payable and general ledger, promptly review accounting discrepancies, identify management gaps, and implement optimization and improvement measures. At the same time, we carry out specialized inspections on non-trade orders such as service contracts, lease contracts, and IT and system procurement, strictly controlling abnormal risks in the course of business operations.

CASE Specialized Training for the Procurement Team

We regularly provide specialized training on supplier payment terms management for the procurement team, covering four dimensions: the necessity of payment terms management, practical methods, supplier negotiation skills, and extended strategies for increasing revenue and reducing costs. This helps procurement personnel enhance their awareness of capital efficiency and negotiation capabilities, while strengthening risk management.



3.2.2 Trade and taxation compliance management

Based on its global operating footprint, Flytronics Group has formulated policies such as the Financial Management System and the Taxation Management System, developing a trade and taxation compliance management system covering the entire business chain.

In terms of trade compliance, the Company has established globally unified control standards. Through customer and supplier background reviews, transaction risk assessments, and multi-level approvals, we conduct specialized audits of key risks, such as export controls, end use, and embargoed countries and regions, while dynamically tracking changes in global trade policies. In response to adjustments in international trade policies, we have actively responded through product classification optimization, supply chain restructuring, and balanced cost and order management. In addition, we have continued to advance the standardization of policies and procedures to ensure that our global business development conforms to laws and regulations.

In terms of taxation compliance, the Company continues to develop a tax management system aligned with our global footprint and continuously optimizes transfer pricing management, with the Chief Financial Officer coordinating domestic and overseas tax planning. We strictly implement the requirements for the integration of the four business flows: contract flow, fund flow, goods flow, and invoice flow. Through system access control, we standardize business acceptance, receipt and payment, and invoicing activities across global entities, and strengthen internal control reviews of cross-border transactions and distribution businesses, thereby effectively preventing cross-border tax risks and ensuring compliant global taxation.

CASE Financial Capability Training

Focusing on the needs of procurement personnel, the Company provides targeted training on core financial capabilities, systematically explaining financial statements, cost and cash flow management, foreign exchange, taxation, and other topics to help procurement personnel develop financial thinking and strengthen financial compliance.



3.3. BUSINESS ETHICS MANAGEMENT



3.3.1 Anti-commercial bribery and anti-corruption

Flytronics Group upholds integrity in operations, adheres to business ethics, and continuously improves its business ethics management system.

We have established and long implemented the Enterprise Red Line Management Regulations, which specifies the code of conduct and professional bottom lines for all employees, defines the boundaries of violations and disciplinary misconduct for which the Company has zero tolerance, and strictly regulates employees' performance of duties, business dealings, information confidentiality, and other work. We have established a clear disciplinary mechanism for conduct that crosses management red lines. Once substantiated, rule-violating employees will be handled seriously in accordance with regulations. In serious cases, the employment relationship will be terminated, and relevant responsibilities will be pursued, while joint and several liability of management personnel will also be enforced. Through regular communication and strict implementation of policies, we continue to strengthen the cultural foundation of integrity in business conduct and compliant operations, and safeguard the organization's sound business order and brand reputation.

The Company adopts a procurement management model that combines group segregation, role-based price comparison, global sourcing, and internal competitive bidding to effectively control rule violations at the procedure level. We establish dedicated procurement teams by brand with segregated permissions, carry out role-based cross-checking of market and agent quotations, and set up overseas procurement and OEM procurement teams that are not subject to brand restrictions and engage in cross-competitive bidding with procurement teams in Greater China. Relying on an operating model featuring mutual supervision across multiple positions and price comparison and competition through multiple channels, we eliminate independent decision-making by any single individual, prevent management loopholes and procurement integrity issues at the source, and effectively ensure that procurement prices remain fair and transparent throughout the process.

During the Reporting Period, no violations of laws or regulations involving embezzlement, corruption, fraud, or other misconduct occurred among the Company or any of our employees.

3.3.2 Anti-unfair competition

The Company strictly complies with the Anti-Monopoly Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, and other applicable laws and regulations, and continuously improves the anti-unfair competition management system. We fully integrate standards of lawful operations and healthy competition into the entire business process, firmly resist all forms of unfair competition, regulate our business conduct with integrity and self-discipline, and proactively safeguard a fair and orderly market environment.

During the Reporting Period, the Company had no legal proceedings related to anti-competitive behavior or violations of anti-trust and anti-monopoly laws.

3.3.3 Anti-corruption training

We include the Enterprise Red Line Management Regulations as mandatory training content for new employees. All employees are required to complete specialized training and sign to acknowledge that they are aware of the provisions and will strictly comply with them. Each department carries out regular internal communication and reminders to continuously strengthen employees' awareness of red lines and professional ethics. By combining institutional constraints, pre-employment controls, and ongoing awareness campaigns, we reinforce accountability for integrity across both personnel admission and routine management, thereby preventing violations of rules and discipline and corrupt practices at the source. The Company continues to deepen the development of an anti-corruption culture and fully integrates the philosophy of integrity in business conduct into all aspects of business operations and routine management.

In 2025, the Company conducted a total of 12 training sessions on business ethics, covering 100% of all employees.



04. PEOPLE-CENTERED DEVELOPMENT

Topics covered in this chapter: Protection of employee rights and interests
Talent attraction and development, Occupational health and safety,
Social contribution and rural revitalization

4.1. EMPLOYEE RIGHTS AND INTERESTS, DIVERSITY AND INCLUSION



4.1.1 Protection of employee rights and interests

● Protection of employee rights and interests

Flytronics Group strictly complies with the Labor Law of the People's Republic of China and the Labor Contract Law of the People's Republic of China, while also following the labor laws and regulations of the countries and regions where it operates overseas, and has established a comprehensive system for the protection of employee rights and interests. The Company implements localized compliant employment globally and formulates labor contracts and employment policies tailored to local conditions. We explicitly prohibit the use of child labor and any form of forced labor, fully protect the legitimate rights and interests of employees at home and abroad, and have established a standardized and fair human resources management system.

In terms of workplace environment development, the Company has formulated the Anti-Discrimination, Anti-Harassment and Anti-Abuse Management Standards, upholds equal employment and equal pay for equal work between men and women, and eliminates workplace unfairness, harassment, and improper management and control practices. Meanwhile, we have opened employee grievance channels, implemented confidentiality and anti-retaliation mechanisms, and imposed strict disciplinary measures for violations, aiming to create a fair, inclusive, safe, and harmonious workplace atmosphere.

In terms of employee privacy protection, the Company has established and improved dedicated management mechanisms. We implement unified encrypted custody of personnel files, strictly control information access permissions, and require relevant personnel in related positions to sign confidentiality agreements. Through standardized whole-process management, we effectively safeguard employees' personal information and privacy security.

In 2025, 100% of the Company's employees were covered by social insurance and signed labor contracts. No incidents involving infringement of employee rights and interests occurred.

● Employee communication and feedback

To continuously facilitate internal communication and enhance employees' sense of participation and organizational cohesion, the Company focuses on building a multi-tiered and regular

communication system that reaches every employee across the organization.

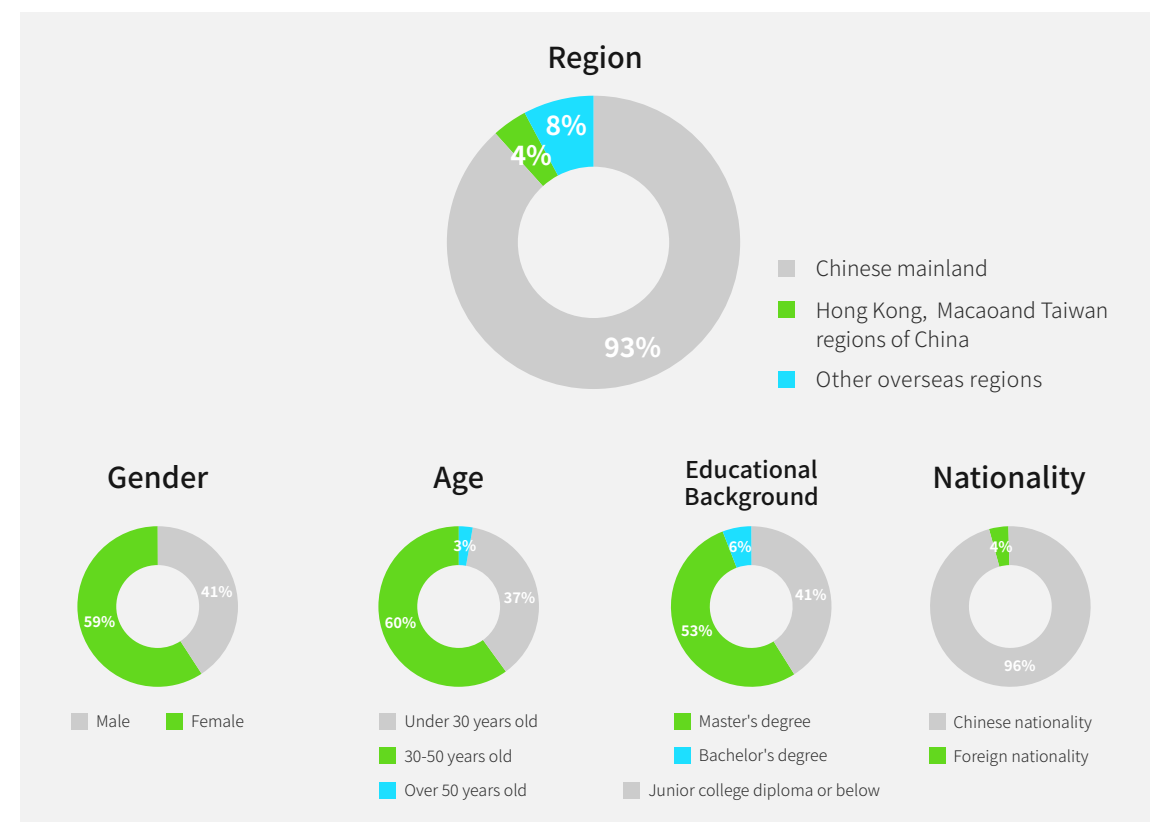
The Company upholds an open and transparent management philosophy, fully discloses the email addresses and contact information of the management and senior executives, and supports barrier-free cross-level feedback from employees. At the same time, we have established a regular communication mechanism for senior executives, through which the CEO routinely listens to employees' genuine concerns through one-on-one interviews, cross-level exchanges with middle management personnel, and in-depth dialogues with frontline employees.

The Company has integrated communication into the full career growth cycle of employees: During onboarding and the probationary period for new employees, the Human Resources Department and direct supervisors conduct phased onboarding follow-ups and interview-based communications, carry out monthly probationary evaluations, and provide face-to-face feedback. Performance communication is conducted each month, enabling supervisors and subordinates to align on work outcomes, review difficulties and challenges, and identify resource needs.

We continue to optimize communication channels, boost positive two-way interactions, and create an open, inclusive, efficient, and well-connected organizational atmosphere.

4.1.2 Diversity, equity and inclusion

The Company upholds a diverse and inclusive talent philosophy, achieving a diverse and balanced employee workforce across dimensions such as gender, age, and educational background.



CASE Halloween-Themed Event

Flytronics Group held Halloween-themed costume receptions and fun interactive experiences in the office areas of the Group and its subsidiaries, inviting all Chinese and foreign employees to participate. Through immersive festive cultural interactions, the event promoted communication and integration between local and foreign employees, narrowing the distance and aligning team efforts. With diverse cultural activities, it created an open, equal, mutually supportive, and inclusive workplace atmosphere, fully reflecting the Company's respect for multiculturalism and humanistic care for foreign employees.



Fitness Activities

In terms of cultural life, the Company holds various themed activities around traditional festivals and corporate milestones. For the Chinese New Year, we organize an annual gala and a New Year gathering; for the Mid-Autumn Festival, we hold handmade craft salons and distribute festival benefits; on International Women's Day, we present exclusive care gifts to female employees. Through rich and diverse cultural activities, we aim to foster an inclusive, caring, cohesive, and united corporate atmosphere.



Annual Gala

4.1.3 Benefits and care

Flytronics Group has always been people-centered, fully implementing employee care measures to create a warm, harmonious, dynamic, and positive workplace and enhance employees' sense of belonging and team cohesion.

In terms of daily care, we launched a family care program, introducing family allowances for employees who have served for over one year, providing targeted care for employees' elder family members, and extending corporate care to employees' families. This effectively enhanced employees' family well-being while strengthening their sense of identification and our workforce stability. In 2025, this program covered more than 150 employees and had become an important part of the Company's employee care system. At the same time, for employees hospitalized due to illness, we promptly arrange on-site visits and offer comfort. The HR and administration team, together with their immediate supervisors, continuously follows up on their recovery progress and provides thoughtful assistance.

In terms of physical and mental health, the Company continues to invest dedicated resources, maintains long-term partnerships with sports venues such as gyms, badminton halls, and basketball courts, offers diverse sports programs, and organizes activities such as hiking and table tennis from time to time, enriching employees' leisure, cultural, and sports life and advocating a healthy and positive lifestyle.



Mid-Autumn Handmade Craft Salon

4.2. INTERNATIONAL TALENT DEVELOPMENT



Governance

Flytronics Group has established a Human Resources Department, with the Human Resources Director taking overall responsibility for advancing core human resources work, including domestic and overseas talent recruitment, talent development, remuneration and performance management, thereby meeting the Company’s needs for global operations and diverse team management. The Company has established a comprehensive talent management system and formulated a series of policies, including the Employee Handbook, the Human Resources Control Procedures, and the Employment Management System, to ensure the compliant and orderly operation of human resources management.

Strategy

The Company adheres to the principles of global talent acquisition and diversified development, and has established comprehensive career development channels as well as systematic training and incentive systems. While addressing both talent growth and corporate development needs, we provide solid talent support for the Company’s global business expansion and high-quality development.

Impact, risk, and opportunity management

Recruitment and talent allocation

The Company has formulated the Employment Management System to comprehensively standardize the talent selection and employment procedure. We remain committed to selecting and attracting outstanding talent from around the world and steadily advancing the development of our international workforce. Leveraging a diversified talent introduction strategy, foreign employees accounted for 6% of new hires in 2025, effectively enriching our workforce structure and further enhancing our global business operations and cross-regional collaboration capabilities.

Based on the long-term needs of talent pipeline development, the Company has established systematic criteria for identifying key talent. Taking into account dimensions such as position development cycles, professional and technical complexity, value contribution of positions, and job grade levels, we accurately classify positions into three core categories: business, functional, and management. Focusing on key groups such as mid- to senior-level business elites, senior professionals, department heads, and senior management personnel, we strengthen the foundation of our core talent reserves through targeted attention and specialized training.

With a focus on diversified talent development planning, the Company continues to improve the position promotion system and has established a dual-channel development model featuring parallel

management and professional tracks based on existing promotion levels. While retaining the traditional management promotion path, we have also established a dedicated career track for employees who focus on professional expertise development and do not take on managerial roles, granting them equal job titles and remuneration at corresponding levels, thereby offering a diverse and actionable career growth platform for all types of talent.

Training system development

The Company has established a systematic talent training system that is hierarchical and categorized, covers all employees, and combines internal and external resources. Differentiated development paths are designed for employees at different levels and in different positions, forming a complete closed loop for talent growth from new employee integration and capability advancement to management improvement and executive empowerment.

Type	Category	Employee Level			Management Level			Executive Level		
		Junior	Senior	Expert	Junior	Senior	Expert	Junior	Senior	Expert
Management / Leadership	Enhancement							Management strategy formulation		
								Management system development		
		Budget 1 - 「B → U」			Budget 2 - 「T → D + B → U」					
		BP1 - Work plan execution			BP2 - Work plan and execution management					
	Fundamental				Understand sales, HR management, and finance					
					Strategy, planning and execution (external nine codes)					
Six guiding principles, attitudes and values (internal nine code)										
Skills	Professional	Sales professional skills 1 - Team member level			Sales professional skills 2 - DM level					
		Supply chain professional skills 1 - Team member level			Supply chain professional skills 2 - DM level					
		Quality management professional skills 1 - Team member level			Quality management professional skills 2 - DM level					
					Financial competency enhancement training					
					Human resources management competency enhancement training					
		General				Project management				
	T T T									
	Business English									
	Business department L2C procedure									
Onboarding training	Professional	Departmental workflows and management mechanisms								
		Quality management and quality logistics operation procedures								
	General	Financial reimbursement								
		Corporate overview, organizational structure, corporate culture, and values Human resources/Administrative management system and red line management system								

Overview of Flytronics Group’s Training System

To facilitate new employee integration, the Company regularly conducts standardized onboarding training, adopting a model that combines in-person centralized sessions with online bilingual courses, and offers local language-specific training sessions as needed. The training covers fundamental content such as organizational structure, corporate culture, rules and regulations, and quality logistics,

supported by online required courses on efficient working methods and interpretation of values, as well as on-site visits, helping new employees quickly integrate into the organization and master job-related standards.

To empower senior executives and key personnel, external coaches are invited each quarter to conduct themed workshops for senior executives, and management personnel at the senior level and above are organized to participate in high-end external training and study programs, continuously enhancing their strategic vision and business management capabilities.



External Training for Senior Executives

For the sales business team, the Company has established a dedicated development system that pairs new, intermediate, and senior sales personnel with corresponding management mentors for targeted coaching. Weekly thematic exchange sessions are held for new sales representatives, featuring hands-on training in product knowledge, scenario-based marketing, and customer acquisition and progression. Cross-team mentoring and job rotation mechanisms are also implemented to effectively replicate best practices and systematically build a robust sales talent pipeline.

In 2025, the Company conducted a total of 146 training sessions of various types, covering 100% of all employees, with training investment reaching RMB260,000.

● Remuneration and performance management

The Company consistently adheres to a positive performance management philosophy and has established the Performance Management System, under which overall business objectives are cascaded down to each department and position, covering all employees. A comprehensive performance management system has been built from multiple dimensions, and tailored appraisal methods and evaluation criteria are set according to the specific nature of functional and operational roles. We firmly follow the principles of objectivity, fairness, and transparency throughout the entire process.

Performance appraisal results are applied throughout the entire process of employee incentives and career development. The comprehensive performance of functional positions is closely linked to salary determination, year-end benefits, honors selection, salary adjustments, and rank promotion. For the sales team, we are committed to fostering a team culture of collaboration and mutual benefit, with performance serving as an important basis for team-based rewards, job advancement, and remuneration structure refinement.

To continuously maintain the industry competitiveness of remuneration, the Company has long conducted remuneration market research, benchmarking against industry and regional salary levels, and dynamically optimized the internal remuneration structure and salary standards. We are concurrently

advancing a medium- to long-term talent incentive plan, steadily promoting the establishment of an equity incentive mechanism that covers core management and key personnel, progressively refining the incentive structure and rollout cadence. By pairing short-term remuneration security with long-term value alignment, we reinforce the commitment of our core talent.

Metrics and targets

To promote alignment between employee growth and corporate strategy, in 2025, the Company set a management target of 100% completion of the training plan, which was fully achieved.

4.3. OCCUPATIONAL HEALTH AND SAFETY



4.3.1 Safety management system

Flytronics Group strictly complies with laws and regulations such as the Work Safety Law of the People’s Republic of China, the Fire Protection Law of the People’s Republic of China, and the Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases, and has established and improved an occupational health and safety management system. The Company upholds the occupational health and safety policy of “safety first, prevention foremost, comprehensive governance, and scientific management”, fully integrating safety management into daily operations, warehousing operations, employee management, and other operational processes. We have also formulated internal policies and standards, such as the Warehousing Work Safety Management System, the Safety Inspection and Hazard Remediation Management Regulations, and the Incident Investigation and Handling Procedures, continuously improving system development and comprehensively strengthening our safety risk prevention capabilities.

The Company regularly conducts internal audits and management reviews of the occupational health and safety management system, systematically checking the implementation of the system and comprehensively assessing operational effectiveness and suitability. We have continuously optimized the safety control mechanism, ensuring standardized and orderly occupational health and safety management work. Flying Technology has held ISO 45001 Occupational Health and Safety Management System certification for many consecutive years.



4.3.2 Safety management measures

• Safety risk control

The Company has established systematic management mechanisms for key processes, such as safety inspections, hazard rectification, and incident investigations.

Safety inspections are conducted at four levels: inspections by external organizations, Company-level comprehensive inspections, routine irregular inspections, and departmental self-inspections. The Fire Safety Committee implements centralized planning and tracking to ensure that inspection work is planned, recorded, and implemented.

In terms of hazard rectification, the Company registers all issues identified during inspections and assigns responsible persons to complete rectification within a specified timeframe. The Fire Safety Committee is responsible for the closed-loop verification of the rectification results to ensure that each hazard is effectively eliminated. In 2025, two hazards were identified, both of which had been rectified and closed.

At the same time, the Company strictly applies the “Four Do-Not-Pass” principle when handling any work safety incidents that have occurred. This principle mandates that no incident shall be closed unless the root cause has been thoroughly investigated, the persons responsible have been properly disciplined, all employees have received appropriate education and training, and corrective and preventive measures have been fully implemented. We set different reporting deadline requirements based on the circumstances of different incidents, establish professional investigation teams according to the severity of injuries, conduct in-depth analyses of direct and indirect causes, formulate and verify corrective and preventive measures, and circulate incident reports to all employees for learning to prevent similar incidents from recurring.

In 2025, the Company experienced no fire or work-related injury incidents, and the work-related injury insurance covered 100% of the employees.

• Occupational health and safety management

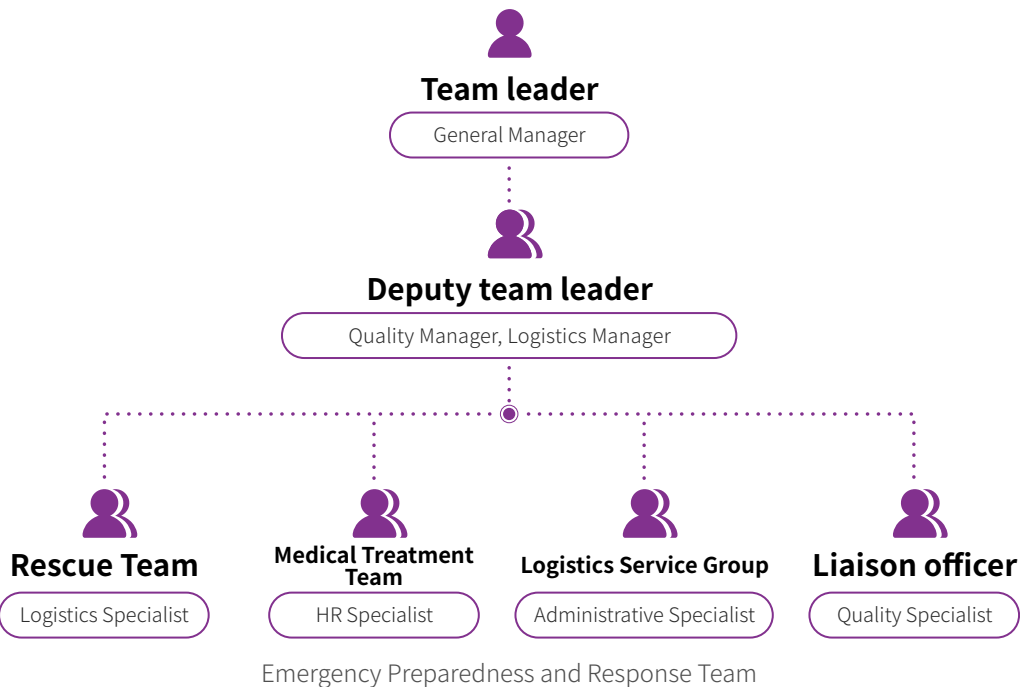
Flytronics Group has established and continuously improved its occupational health protection system, and implemented comprehensive health protection measures to create a safe and healthy working environment for all employees.

We organize annual occupational health examinations for all employees to strengthen the fundamental health protection of employees, and strictly keep employees’ health information confidential. For X-ray operation positions, we strictly implement whole-process management covering the wearing of personal dosimeters, registration in logs, and periodic monitoring, thereby establishing a systematic radiation protection mechanism. In terms of emergency support, we have properly equipped office and storage areas with emergency first-aid kits, while conducting formaldehyde environmental testing following office renovations, thereby comprehensively reinforcing the occupational health and safety safeguards for our employees.

In 2025, the Company had no occupational disease incidents.

• Emergency management

The Company has formulated the Enterprise Contingency Plan, comprehensively covering disastrous incidents such as object strikes, electric shocks, fires, poisoning, heatstroke, and explosions. Meanwhile, an emergency preparedness and response team led by the General Manager has been established to comprehensively coordinate emergency command, response, and follow-up work. We have standardized the emergency response procedures to ensure rapid response to and scientific handling of incidents and minimize incident losses and personal injuries.



4.3.3 Safety culture education

• Emergency drills

The Company continues to strengthen the implementation of contingency plans, adheres to the integration of routine management and emergency response, and organizes emergency drills to comprehensively verify the feasibility and effectiveness of the contingency plans.

CASE Fire Evacuation Emergency Drill

The drill was conducted in an orderly manner throughout, covering fire evacuation, promotion of basic fire safety knowledge, explanation of contingency plan procedures, hands-on use of fire-extinguishing equipment, and on-site first aid training, further enhancing employees’ fire safety awareness, escape and self-rescue skills, and collaborative response capabilities in emergencies. In November 2025, the Company organized its annual comprehensive fire emergency drill. The drill simulated a sudden fire scenario. Participants followed unified commands

and evacuated quickly and orderly along designated evacuation routes, safely assembling in the designated area in just two minutes.



● Safety training

The Company has established a work safety training system covering all employees, all scenarios, and all procedures, and regularly conducts specialized training on corporate work safety, occupational health and safety, fire safety knowledge, laboratory equipment safety, and standardized warehouse operations. Meanwhile, we engage professional first-aid teams to provide first-aid training sessions, covering practical skills such as rescue breathing, cardiopulmonary resuscitation (CPR+AED) operation and use, and the Heimlich maneuver. We strictly implement safety education and assessment controls throughout production and operations, highly value employees' personal safety and physical and mental health, and comprehensively strengthen our line of defense for work safety.

In 2025, the Company conducted five safety-themed training sessions, covering 30 employees.



Fire Safety Training



First-aid Training

4.4. CO-CREATION OF SOCIAL VALUE



Flytronics Group has always regarded fulfilling social responsibility as an important mission and value pursuit for the Company's long-term development. While maintaining sound operations and boosting our core business, we have proactively undertaken our responsibilities as a corporate

citizen, actively expanded the dimensions of social engagement, and responded attentively to the diverse needs of social development, practicing our original aspiration and mission through concrete actions, and continuing to convey corporate care and social value.

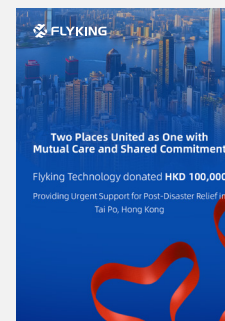
In 2025, Flytronics Group invested a total of RMB310,000 in social welfare initiatives, with 20 employee volunteer participations, benefiting 450 individuals.

CASE “Care for All” Public Welfare Project



Since 2020, the Company has paid attention to children with Down syndrome for consecutive years. In 2025, we visited local special education schools and care centers for children with Down syndrome in Jilin, providing the children with emotional care and comfort through sincere communication and warm companionship. We supported the growth of children with special needs with care and dedication and conveyed goodwill through public welfare actions.

CASE Emergency Support for Post-Disaster Relief in Hong Kong



After a serious fire broke out at Wang Fuk Court in Tai Po Estate, New Territories, Hong Kong, Flyking Technology immediately showed concern for the disaster and swiftly responded to social relief efforts, donating HKD100,000 to the Support Fund for Wang Fuk Court in Tai Po for emergency rescue and post-disaster recovery and reconstruction. The Company's General Manager He Jin and Chairman Wang Zhongliang also made additional donations in their personal capacities and launched a charitable initiative among all employees, calling on them to voluntarily contribute their care and support.

CASE Education Assistance Program in Baise, Guangxi

The volunteer team of Flyking Technology traveled to western Guangxi for an educational support initiative, marking the fourth consecutive year that the Company had participated in public welfare initiatives for rural education. In 2025, the team visited Naba Village Primary School and Yangli Primary School in Jiayou Town. It not only delivered daily necessities such as summer quilts, winter quilts, and mats to Naba Village Primary School, but also conducted follow-up visits on the use of facilities donated in previous years. In addition, infrastructure upgrades worth RMB30,000 were donated to Yangli Primary School to help improve the campus learning and living environment. During the activity, the team also visited six families of students in need, delivering daily necessities and learning supplies.



05 ENVIRONMENTAL PROTECTION

Topics covered in this chapter: Response to climate change
Pollutant emissions, Waste management, Energy use, Water resource use

5.1. RESPONSE TO CLIMATE CHANGE



Governance

Leveraging the Company’s sound governance structure, Flytronics Group promotes climate change management from the top down. The Company’s senior management provides overall direction for issue management and coordinates resource allocation, with relevant business departments participating collaboratively to drive implementation.

Strategy

We refer to disclosure frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD) to identify, assess, and respond to climate-related risks and opportunities, while actively exploring ways to transform the challenges posed by climate change into strategic opportunities to enhance industry competitiveness.

Type		Risk/Opportunity	Description of Impact	Time Horizon of Impact	Impacted Value Chain Segment	Potential Financial Impact	Countermeasures
Physical risks	Acute risks	Typhoons,rainstorms, and flooding	Extreme weather can easily cause moisture damage in warehouses and disrupt logistics, affecting the stability of material storage and delivery.	Short term	Warehousing, logistics, and supply chain	Increased operating costs, inventory losses,	Routinely monitor regional meteorological changes, implement temperature and humidity control equipment for materials and basic management for moisture prevention and oxidation prevention, and routinely conduct environmental inspections and controls over inventory storage conditions.
		High-temperature heatwaves in summer	Sustained high temperatures increase energy consumption in warehousing and impose stricter control requirements on the storage environment of temperature-sensitive electronic components.	Short and medium term	Warehousing operations	Increased energy consumption costs	
	Chronic risks	Long-term changes in the climate environment	Long-term fluctuations in regional temperature and humidity can easily cause oxidation and moisture damage to components, posing potential risks of quality issues and inventory impairment.	Long term	Warehousing inventory and quality	Inventory impairment and increased	
Transition risks	Policy risks	More stringent requirements for compliance with the dual-carbon goals and environmental protection regulations	Domestic and international low-carbon, environmental protection, and cross-border supply chain compliance policies have been increasingly stringent, imposing compliance constraints on corporate operations.	Short and medium term	Procurement supply chain and export business	Increased compliance investment and restricted order access	Continuously track industry and domestic and international environmental and low-carbon policy developments, and adapt to trends in supply chain environmental management and control.

Transition risks	Market risks	Higher customer access requirements for low-carbon	Customers in downstream industries have gradually incorporated green environmental protection and sustainable supply chains into their supplier access and evaluation systems.	Short and medium term	Customer cooperation and market	Restricted customer access	Improve the foundation for operational compliance and environmental management to align with downstream customers’ green procurement evaluation standards.
	Supply chain risks	Fluctuations in low-carbon compliance among	Upstream original manufacturers and supply chain partners are enhancing low-carbon and environmental management and control, which may lead to uncertainties in supply and compliance.	Medium and long term	Upstream procurement and sourcing	Fluctuations in procurement costs and increased	Monitor the environmental compliance level of upstream partners and enhance the identification and control of fundamental supply chain risks.
Opportunity	Market	Growing demand for components in green	The rapid development of low-carbon industries such as new energy, energy storage, and industrial control is driving the expansion of market demand	Long term	Downstream markets and distribution	Revenue growth and business	Leverage the Company’ s business layout to seize incremental market growth
	Products and services	Green supply chain value-added services	Leverage the Company’ s supply chain and digital platform businesses to meet premium customers’ needs for green supplier screening and compliance.	Medium and long term	Value-added services and customer	Increased value-added	Gradually strengthen sustainable supply chain service capabilities to align with market demand for compliance services.

Impact, risk, and opportunity management

To effectively address risks and seize opportunities arising from climate change, the Company has established a climate risk and opportunity management procedure in accordance with regulatory frameworks and industry practices, continuously enhancing climate resilience and sustainable operations capabilities. The climate risk and opportunity management procedure is as follows:

- Climate risk and opportunity identification:**
 - Climate risk and opportunity identification: We regularly track domestic and international climate policies and industry developments. Based on the characteristics of our electronic components distribution business and global warehousing and logistics footprint, we systematically identify the physical risks, transition risks, and opportunities that climate change may bring, and develop a list of risks and opportunities.
- Climate risk and opportunity assessment:**

We use internal and external risk management tools to conduct tiered assessments across multiple dimensions and determine key climate issues and management priorities.
- Climate risk and opportunity management:**
 - Based on the identification and assessment results, we develop differentiated response plans and dynamically optimize them. At the same time, leveraging our supply chain service capabilities, we seize development opportunities in green and low-carbon industries and promote the coordinated enhancement of climate governance and business development.

Flytronics Group actively practices the concept of low-carbon operations and continuously optimizes the whole-process low-carbon management of business services and operations.

At the business service level, we leverage our solution design and component matching capabilities

to carry out energy-saving and low-carbon optimization from the perspectives of customer component selection and solution adaptation. We also collaborate with partner suppliers to promote electricity consumption monitoring and energy-saving management, practicing the concept of low-carbon development from the source of the industry chain.

At the level of operations, we implement an operating model of centralized transportation, consolidated orders, and centralized customs declaration to streamline transportation frequency and reduce mileage, effectively reducing fuel consumption and carbon emissions. By leveraging our digital platform to enable online collaborative business processes, we substitute traditional in-person travel and on-site meetings with digital interactions to the greatest extent possible. This comprehensively reduces greenhouse gas emissions from commuting and business activities, steadily reinforcing the foundation of our green and low-carbon operations.

Metrics and targets

Greenhouse gas emissions within the Company’s operations mainly come from the use of purchased electricity in office and warehousing activities. We aim to continuously reduce carbon emissions during operations, steadily advance green and low-carbon transformation, and strengthen our sustainable development capabilities.

5.2. ENVIRONMENTAL COMPLIANCE



5.2.1 Environmental compliance management

Flytronics Group strictly complies with the Environmental Protection Law of the People’s Republic of China and the laws and regulations of the regions where we operate. With reference to the ISO14001 Environmental Management System standard and based on the environmental management policy of “compliance with laws and regulations, pollution prevention, environmental protection, and sustainable development”, we have established and continuously improved our environmental management system, integrated environmental protection requirements into the entire operational chain, continuously enhanced pollution prevention and control as well as resource utilization efficiency, and protected the ecological environment and biodiversity of the locations where we operate, thereby reducing the environmental impact of our business activities.

In 2025, the Company had no major environmental pollution incidents or violations of environmental laws and regulations.

The Company regularly conducts internal audits and management reviews of the environmental management system to comprehensively assess the operational effectiveness and adaptability of the

system, ensuring the standardized advancement of environmental management. Flying Technology has held ISO 14001 Environmental Management System certification for many consecutive years.



The Company values the development of environmental management capabilities and incorporates training into the annual plan. By organizing various publicity and educational activities, we continuously enhance employees’ environmental awareness and professional skills, fostering a culture of environmental protection.



5.2.2 Pollutant and waste management

Pollutant management

Given the Company’s business attributes in electronic component distribution and supply chain services, our daily operations do not involve production or manufacturing processes, and no industrial waste gas or industrial wastewater is generated. The main pollutant is domestic sewage generated from employees’ routine office activities. We strictly comply with the Water Pollution Prevention and Control Law of the People’s Republic of China, the Water Pollution Control Ordinance of Hong Kong SAR, and other laws and regulations. All domestic sewage is connected to the municipal pipeline network through the building’s sewage system for unified and compliant disposal. The Company will continue to monitor developments in environmental laws, regulations, and industry supervision, regularly improve environmental control measures, and steadily practice the philosophy of green and compliant operations.

Waste management

Flytronics Group strictly complies with the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes, the Waste Disposal Ordinance of Hong Kong SAR, and other relevant laws and regulations, classifies and handles waste generated in operations, and actively advances measures such as source reduction, end-of-pipe harmless treatment, and recycling.

Waste Type	Disposal Method
Defective materials and scrapped products	Centralized collection is implemented, and preferential return to the original manufacturers and partner suppliers is adopted for professional and compliant disposal
Cartons and pallets	Intact items are used for internal transfers or secondary shipments, while damaged items are handed over to professional recycling companies for regeneration treatment
Domestic waste	Sorted disposal is implemented, with property management uniformly collecting and transporting the waste and conducting standardized harmless disposal

For recyclable packaging waste, we have set up dedicated collection points at our warehouses in Shenzhen and Hong Kong, with sorting guidelines posted on site. We have standardized the recycling procedures and track the recycling volume on a monthly basis. In 2025, we recovered approximately 1750kg of intact cartons and approximately 152kg of pallets in total.

5.3. RESOURCE MANAGEMENT



5.3.1 Energy use

Electricity consumption for office and warehousing operations constitutes the Company’s main source of energy use.

We attach great importance to daily energy conservation and efficient utilization, and have formulated the Energy and Resource Management Regulations. We collect monthly statistics on the energy and resource consumption of each department, and implement energy conservation and consumption reduction across all aspects of office work and warehousing. In our daily operations, we strictly regulate the use of air conditioners, reasonably set comfortable temperature control ranges, prioritize the use of inverter-type air conditioning units, and leverage their energy-saving features to reduce operational energy consumption. In parallel, we encourage employees to cultivate sound electricity-saving habits. Reminder stickers bearing messages such as “Power Off After Work” have been placed near air conditioner switches, printers, and water dispensers to prevent electricity waste caused by lighting and office equipment remaining in prolonged idle standby mode.

5.3.2 Water resource use

The Company’s water is sourced from the municipal water supply network and is mainly used for daily domestic water consumption in office and warehousing areas.

The Company strictly complies with relevant regulatory requirements, including the Water Law of the People’s Republic of China, the Regulation on Water Conservation, and the Waterworks Ordinance of Hong Kong SAR, to standardize daily water management. We fully implement water-saving control measures and uniformly equip restrooms with water-saving devices to reduce daily water loss through hardware configuration. Water-saving reminder signs are posted in key water-use areas such as water dispensers and restrooms, reminding employees at all times to standardize their daily water use practices and consciously eliminate waste such as running water and unnecessary water use.

5.3.3 Green office

The Company actively promotes green office initiatives and has formulated the Green Office Management Regulations. We advance the development of a resource-saving organization, standardize the use of office resources, improve resource utilization efficiency, and regularly issue environmental protection and energy-saving awareness reminders in our internal group. We implement a trade-in mechanism for pen refills and other stationery to reduce resource consumption caused by the disposal of single-use consumables. In addition, we fully promote double-sided printing to save paper consumption at the source, while setting password-based access controls for office printers and retaining printing records to standardize use practices and reduce resource waste caused by unnecessary and repeated printing.

KEY PERFORMANCE DATA TABLE

ECONOMIC



Metric	Unit	2025
Operating revenue	RMB10,000	168,691.20
Total assets	RMB10,000	56,230.40
Net profit	RMB10,000	8,434.56

GOVERNANCE



Anti-commercial bribery and anti-corruption

Metric	Unit	2025
Number of anti-commercial bribery and anti-corruption training sessions conducted	/	12
Number of participants in anti-commercial bribery and anti-corruption training	/	80
Number of corruption litigation cases filed against the issuer or its employees and concluded during the Reporting Period	/	0

Anti-unfair competition

Metric	Unit	2025
Number of cases in which the Company was sanctioned by relevant authorities for unfair competition practices in operations or violations of antitrust and anti-monopoly laws	/	0
Amount involved in litigation or major administrative penalties arising from the Company's unfair competition practices during the Reporting Period	RMB10,000	0

Risk control

Metric	Unit	2025
Number of internal control and risk management-related training sessions	/	2
Number of participants in internal control and risk management-related training	/	80

SOCIAL



Social contribution and rural revitalization

Metric	Unit	2025
Amount invested in rural revitalization and public welfare	RMB10,000	31
Number of people benefiting from rural revitalization and public welfare	/	450
Number of employee volunteer service participations	/	20

Supply chain security

Metric	Unit	2025
Total number of suppliers	/	1948
Total number of new suppliers	/	735
Proportion of procurement from local suppliers (China, including Hong Kong, Macao and Taiwan regions)	%	90

Product quality and customer service

Metric	Unit	2025
Number of incidents involving violations of laws and regulations related to products and services	/	0
Number of product recall incidents	/	0

Data security and privacy protection

Metric	Unit	2025
Total number of violations of laws and regulations related to customer privacy	/	0

Protection of employee rights and interests

Metric		Unit	2025
Total number of employees		/	245
By gender	Male	/	101
	Female	/	144
By age	Number of employees under 30 years old	/	92
	Number of employees aged 30 (inclusive) to 50	/	146
	Number of employees aged 50 and above	/	7
By education level	Master' s degree	/	15
	Bachelor' s degree	/	130
	Junior college diploma or below	/	100
By nationality	Chinese nationality	/	235
	Foreign nationality	/	10
By region	Chinese mainland	/	228
	Hong Kong, Macao and Taiwan regions of China	/	9
	Other overseas regions	/	8
Total number of management employees		/	38
By gender	Male management employees	/	22
	Female management employees	/	16
Social insurance coverage rate		%	100
Labor contract signing rate		%	100
Incidents involving damage to employee rights and interests		/	0
Coverage rate of work-related injury insurance for employees		%	100
Amount invested in work-related injury insurance for employees		RMB10,000	2.07

Talent attraction and development

Metric		Unit	2025
Total number of new employees		人	62
By gender	Male	/	30
	Female	/	32
By age	Number of employees under 30 years old	/	29
	Number of employees aged 30 (inclusive) to 50	/	31
	Number of employees aged 50 and above	/	2
By education level	Master' s degree	/	1
	Bachelor' s degree	/	44
	Junior college diploma or below	/	17
By nationality	Chinese nationality	/	58
	Foreign nationality	/	4
New employee hiring rate		%	13.54
Employee turnover rate		%	11.79
Employee training coverage rate		%	100
Total employee training expenditure		RMB10,000	26
Training sessions conducted		/	146
Number of employee training participations		/	554

Occupational health and safety

Metric		Unit	2025
Number of fatalities due to work-related injuries		/	0
Number of serious injuries		/	0
Number of minor injuries		/	0
Fire incidents		/	0
Number of employees with recordable occupational diseases		/	0
Number of incidents penalized for violations of occupational health and safety laws and regulations		/	0

ENVIRONMENTAL



Response to climate change

Metric	Unit	2025
Scope 2 GHG emissions	tCO ₂ e	144.854

Pollutant emissions

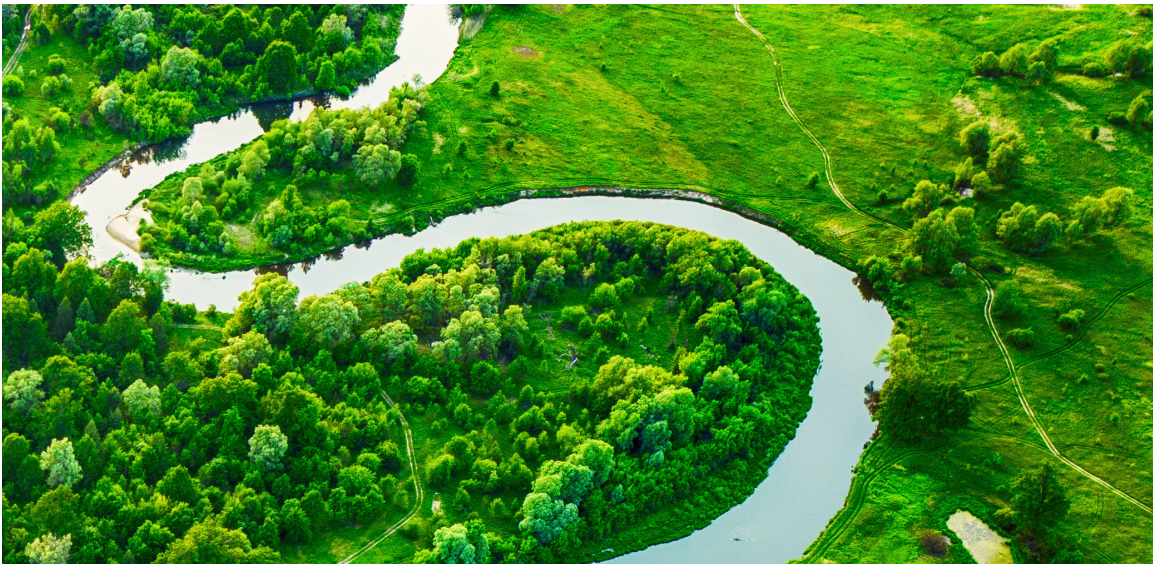
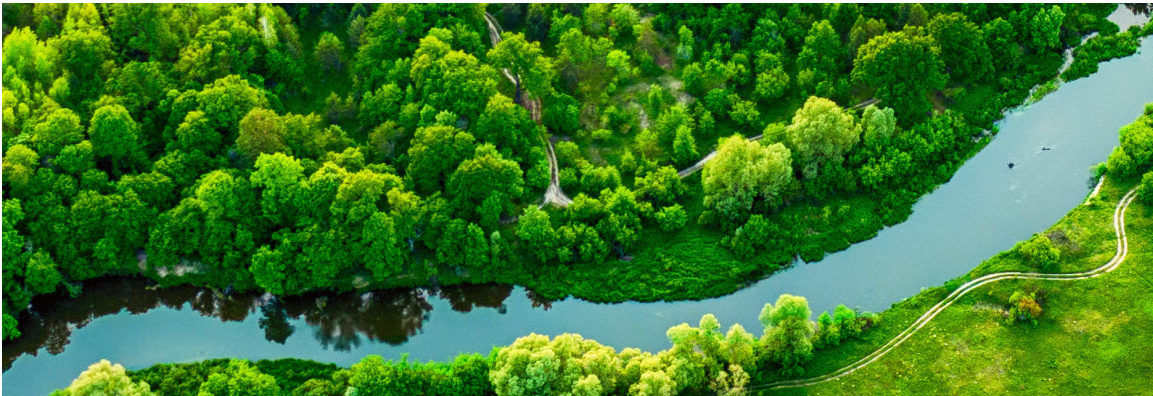
Metric	Unit	2025
Number of incidents penalized for violations of environmental protection laws and regulations	/	0

Energy use

Metric	Unit	2025
Purchased electricity consumption	kWh	237,622.5

Water resource use

Metric	Unit	2025
Total water withdrawal	m ³	1,527



INDICATOR INDEX

● Statement	Flytronics Group has reported the information cited in this GRI Content Index for the period from January 1, 2025 to December 31, 2025 with reference to the GRI Standards
● GRI 1 used	GRI 1: Foundation 2021

Disclosure Item		Section	Location
General Disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	1.1. About Flytronics Group	
	2-2 Entities included in the organization’ s sustainability reporting	About This Report	
	2-3 Reporting period,frequency and contact point	About This Report	
	2-4 Restatements of information	There were no restatements of information during the Reporting Period	/
	2-5 External assurance	No external assurance was conducted during the Reporting Period	/
	2-6 Activities, value chain and other business relationships	1.1. About Flytronics Group	
	2-7 Employees	4.1. Employee Rights and Interests, Diversity and Inclusion Key Performance Data Table	
	2-9 Governance structure and composition	3.1. Corporate Governance	
	2-10 Nomination and selection of the highest governance body	1.1. About Flytronics Group	
	2-11 Chair of the highest governance body	3.1. Corporate Governance	

GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	1.2. Sustainable Development Management	
	2-13 Delegation of responsibility for managing impacts	1.2. Sustainable Development Management	
	2-14 Role of the highest governance body in sustainability reporting	1.2. Sustainable Development Management	
	2-16 Communication of critical concerns	3.1. Corporate Governance	
	2-17 Collective knowledge of the highest governance body	1.2. Sustainable Development Management	
	2-23 Policy commitments	3.3. Business Ethics Management 4.1. Employee Rights and Interests, Diversity and Inclusion	
	2-24 Embedding policy commitments	3.3. Business Ethics Management 4.1. Employee Rights and Interests, Diversity and Inclusion	
	2-25 Processes to remediate negative impacts	4.1. Employee Rights and Interests, Diversity and Inclusion	
	2-26 Mechanisms for seeking advice and raising concerns	4.1. Employee Rights and Interests, Diversity and Inclusion	
	2-27 Compliance with laws and regulations	All chapters	
	2-28 Membership associations	1.1. About Flytronics Group	
	2-29 Approach to stakeholder engagement	1.2. Sustainable Development Management	
Material Topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	1.2. Sustainable Development Management	
	3-2 List of material topics	1.2. Sustainable Development Management	
	3-3 Management of material topics	1.2. Sustainable Development Management	

GRI 101: Biodiversity 2024	101-2 Management of biodiversity impacts	5.2. Environmental Compliance
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Key Performance Data Table
	201-2 Financial implications and other risks and opportunities due to climate change	5.1. Response to Climate Change
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	2.2. Global Supply Chain Management
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	3.3. Business Ethics Management
	205-3 Confirmed incidents of corruption and actions taken	3.3. Business Ethics Management
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.3. Business Ethics Management
GRI 207: Tax 2019	207-2 Tax governance, control, and risk management	3.2. Comprehensive Compliance Internal Control
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Key Performance Data Table
	302-4 Reduction of energy consumption	5.3. Resource Management
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	5.2. Environmental Compliance
	303-3 Water withdrawal	5.3. Resource Management Key Performance Data Table
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	5.1. Response to Climate Change Key Performance Data Table
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	5.2. Environmental Compliance
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	5.2. Environmental Compliance
	306-4 Waste diverted from disposal	5.2. Environmental Compliance
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Key Performance Data Table
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Rights and Interests, Diversity and Inclusion

GRI 401: Employment 2016	403-1 Occupational health and safety management system	4.3. Occupational Health and Safety	
	403-2 Hazard identification, risk assessment, and incident investigation	4.3. Occupational Health and Safety	
	403-3 Occupational health services	4.3. Occupational Health and Safety	
	403-5 Worker training on occupational health and safety	4.3. Occupational Health and Safety	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3. Occupational Health and Safety	
	403-9 Work-related injuries	4.3. Occupational Health and Safety	
GRI 401: Employment 2016	403-10 Work-related ill health	4.3. Occupational Health and Safety	
	404-2 Programs for upgrading employee skills and transition assistance programs	4.2. International Talent Development	
GRI 401: Employment 2016	404-3 Percentage of employees receiving regular performance and career development reviews	4.2. International Talent Development	
	405-1 Diversity of governance bodies and employees	3.1. Corporate Governance 4.1. Employee Rights and Interests, Diversity and Inclusion	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	3.1. Corporate Governance 4.1. Employee Rights and Interests, Diversity and Inclusion	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	4.1. Employee Rights and Interests, Diversity and Inclusion	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	4.1. Employee Rights and Interests, Diversity and Inclusion	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.1. Employee Rights and Interests, Diversity and Inclusion	
GRI 417: Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	3.3. Business Ethics Management	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.1. Safeguarding Customer Value 2.3. Information Security and Digitalization	