

Risk Factors Comparison 2025-03-03 to 2024-02-28 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

Our business is subject to a number of risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business, financial condition, results of operations, cash flows and prospects. The risks are discussed more fully below and include, but are not limited to, the risks summarized below. Risks Related to International Aspects of Our Business • if any mainland China central government authority were to determine that existing mainland China laws or regulations require that ACM Shanghai obtain the authority's permission or approval to continue the listing of ACM Research's Class A common stock in the United States or if those existing mainland China laws and regulations, or interpretations thereof, were to change to require such permission or approval, or if we inadvertently conclude that permissions or approvals are not required, ACM Shanghai may be unable to obtain the required permission or approval or may only be able to obtain such permission or approval on terms and conditions that impose material new restrictions and limitations on operation of ACM Shanghai, either of which could have a material adverse effect on our business, financial condition, results of operations, reputation and prospects and on the trading price of ACM Research Class A common stock, which could decline in value or become worthless; • mainland China central government authorities may intervene in, or influence, ACM Shanghai's mainland China-based operations at any time, and those authorities' rules and regulations in mainland China can change quickly with little or no advance notice; • the mainland China central government may determine to exert additional control over offerings conducted overseas or foreign investment in mainland China-based issuers, which could result in a material change in operations of ACM Shanghai and cause significant declines in the value of ACM Research Class A common stock, or make them worthless; • if we are unable to comply with recent and proposed legislation and regulations regarding improved access to audit and other information and audit inspections of accounting firms, including registered public accounting firms, such as our prior and current audit firms, operating in mainland China, we could be adversely affected; • it may be difficult for overseas regulators to conduct investigations or collect evidence within mainland China; • substantially all of our assets are located outside of the United States ~~and certain of our directors and officers reside outside of the United States~~, which may make it difficult for you to enforce your rights based on the U. S. federal securities laws; Risks Related to Our Business and Our Industry • our potential future needs for additional capital that may not be available at all or on terms acceptable to us; • the cyclicality in the semiconductor industry that may lead to substantial variations in demand for our products; • our dependence on a small number of customers for a substantial portion of our revenue; • industry manufacturers of chips adopting our SAPS, TEBO, Tahoe, ECP, furnace and other technologies; • our SAPS, TEBO, Tahoe, ECP, furnace and other technologies not achieving widespread market acceptance; • our ability to continue to enhance our existing single-wafer wet cleaning tools and identifying and entering new product markets; • our ability to establish and maintain a reputation for credibility and product quality; • our ability to expand our customer base; • our long and unpredictable sales cycle, including our incurrence of significant expenses long before we can recognize revenue from new products, if at all; • difficulties in forecasting demand for our tools; • our reliance on third parties to manufacture significant portions of our tools and our ability to manage our relationships with these parties; • any shortage of components or subassemblies, which could result in delayed delivery of products to us or in increased costs to us; • our dependence on a limited number of suppliers, including single source suppliers, for critical components and subassemblies; • our dependence on our Chief Executive Officer and President and other senior management and key employees; Regulatory Risks • regulatory actions limiting our ability and the broader industry's ability to export into China, as well as other specified countries, items sourced from the U. S. or otherwise subject to control under the U. S. Export Administration Regulations (EAR), or controls introduced by other countries including Japan and the Netherlands, thereby impacting our ability to sell our tools to customers in these jurisdictions; • **our operations in mainland China and Korea subsidiaries, including the import of components, technology, and activities of U. S. personnel therein, may be further impacted by the addition of ACM Shanghai, ACM Korea and related entities to the BIS Entity List; • the U. S. Government has implemented an outbound investment review mechanism, which may prevent us from taking advantage of investment opportunities outside the United States that could otherwise be advantageous to our stockholders;** • changes in government trade policies that could limit the demand for our tools and increase the cost of our tools; • changes in political and economic policies with respect to mainland China; • mainland China's currency exchange control and government restrictions on investment repatriation may impact our ability to transfer funds outside of mainland China; Risks Related to ~~Our~~ **the STAR Listing of ACM Shanghai** • our ability to implement our strategy to expand our mainland China operations; • our ability to achieve the results contemplated by our business strategy and our strategy for growth in mainland China and expectations related to the STAR Listing; • the effect of ACM Shanghai's status as a publicly traded company that is controlled, but less than wholly owned, by ACM Research; • our ability to manage potentially inconsistent accounting and disclosure requirements of ACM Research and ACM Shanghai as a result of the STAR Listing; Risks Related to Our Intellectual Property and Data Security • our ability to protect our intellectual property, including in mainland China; • breaches of our cybersecurity systems; Risks Related to Ownership of Class A Common Stock • the volatility in the market price of Class A common stock; • manipulative short sellers of our stock, which may drive down the market price of our Class A common stock and could result in litigation; • the difficulty to predict the effect of the STAR Listing and STAR IPO on the Class A common stock; • the dual class structure of common stock, which has the effect of concentrating voting control with our executive officers and directors; and • the limited experience of our management team managing a public company. If any mainland China central government authority were to determine that existing mainland China laws or regulations require that ACM Shanghai obtain the authority's

permission or approval to continue the listing of ACM Research's Class A common stock in the United States or if those existing mainland China laws and regulations, or interpretations thereof, were to change to require such permission or approval, or if we inadvertently conclude that permissions or approvals are not required, ACM Shanghai may be unable to obtain the required permission or approval or may only be able to obtain such permission or approval on terms and conditions that impose material new restrictions and limitations on operation of ACM Shanghai, either of which could have a material adverse effect on our business, financial condition, results of operations, reputation and prospects and on the trading price of ACM Research Class A common stock, which could decline in value or become worthless. Mainland China central government authorities have taken steps to preclude, or significantly discourage, certain mainland China companies from listing on U. S. and other exchanges outside mainland China. Investments activities in mainland China by non- mainland China investors are principally governed by the Encouraged Industries Catalog for Foreign Investment (2020 version) and the Special Administrative Measures for Foreign Investment Access (Negative List 2021), both of which were promulgated by mainland China's Ministry of Commerce, or MOFCOM, and National Development and Reform Commission. These regulations set forth the industries in which foreign investments are encouraged, restricted and prohibited. Industries that are not listed in any of these three categories are generally open to foreign investment unless otherwise specifically restricted by other mainland China rules and regulations. We believe that our operations do not fall within any industry that is restricted or prohibited under these regulations and that the regulations therefore do not apply to us. Mainland China- based companies that seek to list their shares in the United States but are subject to mainland China restrictions on investments by non- mainland China investors sometimes use a special purpose vehicle known as a VIE created in an off- shore jurisdiction such as the Cayman Islands. In these structures, a VIE enters into a series of contractual arrangements with mainland China- based operating company and its mainland China- based shareholders that afford those shareholders, rather than the shareholders of the VIE, effective control over the finances and operations of the operating company. The VIE, effectively a shell company, issues share that are listed for trading on a U. S. exchange, but the enterprise is controlled by the legacy mainland China- based shareholders and is subject to mainland China laws and regulations. ACM Research is not a VIE or other special purpose, or shell, company, and its relationship with ACM Shanghai does not involve the types of contractual arrangements existing between a VIE and a mainland China- based operating company. ACM Research is a Delaware corporation founded in California in 1998 that formed ACM Shanghai to conduct business operations in mainland China. ACM Research controls the operations of ACM Shanghai through its direct ownership of ACM Shanghai shares, and it also conducts sales and marketing activities focused on sales of ACM Shanghai products in North America, Europe and certain regions in Asia outside mainland China. We do not believe that our corporate structure or any other matters relating to our business operations currently require that ACM Shanghai obtain any permissions or approvals from the China Securities Regulatory Commission, or CSRC, or any other mainland China central government authority in connection with ACM's listing, or offering for sale in the future, shares of our Class A common stock in the United States. We, including ACM Shanghai, therefore have never solicited any permission or approval from any mainland China central government authority, and thus no such permissions or approvals have been received or denied, in connection with ACM Research's seeking and maintaining the listing of our Class A common stock in the United States. In the event that we inadvertently conclude that permissions or approvals are not required, or either the CSRC or another mainland China central government authority were to determine that existing mainland China laws or regulations require that ACM Shanghai obtain the authority's permission or approval to continue ACM Research's listing of Class A common stock in the United States or if those existing mainland China laws and regulations, or interpretations thereof, were to change to require such permission or approval, ACM Shanghai could be unable to obtain any such permission or approval or could be able to obtain such permission or approval only on terms and conditions that impose material new operating or other restrictions and limitations on ACM Shanghai. In such circumstances, it would materially and adversely affect the value of our Class A common stock, which may decline in value or become worthless. In addition, ACM Shanghai could face sanctions by the CSRC or other mainland China central government authorities or pressure from the mainland China government in various business matters for failure to obtain such permission or approval. Such potential sanctions or pressure may include fines and penalties on ACM Shanghai's operations in mainland China, limitations on its operating privileges in mainland China, delays in or restrictions on the transfer of proceeds from a public offering of ACM Research securities in the United States to ACM Shanghai, restrictions on or prohibition of the payments or remittance of dividends by ACM Shanghai to ACM Research, or other actions that could have a material and adverse effect on our business, financial condition, results of operations, reputation and prospects, as well as the trading price of ACM Research Class A common stock, which could decline in value or become worthless. Mainland China central government authorities may intervene in, or influence, ACM Shanghai's mainland China- based operations at any time, and those authorities' rules and regulations in mainland China can change quickly with little or no advance notice. The business of ACM Shanghai is subject to complex laws and regulations in mainland China that can change quickly with little or no advance notice. **We** ~~To date, beyond the COVID-19 related restrictions in 2022, we~~ have not experienced such intervention or influence by mainland China central government authorities or a change in those authorities' rules and regulations that have had a material impact of ACM Shanghai or ACM Research. We cannot assure you, however, that future changes in mainland China laws and regulations will not materially and adversely affect our mainland China- based operations. For example:

- Intellectual Property. Our commercial success depends in part on our ability to obtain and maintain patent and trade secret protection for our intellectual property, including our SAPS, TEBO, Tahoe, ECP, furnace and other technologies and the design of our Ultra C equipment. See " — Risks Related to Our Intellectual Property and Data Security — Our success depends on our ability to protect our intellectual property, including our SAPS, TEBO, Tahoe, ECP, furnace and other technologies. " in Item 1A, " Risk Factors " of Part I of this report. The significant majority of our intellectual property has been developed in mainland China and is owned by ACM Shanghai. Implementation and enforcement of intellectual property- related laws in mainland China have historically been lacking due primarily to ambiguities in mainland China intellectual property law. See " — Risks Related to Our Intellectual

Property and Data Security — We may not be able to protect our intellectual property rights throughout the world, including mainland China, which could materially, negatively affect our business” in Item 1A, “ Risk Factors ” of Part I of this report. In the event mainland China central government authorities were to significantly revise or revamp the current scope and structure of intellectual property protection in mainland China, our ability to protect and enforce our intellectual property rights for our key proprietary technologies may be adversely impacted and competitors may be able to match our technologies and tools in order to compete with us. • **Data Security** ~~Title Defect in Leased Premises~~. We conduct research and development ~~The Standing Committee of the National People’ s Congress~~, or the Standing Committee, has promulgated the Cyber Security Law, which imposes requirements on entities who build and operate mainland China’ s internet architecture or provide service services support in mainland China over the internet, and the Data Security Law, which imposes data security and privacy obligations on entities and individuals carrying out data activities. The Data Security Law also provides for a national security review procedure for data activities that may affect national security and imposes export restrictions on certain data information. ACM Shanghai is not subject to the existing restrictions imposed by the Cyber Security Law or the Data Security Law, in part because its business operations at do not involve the collection, processing or use of data or information involving personal privacy or private information of customers. In addition, ACM Shanghai is subject to oversight by the Cyberspace Administration of China, or the CAC, regarding data security. ACM Shanghai does not collect or maintain personal information except for routine personal information necessary to process payroll payments and other benefits and emergency contact information, and as a result, ACM Shanghai is not currently subject to significant restrictions or limitations in addressing and managing data security issues and complying with CAC regulations. To date, ACM Shanghai has not been involved in any investigations on cybersecurity review initiated by the CAC or any related mainland China central government authority and has not received any inquiry, notice, warning, or sanction in such respect. However, cybersecurity is increasingly a focus of the mainland China central government. If the CAC or other mainland China central government authorities should in the future require ACM Shanghai to comply with these or additional, or more restrictive, mainland China cybersecurity regulations, it could require ACM Shanghai to make changes to its operations, and any failure to satisfy or delay in meeting such requirements may subject ACM Shanghai to restrictions and penalties imposed by the CAC or other mainland China regulatory authorities, which may include regulatory actions, fines and penalties on our operations in mainland China, which could materially harm our business, financial condition, results of operations, reputation and prospects. • **Anti-Monopoly**. A number of mainland China laws and regulations have established procedures and requirements that could make merger and acquisition activities in China by foreign investors more time consuming and complex. These laws and regulations, which include the Anti- Monopoly Law and the Rules of the Ministry of Commerce on Implementation of Security Review System of Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, impose requirements that in some instances that MOFCOM be notified in advance of, for example, any change- of- control transaction in which a foreign investor takes control of a mainland China domestic enterprise. In addition, such Rules specify that mergers and acquisitions by foreign investors that raise “ national defense and security ” concerns and mergers and acquisitions through which foreign investors may acquire de facto control over domestic enterprises that raise “ national security ” concerns are subject to strict review by MOFCOM. In February 2021, the Anti- Monopoly Committee of the State Council published the Anti- Monopoly Guidelines for the Internet Platform Economy Sector, which stipulate that any concentration of undertakings involving VIEs is subject to anti- monopoly review. Those Guidelines provide more stringent rules for Internet platform operators, including regulations on the use of data and algorithms, technology and platform to commit abusive acts. The Measures for the Security Review for Foreign Investment, which was promulgated jointly by National Development and Reform Commission and MOFCOM effective January 18, 2021, and the Standing Committee on Amending the Anti- Monopoly Law of the People’ s Republic of China, which was promulgated by the Standing Committee effective August 1, 2022, delineated provisions concerning the security review procedures on foreign investment, including the types of investments subject to review and the scopes and procedures of the review. ACM Shanghai does not have the concentration of business operators stipulated in the Anti- Monopoly Law, and our operations and activities to date have not otherwise subjected us to restrictive provisions or limitations set forth in applicable mainland China laws and regulations govern merger and acquisition activities. Among other things, ACM Shanghai’ s business operations do not constitute identified “ national defense and security ” concerns associated with the arms industry, any industry ancillary to the arms industry, or any other field related to national defense security. We cannot assure you, however, that future changes in mainland China laws and regulations governing mergers and acquisitions, including activities in mainland China by foreign investors, will not extend or otherwise modify existing requirements, which could materially and adversely affect our mainland China- based operations or our ability to expand by investments or acquisitions. • **Permits**. In the ordinary course of business, ACM Shanghai has obtained all of the permits and licenses it believes are necessary for it to operate in mainland China. ACM Shanghai may be adversely affected, however, by the complexity, uncertainties and changes in mainland China laws and regulations applicable to, or otherwise affecting, the semiconductor equipment industry and related businesses, and any lack of requisite approvals, licenses or permits applicable to ACM Shanghai’ s business may have a material adverse effect on its business and results of operations. • **Trade Policies**. Since 2018, general trade tensions between the United States and mainland China have escalated. See “ — Regulatory Risks — Changes in government trade policies could limit the demand for our tools and increase the cost of our tools ” in Item 1A, “ Risk Factors ” of Part I of this report. The imposition of tariffs by the U. S. and mainland China governments and the surrounding economic uncertainty may negatively impact the semiconductor industry, including by reducing the demand of fabricators for capital equipment such as our tools. Further changes in trade policy, tariffs, additional taxes, restrictions on exports or other trade barriers, or restrictions on supplies,

equipment, and raw materials including rare earth minerals, may limit the ability of our customers to manufacture or sell semiconductors or to make the manufacture or sale of semiconductors more expensive and less profitable, which could lead those customers to fabricate fewer semiconductors and to invest less in capital equipment such as our tools. In addition, if mainland China were to impose additional tariffs on raw materials, subsystems or other supplies that we source from the United States, our cost for those supplies would increase. As a result of any of the foregoing events, the imposition of new or additional tariffs may limit our ability to manufacture tools, increase our selling and / or manufacturing costs, decrease margins, or inhibit our ability to sell tools or to purchase necessary equipment and supplies, which could have a material adverse effect on our business, results of operations, or financial condition. Moreover, by imposing industrial policies and other economic measures, such as control of foreign exchange, taxation and foreign investment, the mainland China central government exerts considerable direct and indirect influence on the development of the mainland China economy. Other political, economic and social factors may also lead to further legal and regulatory changes and reforms, which may adversely affect our operations and business development. The mainland China central government may determine to exert additional control over offerings conducted overseas or foreign investment in mainland China-based issuers, which could result in a material change in operations of ACM Shanghai and cause significant declines in the value of ACM Research Class A common stock, or make them worthless. The mainland China central government may determine to exert additional control over securities offerings conducted overseas and / or foreign investment in mainland China-based issuers, which could result in a material adverse change in operations of ACM Shanghai and cause the value of ACM Research Class A common stock to significantly decline or become worthless. See also “ — If any mainland China central government authority were to determine that existing mainland China laws or regulations require that ACM Shanghai obtain the authority’s permission or approval to continue the listing of ACM Research’s Class A common stock in the United States or if those existing mainland China laws and regulations, or interpretations thereof, were to change to require such permission or approval, ACM Shanghai may be unable to obtain the required permission or approval or may only be able to obtain such permission or approval on terms and conditions that impose material new restrictions and limitations on operation of ACM Shanghai, either of which could have a material adverse effect on our business, financial condition, results of operations, reputation and prospects and on the trading price of ACM Research Class A common stock, which could decline in value or become worthless ” above. We could be adversely affected if we are unable to comply with legislation and regulations regarding improved access to audit and other information and audit inspections of accounting firms, including registered public accounting firms, such as our prior and current audit firms, operating in mainland China. The HFCA Act, which became law in December 2020, includes requirements for the SEC to identify issuers whose audit work is performed by auditors that the PCAOB is unable to inspect or investigate completely because of a restriction imposed by a non- U. S. authority in any non- U. S. jurisdiction. Under current regulations, the HFCA Act also requires that, to the extent that the PCAOB has been unable to inspect an issuer’s auditor for two consecutive years, the SEC shall prohibit the issuer’s securities registered in the United States from being traded on any national securities exchange or over- the- counter market in the United States. On March 30, 2022, we were transferred to the SEC’s “ Conclusive list of issuers identified under the HFCA Act ” (the “ Conclusive List ”) because the PCAOB determined that it was unable to inspect or investigate completely BDO China Shu Lun Pan Certified Public Accountants (“ BDO China ”), our independent registered public accounting firm for the fiscal year ended December 31, 2021. The determinations announced by the PCAOB were vacated by the PCAOB on December 15, 2022, and BDO China is no longer our independent registered public accounting firm. Our current independent registered public accounting firm, E & Y, is a PCAOB- registered firm that is headquartered in mainland China; however, we do not believe ACM Research will appear on the Conclusive List for a second consecutive time due to the determinations of the PCAOB being vacated. However, if we were to appear for two consecutive years on the Conclusive List, the value of our securities may significantly decline or become worthless, and our securities would be prohibited from trading and may eventually be delisted. It also remains unclear what further actions the SEC, the PCAOB or Nasdaq may take to address these issues and what impact those actions will have on U. S. companies, such as ours, that have significant operations in mainland China and have securities listed on a U. S. stock exchange. Any such actions could materially affect our operations and stock price, including by resulting in our being de- listed from Nasdaq or being required to engage a new audit firm, which would require significant expense and management time. It may be difficult for overseas regulators to conduct investigations or collect evidence within mainland China. Stockholder claims or regulatory investigations that are common in the United States generally are difficult to pursue as a matter of law or practicality in mainland China. For example, in mainland China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigation initiated outside of mainland China. Although the authorities in mainland China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross- border supervision and administration, such cooperation with the securities regulatory authorities in the United States may not be efficient in the absence of mutual and practical cooperation mechanism. Furthermore, according to Article 177 of the mainland China Securities Law, or Article 177, which became effective in March 2020, no overseas securities regulator is allowed to directly conduct investigation or evidence collection activities within the territory of mainland China. While detailed interpretation of or implementing rules under Article 177 have yet to be promulgated, the inability for an overseas securities regulator to directly conduct investigation or evidence collection activities within mainland China may further increase difficulties faced by you in protecting your interests. Because substantially all of our assets are located in outside of the Zhangjiang Hi Tech Park United States and certain of our officers reside outside of the United States, it may be difficult for you to enforce your rights based on the U. S. federal securities laws against such assets or

officers or to enforce a judgment of a United States court against assets or officers in mainland China. While ACM Research is a Delaware corporation, certain of our officers are nonresidents of the United States, and certain of our assets are located in mainland China, and the operations of ACM Shanghai are conducted in mainland China. It may, therefore, not be possible to effect service of process on such persons in the United States, and it may be difficult to enforce any judgments rendered against them or any of our assets that are located overseas. Moreover, there is doubt whether courts in mainland China would enforce (a) judgments of United States courts against ACM Shanghai, our officers based on the civil liability provisions of the securities laws of the United States or any state, or (b) in original actions brought in mainland China, liabilities against us or any nonresidents based upon the securities laws of the United States or any state. We conduct substantially all of our operations outside the United States and face risks associated with conducting business in foreign markets. Substantially all of our sales in 2024, 2023, and 2022 were made to customers outside the United States. Our manufacturing center has been located in Shanghai since 2006 and substantially all of our operations are located in mainland China. We expect that all of our significant activities will remain outside the United States in the future. We are subject to a number of risks associated with our international business activities, including:

- the need to comply with the import laws and regulations of various foreign jurisdictions, including a range of U. S. import laws;
- potentially adverse tax consequences, including withholding tax rules that may limit the repatriation of our earnings, and higher effective income tax rates in foreign countries where we conduct business;
- competition from local suppliers with which potential customers may prefer to do business;
- seasonal reduction in business activity, such as during the Lunar New Year in parts of Asia and in other periods in various individual countries;
- increased exposure to foreign currency exchange rates;
- reduced protection for intellectual property;
- longer sales cycles and reliance on indirect sales in certain regions;
- increased length of time for shipping and acceptance of our products;
- greater difficulty in responding to customer requests for maintenance and spare parts on a timely basis;
- greater difficulty in enforcing contracts and accounts receivable collection and longer collection periods;
- difficulties in staffing and managing foreign operations and the increased travel, infrastructure and legal and compliance costs associated with multiple international locations;
- heightened risk of unfair or corrupt business practices in certain geographies and of improper or fraudulent sales arrangements that may impact financial results and result in restatements of, or irregularities in, our consolidated financial statements; and
- general economic conditions, geopolitical events or natural disasters in countries where we conduct our operations or where our customers are located, including political unrest, war, acts of terrorism or responses to such events.

In particular, the Asian market is extremely competitive, and chip manufacturers may be aggressive in seeking price concessions from suppliers, including chip equipment manufacturers. We may not be successful in developing and implementing policies and strategies that will be effective in managing these risks in each country in which we do business. Our failure to manage these risks successfully could adversely affect our business, operating results and financial condition. Fluctuation in foreign currency exchange rates may adversely affect our results of operations and financial position. Our results of operations and financial position could be adversely affected as a result of fluctuations in foreign currency exchange rates. Although our financial statements are denominated in U. S. dollars, a sizable portion of our costs are denominated in other currencies, principally the Chinese Renminbi and, to a lesser extent, the Korean Won. Because many of our raw material purchases are denominated in Renminbi while the majority of the purchase orders we receive are denominated in U. S. dollars, exchange rates have a significant effect on our gross margin. We have not engaged in any foreign currency exchange hedging transactions to date, and any strategies that we may use in the future to reduce the adverse impact of fluctuations in foreign currency exchange rates may not be successful. Our foreign currency exposure with respect to assets and liabilities for which we do not have hedging arrangements could have a material impact on our results of operations in periods when the U. S. dollar significantly fluctuates in relation to unhedged non- U. S. currencies in which we transact business. The exacerbation or further continuation of currently challenging global systemic economic and financial conditions could adversely affect our business, results of operations and financial condition. Any prolonged slowdown in mainland China, United States or global economy may have a negative impact on our business, results of operations and financial condition. Financial and other markets in the United States and worldwide have experienced significant volatility reflecting uncertainty over, among other things, (a) the long- term effects of the expansionary monetary and fiscal policies adopted by the central banks and financial authorities of some of the world' s leading economies, including the United States and mainland China, (b) unrest in Ukraine, the Middle East and Africa, and (c) the rising level of inflation in major industrial countries, including the United States, and worries that efforts to curb inflation may result in an economic recession. General inflation, including rising energy prices, interest rates and wages, could adversely impact our business by increasing our operating and borrowing costs as well as limiting the amount of capital available for customers to purchase our products. This economic turmoil has had, and could continue to have, a number of repercussions on our business, including significant decreases in orders from our customers, business slowdowns or cessations at key suppliers resulting in delays in our product deliveries, increased raw material prices leading to increased production costs that we may not be able to pass onto customers, and business challenges at customers resulting in the inability to obtain credit to finance purchases of our products or even insolvency, and counterparty failures negatively impacting our operations and sales. Any systemic economic or financial crisis could cause revenues for the semiconductor industry as a whole to decline dramatically, which could materially and adversely affect our results of operations. We may require additional capital in the future and we cannot give any assurance that such capital will be available at all or available on terms acceptable to us and, if it is available, additional capital raised by us may dilute holders of Class A common stock. We may need to raise funds in the future, depending on many factors, including:

- our sales growth;
- the costs of applying our existing technologies to new or enhanced products;
- the

costs of developing new technologies and introducing new products; • the costs associated with protecting our intellectual property; • the costs associated with our expansion, including capital expenditures and Lingang- related land purchases and deposits, and with increasing our sales and marketing and service and support efforts, and with expanding our geographic operations; • our ability to continue to obtain governmental subsidies for developmental projects in the future; • future debt repayment obligations; and • the number and timing of any future acquisitions. To the extent that our existing sources of cash, together with any cash generated from operations, are insufficient to fund our activities, we may need to raise additional funds through public or private financings, strategic relationships, or other arrangements. Additional funding may not be available to us on acceptable terms or at all. If adequate funding is not available, we may be required to reduce expenditures, including curtailing our growth strategies and reducing our product development efforts, or to forego acquisition opportunities. Proceeds received by ACM Shanghai from the initial placements of shares with mainland China investors, from the STAR IPO in connection with the STAR Listing of ACM Shanghai shares on the STAR Market, and from future financing activities undertaken by ACM Shanghai (including follow- on offerings or private placements of shares with mainland China investors), will generally be used to grow and support our mainland China operations. Those proceeds generally are not available for distribution to ACM Research. Under existing mainland China laws and regulations, it may be difficult, if not impossible, for ACM Research to be able to receive dividends comprised of funds generated by ACM Shanghai and, even if such dividends can be paid from mainland China to the United States, any such dividends can be paid to ACM Research only if other holders of ACM Shanghai shares receive their pro rata dividends. As a result, it is unlikely that funds raised or generated by ACM Shanghai will be readily distributable to ACM Research. If we succeed in raising additional funds through the issuance of equity or convertible securities, then the issuance could result in substantial dilution to existing stockholders. Furthermore, the holders of these new securities or debt may have rights, preferences and privileges senior to those of the holders of Class A common stock. In addition, any preferred equity issuance or debt financing that we may obtain in the future could have restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. Our quarterly operating results can be difficult to predict and can fluctuate substantially, which could result in volatility in the price of Class A common stock. Our quarterly revenue and other operating results have varied in the past and are likely to continue to vary significantly from quarter to quarter. Accordingly, you should not rely upon our past quarterly financial results as indicators of future performance. Any variations in our quarter- to- quarter performance may cause our stock price to fluctuate. Our financial results in any given quarter can be influenced by a variety of factors, including: • the cyclical nature of the semiconductor industry and the related impact on the purchase of equipment used in the manufacture of chips; • the timing of purchases of our tools by chip fabricators, which order types of tools based on multi- year capital plans under which the number and dollar amount of tool purchases can vary significantly from year to year; • the relatively high average selling price of our tools and our dependence on a limited number of customers for a substantial portion of our revenue in any period, whereby the timing and volume of purchase orders or cancellations from our customers could significantly reduce our revenue for that period; • the significant expenditures required to customize our products often exceed the deposits received from our customers; • the lead time required to manufacture our tools; • the timing of recognizing revenue due to the timing of shipment and acceptance of our tools; • our ability to sell additional tools to existing customers; • the changes in customer specifications or requirements; • the length of our product sales cycle; • changes in our product mix, including the mix of systems, upgrades, spare parts and service; • the timing of our product releases or upgrades or announcements of product releases or upgrades by us or our competitors, including changes in customer orders in anticipation of new products or product enhancements; • our ability to enhance our tools with new and better functionality that meet customer requirements and changing industry trends; • constraints on our suppliers' capacity; • our ability to sell our tools to Chinese customers due to regulatory restrictions, including the addition of our customers to the Entity List; • the ability of other suppliers to provide sufficient quantities of their tools to our Chinese customers which may indirectly impact the production plans of our customers and result in a reduction of demand for our tools; • the timing of investments in research and development related to releasing new applications of our technologies and new products; • delays in the development and manufacture of our new products and upgraded versions of our products and the market acceptance of these products when introduced; • our ability to control costs, including operating expenses and the costs of the components and subassemblies used in our products; • the costs related to the acquisition and integration of product lines, technologies or businesses; and • the costs associated with protecting our intellectual property, including defending our intellectual property against third- party claims or litigation. Seasonality has played an increasingly important role in the market for chip manufacturing tools. The period of November through February has been a particularly weak period historically for manufacturers of chip tools, in part because capital equipment needed to support manufacturing of chips for the December holidays usually needs to be in the supply chain by no later than October and chip makers in Asia often wait until after Chinese, or Lunar, New Year, which occurs in January or February, before implementing their capital acquisition plans. The timing of new product releases also has an impact on seasonality, with the acquisition of manufacturing equipment occurring six to nine months before a new release. Many of these factors are beyond our control, and the occurrence of one or more of them could cause our operating results to vary widely. As a result, it is difficult for us to forecast our quarterly revenue accurately. Our results of operations for any quarter may not be indicative of results for future quarters and quarter- to- quarter comparisons of our operating results are not necessarily meaningful. Variability in our periodic operating results could lead to volatility in our stock price. Because a substantial proportion of our expenses are relatively fixed in the short term, our results of operations will suffer if revenue falls

below our expectations in a particular quarter, which could cause the price of Class A common stock to decline. Moreover, as a result of any of the foregoing factors, our operating results might not meet our announced guidance or expectations of public market analysts or investors, in which case the price of Class A common stock could decrease significantly. Cyclicalities in the semiconductor industry is likely to lead to substantial variations in demand for our products, and as a result our operating results could be adversely affected. The chip industry has historically been cyclic and is characterized by wide fluctuations in product supply and demand. From time to time, this industry has experienced significant downturns, often in connection with, or in anticipation of, maturing product and technology cycles, excess inventories and declines in general economic conditions. This cyclicalities could cause our operating results to decline dramatically from one period to the next. Our business depends upon the capital spending of chip manufacturers, which, in turn, depends upon the current and anticipated market demand for chips. During industry downturns, chip manufacturers often have excess manufacturing capacity and may experience reductions in profitability due to lower sales and increased pricing pressure for their products. As a result, chip manufacturers generally sharply curtail their spending during industry downturns and historically have lowered their spending more than the decline in their revenues. If we are unable to control our expenses adequately in response to lower revenue from our customers, our operating results will suffer and we could experience operating losses. We cannot reasonably estimate the duration or impact of such a downturn, and it could have a material adverse effect on our business and the value of our Class A common stock. Conversely, during industry upturns we must successfully increase production output to meet expected customer demand. This may require us or our suppliers, including third-party contractors, to order additional inventory, hire additional employees and expand manufacturing capacity. If we are unable to respond to a rapid increase in demand for our tools on a timely basis, or if we misjudge the timing, duration or magnitude of such an increase in demand, we may lose business to our competitors or incur increased costs disproportionate to any gains in revenue, which could have a material adverse effect on our business, results of operations, financial condition or cash flows. The mainland China government is implementing focused policies, including state-led investment initiatives, that aim to create and support an independent domestic semiconductor supply chain spanning from design to final system production. If these policies, which include loans and subsidies, result in lower demand for equipment than is expected by equipment manufacturers, the resulting overcapacity in the chip manufacturing equipment market could lead to excess inventory and price discounting that could have a material adverse effect on our business and operating results. We depend on a small number of customers for a substantial portion of our revenue, and the loss of, or a significant reduction in orders from, one or more of our major customers could have a material adverse effect on our revenue and operating results. There are also a limited number of potential customers for our products. The chip manufacturing industry is highly concentrated, and we derive most of our revenue from a limited number of customers. A total of four customers accounted for 52.2% of our revenue in 2024, three customers accounted for 45.5% of our revenue in 2023, and three customers accounted for 43.8% of our revenue in 2022. As a consequence of the concentrated nature of our customer base, our revenue and results of operations may fluctuate from quarter to quarter and are difficult to estimate, and any cancellation of orders or any acceleration or delay in anticipated product purchases or the acceptance of shipped products by our larger customers could materially affect our revenue and results of operations in any quarterly period. We may be unable to sustain or increase our revenue from our larger customers or offset the discontinuation of concentrated purchases by our larger customers with purchases by new or existing customers. We expect a small number of customers will continue to account for a high percentage of our revenue for the foreseeable future and that our results of operations may fluctuate materially as a result of such larger customers' buying patterns. Thus, our business success depends on our ability to maintain strong relationships with our customers. The loss of any of our key customers for any reason, or a change in our relationship with any of our key customers, including a significant delay or reduction in their purchases, may cause a significant decrease in our revenue, which we may not be able to recapture due to the limited number of potential customers. We have seen, and may see in the future, consolidation of our customer base. Industry consolidation generally has negative implications for equipment suppliers, including a reduction in the number of potential customers, a decrease in aggregate capital spending and greater pricing leverage on the part of consumers over equipment suppliers. Continued consolidation of the chip industry could make it more difficult for us to grow our customer base, increase sales of our products and maintain adequate gross margins. Our success will depend on industry chip manufacturers adopting our SAPS, TEBO, Tahoe, ECP, furnace and other technologies. To date our strategy for commercializing our tools has been to place them with selected industry leaders in the manufacturing of memory and logic chips, the two largest chip categories, to enable those leading manufacturers to evaluate our technologies, and then leverage our reputation to gain broader market acceptance. In order for these industry leaders to adopt our tools, we need to establish our credibility by demonstrating the differentiated, innovative nature of our SAPS, TEBO, Tahoe, ECP, furnace and other technologies. If these leading manufacturers do not agree that our technologies add significant value over conventional technologies or do not otherwise accept and use our tools, we may need to spend a significant amount of time and resources to enhance our technologies or develop new technologies. Even if these leading manufacturers adopt our technologies, other manufacturers may not choose to accept and adopt our tools and our products may not achieve widespread adoption. Any of the above factors would have a material adverse effect on our business, results of operations and financial condition. If our SAPS, TEBO, Tahoe, ECP, furnace and other technologies do not achieve widespread market acceptance, we will not be able to compete effectively. The commercial success of our tools will depend, in part, on gaining substantial market acceptance by chip manufacturers. Our ability to gain acceptance for our products will depend upon a number of factors, including: • our ability to demonstrate the differentiated, innovative nature of our SAPS, TEBO, Tahoe, ECP, furnace and other

technologies and the advantages of our tools over those of our competitors; • compatibility of our tools with existing or potential customers' manufacturing processes and products; • the level of customer service available to support our products; and • the experiences our customers have with our products. In addition, obtaining orders from new customers may be difficult because many chip manufacturers have pre-existing relationships with our competitors. Chip manufacturers must make a substantial investment to qualify and integrate wet processing equipment into a chip production line. Due, in part, to the cost of manufacturing equipment and the investment necessary to integrate a particular manufacturing process, a chip manufacturer that has selected a particular supplier's equipment and qualified that equipment for production typically continues to use that equipment for the specific production application and process node, which is the minimum line width on a chip, as long as that equipment continues to meet performance specifications. Some of our potential and existing customers may prefer larger, more established vendors from which they can purchase equipment for a wider variety of process steps than our tools address. Further, because the cleaning process with our TEBO equipment can be up to five times longer than cleaning processes based on other technologies, we must convince chip manufacturers of the innovative, differentiated nature of our technologies and the benefits associated with using our tools. If we are unable to obtain new customers and continue to achieve widespread market acceptance of our tools, then our business, operations, financial results and growth prospects will be materially and adversely affected. If we do not continue to enhance our existing tools and achieve market acceptance, we will not be able to compete effectively. We operate in an industry that is subject to evolving standards, rapid technological changes and changes in customer demands. Additionally, if process nodes continue to shrink to ever-smaller dimensions and conventional two-dimensional chips reach their critical performance limitations, the technology associated with manufacturing chips may advance to a point where our Ultra C equipment based on SAPS, TEBO, Tahoe, ECP, furnace and other technologies becomes obsolete. Accordingly, the future of our business will depend in large part upon the continuing relevance of our technological capabilities, our ability to interpret customer and market requirements in advance of tool deliveries, and our ability to introduce in a timely manner new tools that address chip makers' requirements for cost-effective cleaning solutions. We expect to spend a significant amount of time and resources developing new tools and enhancing existing tools. Our ability to introduce and market successfully any new or enhanced cleaning equipment is subject to a wide variety of challenges during the tool's development, including the following: • accurate anticipation of market requirements, changes in technology and evolving standards; • the availability of qualified product designers and technologies needed to solve difficult design challenges in a cost-effective, reliable manner; • our ability to design products that meet chip manufacturers' cost, size, acceptance and specification criteria, and performance requirements; • the ability and availability of suppliers and third-party manufacturers to manufacture and deliver the critical components and subassemblies of our tools in a timely manner; • market acceptance of our customers' products, and the lifecycle of those products; and • our ability to deliver products in a timely manner within our customers' product planning and deployment cycle. Certain enhancements to our products in future periods may reduce demand for our pre-existing tools. As we introduce new or enhanced cleaning tools, we must manage the transition from older tools in order to minimize disruptions in customers' ordering patterns, avoid excessive levels of older tool inventories and ensure timely delivery of sufficient supplies of new tools to meet customer demand. Furthermore, product introductions could delay purchases by customers awaiting arrival of our new products, which could cause us to fail to meet our expected level of production orders for pre-existing tools. Our success will depend on our ability to identify and enter new product markets. We expect to spend a significant amount of time and resources identifying new product markets in addition to the market for cleaning solutions and in developing new products for entry into these markets. Product development requires significant investments in engineering hours, third-party development costs, prototypes and sample materials, as well as sales and marketing expenses, which will not be recouped if the product launch is unsuccessful. We may fail to predict the needs of other markets accurately or develop new, innovative technologies to address those needs. Further, we may not be able to design and introduce new products in a timely or cost-efficient manner, and our new products may be more costly to develop, may fail to meet the requirements of the market, or may be adopted slower than we expect. If we are not able to introduce new products successfully, our inability to gain market share in new product markets could adversely affect our ability to sustain our revenue growth or maintain our current revenue levels. If we fail to establish and maintain a reputation for credibility and product quality, our ability to expand our customer base will be impaired and our operating results may suffer. We must develop and maintain a market reputation for innovative, differentiated technologies and high quality, reliable products in order to attract new customers and achieve widespread market acceptance of our products. Our market reputation is critical because we compete against several larger, more established competitors, many of which supply equipment for a larger number of process steps than we do to a broader customer base in an industry with a limited number of customers. In these circumstances, traditional marketing and branding efforts are of limited value, and our success depends on our ability to provide customers with reliable and technically sophisticated products. If the limited customer base does not perceive our products and services to be of high quality and effectiveness, our reputation could be harmed, which could adversely impact our ability to achieve our targeted growth. We operate in a highly competitive industry and many of our competitors are larger, better-established, and have significantly greater operating and financial resources than we have. The chip equipment industry is highly competitive, and we face substantial competition throughout the world in each of the markets we serve. Many of our current and potential competitors have, among other things: • greater financial, technical, sales and marketing, manufacturing, distribution and other resources; • established credibility and market reputations; • longer operating histories; • broader product offerings; • more extensive service offerings, including the ability to have large inventories of spare parts available near, or even at, customer locations; • local sales

forces; and • more extensive geographic coverage. These competitors may also have the ability to offer their products at lower prices by subsidizing their losses in wet cleaning with profits from other lines of business in order to retain current or obtain new customers. Among other things, some competitors have the ability to offer bundled discounts for customers purchasing multiple products. Many of our competitors have more extensive customer and partner relationships than we do and may therefore be in a better position to identify and respond to market developments and changes in customer demands. Potential customers may prefer to purchase from their existing suppliers rather than a new supplier, regardless of product performance or features. If we are not able to compete successfully against existing or new competitors, our business, operating results and financial condition will be negatively affected. Our customers do not generally enter into long- term purchase commitments, and they may decrease, cancel or delay their projected purchases at any time. In accordance with industry practice, our sales are on a purchase order basis, which we seek to obtain three to four months in advance of the expected product delivery date. Until a purchase order is received, we do not have a binding purchase commitment. Our customers to date have provided us with non- binding one- to two- year forecasts of their anticipated demands, but those forecasts can be changed at any time, without any required notice to us. Because the lead- time needed to produce a tool customized to a customer' s specifications can extend up to six months, we may need to begin production of tools based on non- binding forecasts, rather than waiting to receive a binding purchase order. No assurance can be made that a customer' s forecast will result in a firm purchase order within the time period we expect, or at all. If we do not accurately predict the amount and timing of a customer' s future purchases, we risk expending time and resources on producing a customized tool that is not purchased by a particular customer, which may result in excess or unwanted inventory, or we may be unable to fulfill an order on the schedule required by a purchase order, which would result in foregone sales. Customers may place purchase orders that exceed forecasted amounts, which could result in delays in our delivery time and harm our reputation. In the future a customer may decide not to purchase our tools at all, may purchase fewer tools than it did in the past or may otherwise alter its purchasing patterns, and the impact of any such actions may be intensified given our dependence on a small number of large customers. Our customers make major purchases periodically as they add capacity or otherwise implement technology upgrades. If any significant customers cancel, delay or reduce orders, our operating results could suffer. We may incur significant expenses long before we can recognize revenue from new products, if at all, due to the costs and length of research, development, manufacturing and customer evaluation process cycles. We often incur significant research and development costs for products that are purchased by our customers only after much, or all, of the cost has been incurred or that may never be purchased. We allow some new customers, or existing customers considering new products, to evaluate products without any payment becoming due unless the product is ultimately accepted, which means we may invest a significant amount in manufacturing a tool that may never be accepted and purchased or may be purchased months or even years after production. In the past we have borrowed money in order to fund first- time purchase order equipment and next- generation evaluation equipment. When we deliver evaluation equipment, or a “ first tool, ” we may not recognize revenue or receive payment for the tool for 24 months or longer. Even returning customers may take as long as six months to make any payments. If our sales efforts are unsuccessful after expending significant resources, or if we experience delays in completing sales, our future cash flow, revenue and profitability may fluctuate or be materially adversely affected. Our sales cycle is long and unpredictable, which results in variability of our financial performance and may require us to incur high sales and marketing expenses with no assurance that a sale will result, all of which could adversely affect our profitability. Our results of operations may fluctuate, in part, because of the resource- intensive nature of our sales efforts and the length and variability of our sales cycle. A sales cycle is the period between initial contact with a prospective customer and any sale of our tools. Our sales process involves educating customers about our tools, participating in extended tool evaluations and configuring our tools to customer- specific needs, after which customers may evaluate the tools. The length of our sales cycle, from initial contact with a customer to the execution of a purchase order, is generally 6 to 24 months. During the sales cycle, we expend significant time and money on sales and marketing activities and make investments in evaluation equipment, all of which lower our operating margins, particularly if no sale occurs or if the sale is delayed as a result of extended qualification processes or delays from our customers' customers. The duration or ultimate success of our sales cycle depends on factors such as: • efforts by our sales force; • the complexity of our customers' manufacturing processes and the compatibility of our tools with those processes; • our customers' internal technical capabilities and sophistication; and • our customers' capital spending plans and processes, including budgetary constraints, internal approvals, extended negotiations or administrative delays. It is difficult to predict exactly when, or even if, we will make a sale to a potential customer or if we can increase sales to our existing customers. As a result, we may not recognize revenue from our sales efforts for extended periods of time, or at all. The loss or delay of one or more large transactions in a quarter could impact our results of operations for that quarter and any future quarters for which revenue from that transaction is lost or delayed. In addition, we believe that the length of the sales cycle and intensity of the evaluation process may increase for those current and potential customers that centralize their purchasing decisions. Difficulties in forecasting demand for our tools may lead to periodic inventory shortages or excess spending on inventory items that may not be used. We need to manage our inventory of components and production of tools effectively to meet changing customer requirements. Accurately forecasting customers' needs is difficult. Our tool demand forecasts are based on multiple assumptions, including non- binding forecasts received from our customers years in advance, each of which may introduce error into our estimates. Inventory levels for components necessary to build our tools in excess of customer demand may result in inventory write- downs and could have an adverse effect on our operating results and financial condition. Conversely, if we underestimate demand for our tools or if our manufacturing partners fail to supply components we require at the

time we need them, we may experience inventory shortages. Such shortages might delay production or shipments to customers and may cause us to lose sales. These shortages may also harm our credibility, diminish the loyalty of our channel partners or customers. A failure to prevent inventory shortages or accurately predict customers' needs could result in decreased revenue and gross margins and harm our business. Some of our products and supplies may become obsolete or be deemed excess while in inventory due to rapidly changing customer specifications, changes in product structure, components or bills of material as a result of engineering changes, or a decrease in customer demand. We also have exposure to contractual liabilities to our contract manufacturers for inventories purchased by them on our behalf, based on our forecasted requirements, which may become excess or obsolete. Our inventory balances also represent an investment of cash. To the extent our inventory turns are slower than we anticipate based on historical practice, our cash conversion cycle extends and more of our cash remains invested in working capital. If we are not able to manage our inventory effectively, we may need to write down the value of some of our existing inventory or write off non-saleable or obsolete inventory. Any such charges we incur in future periods could materially and adversely affect our results of operations. The difficulty in forecasting demand also makes it difficult to estimate our future results of operations and financial condition from period to period. A failure to accurately predict the level of demand for our products could adversely affect our net revenue and net income, and we are unlikely to forecast such effects with any certainty in advance. If our tools contain defects or do not meet customer specifications, we could lose customers and revenue. Highly complex tools such as ours may develop defects during the manufacturing and assembly process. We may also experience difficulties in customizing our tools to meet customer specifications or detecting defects during the development and manufacturing of our tools. Some of these failures may not be discovered until we have expended significant resources in customizing our tools, or until our tools have been installed in our customers' production facilities. These quality problems could harm our reputation as well as our customer relationships in the following ways: • our customers may delay or reject acceptance of our tools that contain defects or fail to meet their specifications; • we may suffer customer dissatisfaction, negative publicity and reputational damage, resulting in reduced orders or otherwise damaging our ability to retain existing customers and attract new customers; • we may incur substantial costs as a result of warranty claims or service obligations or in order to enhance the reliability of our tools; • the attention of our technical and management resources may be diverted; • we may be required to replace defective systems or invest significant capital to resolve these problems; and • we may be required to write off inventory and other assets related to our tools. In addition, defects in our tools or our inability to meet the needs of our customers could cause damage to our customers' products or manufacturing facilities, which could result in claims for product liability, tort or breach of warranty, including claims from our customers. The cost of defending such a lawsuit, regardless of its merit, could be substantial and could divert management's attention from our ongoing operations. In addition, if our business liability insurance coverage proves inadequate with respect to a claim or future coverage is unavailable on acceptable terms or at all, we may be liable for payment of substantial damages. Any or all of these potential consequences could have an adverse impact on our operating results and financial condition. Warranty claims in excess of our estimates could adversely affect our business. We have provided warranties against manufacturing defects of our tools that range from 12 to 36 months in duration. Our product warranty requires us to provide labor and parts necessary to repair defects. As of December 31, 2024, we had accrued \$ 12.7 million in liability contingency for potential warranty claims. Warranty claims substantially in excess of our expectations, or significant unexpected costs associated with warranty claims, could harm our reputation and could cause customers to decline to place new or additional orders, which could have a material adverse effect on our business, results of operations and financial condition. We rely on third parties to manufacture significant portions of our tools and our failure to manage our relationships with these parties could harm our relationships with our customers, increase our costs, decrease our sales and limit our growth. Our tools are complex and require components and subassemblies having a high degree of reliability, accuracy and performance. We rely on third parties to manufacture most of the subassemblies and supply most of the components used in our tools. Accordingly, we cannot directly control our delivery schedules and quality assurance. This reliance on third parties and lack of control could result in shortages or quality assurance problems. See also "— Our supply chain may be materially adversely impacted due to global events, including public health issues, transportation delays, and the armed conflict in Ukraine." These issues and our ability to manage increased demand could delay shipments of our tools, increase our testing or production costs or lead to costly failure claims. We do not have long-term supply contracts with some of our suppliers, and those suppliers are not obligated to perform services or supply products to us for any specific period, in any specific quantities or at any specific price, except as may be provided in a particular purchase order. In addition, we attempt to maintain relatively low inventories and acquire subassemblies and components only as needed. There are significant risks associated with our reliance on these third-party suppliers, including: • potential price increases; • capacity shortages or other inability to meet any increase in demand for our products; • reduced control over manufacturing process for components and subassemblies and delivery schedules; • limited ability of some suppliers to manufacture and sell subassemblies or parts in the volumes we require and at acceptable quality levels and prices, due to the suppliers' relatively small operations and limited manufacturing resources; • increased exposure to potential misappropriation of our intellectual property; and • limited warranties on subassemblies and components supplied to us. Any delays in the shipment of our products due to our reliance on third-party suppliers could harm our relationships with our customers. In addition, any increase in costs due to our suppliers increasing the price they charge us for subassemblies and components or arising from our need to replace our current suppliers that we are unable to pass on to our customers could negatively affect our operating results. Our supply chain may be materially adversely impacted due to global events, including any new COVID-19 outbreaks or other public health issues, transportation delays, and the armed

conflict in Ukraine. We rely upon the facilities of our global suppliers with operations in mainland China, Japan, Taiwan and the United States to support our business. We source the substantial majority of our components from Asia, and as a result, our supply chain can be adversely affected by a variety of global events, including transportation delays, including those related to the June 2022 truck driver strike in Korea resulting from escalated fuel prices, and the armed conflict in Ukraine. Further, our subsidiaries ACM Shanghai and ACM Korea were recently added to the BIS Entity List, which prohibit any party worldwide from furnishing hardware, software, or technology that are subject to U. S. export controls jurisdiction to ACM Shanghai or ACM Korea and could adversely impact our supply chain. See “ — Regulatory Risks — Our operations in mainland China and Korea, including the import of components, technology, and activities of U. S. personnel therein, may be further impacted by the addition of ACM Shanghai, ACM Korea and related entities to the BIS Entity List. ” As a result of these types of global events and resulting governmental regulations and business reactions, our suppliers may not have the materials, capacity, or capability to supply our components according to our schedule and specifications. Further, there may be logistics issues, including our ability and our supply chain’ s ability to quickly ramp up production, labor issues and transportation demands that may cause further delays. Supply chain constraints have intensified, which may further intensify due to other global events and government regulations, contributing to existing global shortages coupled with increased demand in the supply of semiconductors. The unavailability of any component or supplier could result in production delays, underutilized facilities, and loss of access to critical raw materials and parts for producing and supporting our tools, and could impact our ongoing capacity expansion and our ability to fulfill our product delivery obligations. If our suppliers’ operations are curtailed, we may need to seek alternate sources of supply, which may be more expensive and may not be available to us at all due to government regulations. Alternate sources may not be available or may result in delays in shipments to us from our supply chain and subsequently to our customers, each of which would affect our results of operations. These types of disruptions and governmental restrictions may also result in the inability of our customers to obtain materials necessary for their full production, which could also result in reduced demand for our products. While certain disruptions and governmental restrictions, as well as related general limitations on movement around the world, may be temporary, the duration of the production and supply chain disruption, and related financial impact, cannot be estimated at this time. Should these distributions and restrictions continue for an extended period of time, the impact on our supply chain could have a material adverse effect on our results of operations and cash flows. Business disruptions could also negatively affect the sources and availability of components and materials that are essential to the operation of our business. Moreover, our customers source a range of production equipment, supplies and services from other suppliers with operations around the world, and any reduction in supply capacity at those customers’ factories may reduce or even halt those customers’ production and result in a decrease in the demand for our products. Any shortage of components or subassemblies could result in delayed delivery of products to us or in increased costs to us, which could harm our business. The ability of our manufacturers to supply our tools is dependent, in part, upon the availability of certain components and subassemblies. Our manufacturers may experience shortages in the availability of such components or subassemblies, which could result in delayed delivery of products to us or in increased costs to us. Any shortage of components or subassemblies or any inability to control costs associated with manufacturing could increase the costs for our products or impair our ability to ship orders in a timely cost- efficient manner. As a result, we could experience cancellation of orders, refusal to accept deliveries or a reduction in our prices and margins, any of which could harm our financial performance and results of operations. We depend on a limited number of suppliers, including single source suppliers, for critical components and subassemblies, and our business could be disrupted if they are unable to meet our needs. We depend on a limited number of suppliers for components and subassemblies used in our tools. Certain components and subassemblies of our tools have only been purchased from our current suppliers to date and changing the source of those components and subassemblies may result in disruptions during the transition process and entail significant delay and expense. We rely on: Product Systems, Inc., or ProSys, as the sole supplier of megasonic transducers, a key subassembly used in our semiconductor capital equipment; Ninebell Co., Ltd., or Ninebell, as the principal supplier of robotic delivery system subassemblies used in our semiconductor capital equipment; Advanced Electric Co. Inc., as a key supplier of valves used in our semiconductor capital equipment; and certain companies from other countries which supply components and subsystems used in our semiconductor capital equipment. An adverse change to our relationship with any of these suppliers, including a delay or the inability to export the components to mainland China, could disrupt our production of our semiconductor capital equipment and could cause substantial harm to our business. With some of these suppliers, we do not have long- term agreements and instead purchase components and subassemblies through a purchase order process. As a result, these suppliers may stop supplying us components and subassemblies, limit the allocation of supply and equipment to us due to increased industry demand or significantly increase their prices at any time with little or no advance notice. Our reliance on a limited number of suppliers could also result in delivery problems, reduced control over product pricing and quality, and our inability to identify and qualify another supplier in a timely manner. Moreover, some of our suppliers may experience financial difficulties that could prevent them from supplying us with components or subassemblies used in the design and manufacture of our products. In addition, our suppliers, including our sole supplier ProSys, may experience manufacturing delays or shutdowns due to circumstances beyond their control, such as labor issues, political unrest or natural disasters. Any supply deficiencies could materially and adversely affect our ability to fulfill customer orders and our results of operations. We have in the past and may in the future, experience delays or reductions in supply shipments, which could reduce our revenue and profitability. If key components or materials are unavailable, our costs would increase and our revenue would decline. The success of our business will depend on our ability to manage any

future growth. We have experienced rapid growth in our business recently due, in part, to an expansion of our product offerings and an increase in the number of customers that we serve. For example, our headcount grew by 27 % in 2024, 32 % in 2023, and 38 % in 2022. We will seek to continue to expand our operations in the future, including by adding new offices, locations and employees. Managing our growth has placed and could continue to place a significant strain on our management, other personnel and our infrastructure. If we are unable to manage our growth effectively, we may not be able to take advantage of market opportunities, develop new products, enhance our technological capabilities, satisfy customer requirements, respond to competitive pressures or otherwise execute our business plan. In addition, any inability to manage our growth effectively could result in operating inefficiencies that could impair our competitive position and increase our costs disproportionately to the amount of growth we achieve. To manage our growth, we believe we must effectively:

- hire, train, integrate and manage additional qualified engineers for research and development activities, sales and marketing personnel, service and support personnel and financial and information technology personnel;
- manage multiple relationships with our customers, suppliers and other third parties; and
- continue to enhance our information technology infrastructure, systems and controls.

Our organizational structure has become more complex, including as a result of the STAR Listing and the STAR IPO. We will need to continue to scale and adapt our operational, financial and management controls, as well as our reporting systems and procedures, at both ACM Research and ACM Shanghai. The continued expansion of our infrastructure will require us to commit substantial financial, operational and management resources before our revenue increases and without any assurances that our revenue will increase. We are highly dependent on our Chief Executive Officer and President and other senior management and key employees. Our success largely depends on the skills, experience and continued efforts of our management, technical and sales personnel, including in particular Dr. David H. Wang, the Chair of the Board, Chief Executive Officer and President of ACM Research. All of our senior management are at-will employees, which means either we or the employee may terminate their employment at any time. If one or more of our other senior management personnel were unable or unwilling to continue their employment with us, we may not be able to replace them in a timely manner. Moreover, in connection with the STAR Listing and the STAR IPO, ACM Shanghai is now managed by a group of officers separate from those of ACM Research and those officers owe fiduciary duties to the various stakeholders of ACM Shanghai. We do not have employment or retention agreements with, or maintain key person life insurance policies on, any of our employees. Our business may be severely disrupted and our financial condition and results of operations may be materially and adversely affected. In addition, our senior management may join a competitor or form a competing company. The loss of Dr. Wang or other key management personnel, including our Chief Financial Officer, could significantly delay or prevent the achievement of our business objectives. Failure to attract and retain qualified personnel could put us at a competitive disadvantage and prevent us from effectively growing our business. Our future success depends, in part, on our ability to continue to attract and retain highly skilled personnel. There is substantial competition for experienced management, technical and sales personnel in the chip equipment industry. If qualified personnel become scarce or difficult to attract or retain for compensation-related or other reasons, we could experience higher labor, recruiting or training costs. New hires may require significant training and time before they achieve full productivity and may not become as productive as we expect. If we are unable to retain and motivate our existing employees and attract qualified personnel to fill key positions, we may experience inadequate levels of staffing to develop and market our products and perform services for our customers, which could have a negative effect on our operating results. Our ability to utilize certain U. S. and state net operating loss carryforwards may be limited under applicable tax laws. As of December 31, 2024, we had certain net operating loss carryforward amounts, or NOLs, of \$ 2 million for U. S. federal income tax purposes and \$ 0. 9 million for U. S. state income tax purposes (note 18). As of December 31, 2023, we had NOLs, of \$ 3. 3 million for U. S. federal income tax purposes and \$ 0. 6 million for U. S. state income tax purposes. As of December 31, 2022, we had NOLs of \$ 4. 4 million for U. S. federal income tax purposes and \$ 0. 5 million for U. S. state income tax purposes. Utilization of these NOLs could be subject to a substantial annual limitation if the ownership change limitations under U. S. Internal Revenue Code Sections 382 and 383 and similar U. S. state provisions are triggered by changes in the ownership of our capital stock. Such an annual limitation would result in the expiration of the NOLs before utilization. Our existing NOLs may be subject to limitations arising from previous ownership changes, including in connection with our initial public offering and concurrent private placement in November 2017, our follow-on public offering in August 2019, and any future equity issuances. Future changes in our stock ownership, some of which are outside of our control, could result in an ownership change. Regulatory changes, such as suspensions on the use of NOLs, or other unforeseen reasons, may cause our existing NOLs to expire or otherwise become unavailable to offset future income tax liabilities. Additionally, U. S. state NOLs generated in one state cannot be used to offset income generated in another U. S. state. For these reasons, we may be limited in our ability to realize tax benefits from the use of our NOLs, even if our profitability would otherwise allow for it. Acquisitions that we pursue in the future, whether or not consummated, could result in other operating and financial difficulties. In the future we may seek to acquire additional product lines, technologies or businesses in an effort to increase our growth, enhance our ability to compete, complement our product offerings, enter new and adjacent markets, obtain access to additional technical resources, enhance our intellectual property rights or pursue other competitive opportunities. We may also make investments in certain key suppliers to align our interests with such suppliers. If we seek acquisitions, we may not be able to identify suitable acquisition candidates at prices we consider appropriate. We cannot readily predict the timing or size of our future acquisitions, or the success of any future acquisitions. To the extent that we consummate acquisitions or investments, we may face financial risks as a result, including increased costs associated with merged or acquired operations, increased indebtedness, economic dilution to gross and operating profit and earnings per share, or

unanticipated costs and liabilities. Acquisitions may involve additional risks, including: • the acquired product lines, technologies or businesses may not improve our financial and strategic position as planned; • we may determine we have overpaid for the product lines, technologies or businesses, or that the economic conditions underlying our acquisition have changed; • we may have difficulty integrating the operations and personnel of the acquired company; • we may have difficulty retaining the employees with the technical skills needed to enhance and provide services with respect to the acquired product lines or technologies; • the acquisition may be viewed negatively by customers, employees, suppliers, financial markets or investors; • we may have difficulty incorporating the acquired product lines or technologies with our existing technologies; • we may encounter a competitive response, including price competition or intellectual property litigation; • we may encounter difficulties related to required CFIUS approval (see also “-Regulatory Risks- Certain of our investments may be subject to review by and approval from CFIUS, which may prevent us from taking advantage of investment opportunities that would otherwise be advantageous to our stockholders”); • we may become a party to product liability or intellectual property infringement claims as a result of our sale of the acquired company’s products; • we may incur one-time write-offs, such as acquired in-process research and development costs, and restructuring charges; • we may acquire goodwill and other intangible assets that are subject to impairment tests, which could result in future impairment charges; • our ongoing business and management’s attention may be disrupted or diverted by transition or integration issues and the complexity of managing geographically or culturally diverse enterprises; and • our due diligence process may fail to identify significant existing issues with the target business. From time to time, we may enter into negotiations for acquisitions or investments that are not ultimately consummated. These negotiations could result in significant diversion of management time, as well as substantial out-of-pocket costs, any of which could have a material adverse effect on our business, operating results and financial condition. Declines in the semiconductor industry, or the overall world economic conditions on which the industry is significantly dependent, could have a material adverse impact on our results of operations and financial condition. Our business depends on the capital equipment expenditures of chip manufacturers, which in turn depend on the current and anticipated market demand for integrated circuits. With the consolidation of customers within the industry, the chip capital equipment market may experience rapid changes in demand driven both by changes in the market generally and the plans and requirements of particular customers. Global economic and business conditions, which are often unpredictable, have historically impacted customer demand for our products and normal commercial relationships with our customers, suppliers and creditors. Additionally, in times of economic uncertainty our customers’ budgets for our tools, or their ability to access credit to purchase them, could be adversely affected. This would limit their ability to purchase our products and services. As a result, economic downturns could cause material adverse changes to our results of operations and financial condition including: • a decline in demand for our products; • an increase in reserves on accounts receivable due to our customers’ inability to pay us; • an increase in reserves on inventory balances due to excess or obsolete inventory as a result of our inability to sell such inventory; • valuation allowances on deferred tax assets; • restructuring charges; • asset impairments; • a decline in the value of our investments; • exposure to claims from our suppliers for payment on inventory that is ordered in anticipation of customer purchases that do not come to fruition; • a decline in the value of certain facilities we lease to less than our residual value guarantee with the lessor; and • challenges maintaining reliable and uninterrupted sources of supply. Fluctuating levels of investment by chip manufacturers may materially affect our aggregate shipments, revenue, operating results and earnings. Where appropriate, we will attempt to respond to these fluctuations with cost management programs aimed at aligning our expenditures with anticipated revenue streams, which could result in restructuring charges. Even during periods of reduced revenues, we must continue to invest in research and development and maintain extensive ongoing worldwide customer service and support capabilities to remain competitive, which may temporarily harm our profitability and other financial results. Our ability to sell our tools to customers in mainland China and certain other countries has been impacted, and will likely continue to be materially and adversely impacted, by export license requirements, other regulatory changes, or other actions taken by the U. S. or other governmental agencies. ACM Shanghai utilizes certain items subject to export controls under the U. S. Export Administration Regulations (EAR) in manufacturing and supplying its products. The EAR applies to exports of commodities, software and technology from the United States, including for use in manufacturing products outside the United States, as well as to certain products manufactured outside the United States that incorporate, or are based on, designated U. S. content, software or technology. The Bureau of Industry and Security of the U. S. Department of Commerce (BIS), which administers the EAR, recently imposed, and may continue to impose, additional restrictions under the EAR on certain exports to China, to include Hong Kong and Macau, including restrictions targeting the semiconductor manufacturing industry in China. These types of restrictions may impact the operations of ACM Shanghai. In October 2022, BIS announced new rules that significantly expanded U. S. export controls as applied to advanced IC products, related manufacturing equipment and technology, and supercomputers, where the destination or ultimate end user is based in mainland China. In the case of semiconductor manufacturing equipment, the new rules require an export license for the export, re-export, or transfer to or within mainland China of additional types of semiconductor manufacturing equipment, items for use in manufacturing designated types of semiconductor manufacturing equipment (along with other items subject to the EAR, for use in the development or production of ICs), and semiconductor manufacturing equipment for use at certain IC manufacturing and development facilities in mainland China. In most cases, license applications for these exports are reviewed under a presumption of denial. In addition, BIS imposed new restrictions by which U. S. persons anywhere in the world are effectively barred from engaging in certain activities related to the development and production of semiconductors at mainland China fabrication facilities meeting specified criteria, even if no items subject to the EAR

are involved. The October 2022 restrictions were later expanded to include Macau. These new restrictions have impacted the procurement by ACM Shanghai of certain items from the United States, and of certain items subject to U. S. export controls from outside the United States, for use in manufacturing its products. In October 2023, BIS further expanded export controls on semiconductors, semiconductor manufacturing items and items for use in manufacturing designated types of semiconductor manufacturing equipment, including through new licensing requirements covering a broader variety of items, and an expansion in the geographical scope of the controls. There were further export control restrictions imposed in 2024. BIS expanded export controls to limit distribution of high- performance ICs by restricting sales through customer allocations and imposing caps on specific countries. ACM Shanghai has determined that several of its customers have mainland China- based facilities that meet the restricted criteria set out in the enhanced export control rules described above, and has also determined that several of its products, and / or components for its products, may meet the parameters of export control classification numbers, or ECCNs, affected by the restrictions. ACM and ACM Shanghai have implemented modifications to their existing business policies and practices in response to these enhanced export restrictions, including by imposing limitations on the activities of their U. S. persons and undertaking measures in connection with their supply chains more broadly to comply with the new regulations. ACM Shanghai is continuing to assess the impact of these export control restrictions, and will continually adjust or modify its policies and practices as required to comply with these or other related updates. Based on our ongoing review, we believe these regulations may directly impact ACM Shanghai' s ability to meet its future production plans, or indirectly impact the spending plans of ACM Shanghai' s customer base. ACM may not be able to import, or may face substantial restrictions in importing, certain parts from the United States or parts subject to U. S. export controls from outside the United States to support tool shipments to such facilities, or to be embedded into tools defined by affected ECCNs. We believe that as a result of the export control restrictions, several ACM Shanghai customers have significantly reduced production and related capital spending at facilities meeting the restricted advanced node capabilities. In addition, ACM Shanghai has experienced challenges as the companies in its supply chain adapt their policies to the new regulations. These factors had an adverse impact on ACM Shanghai' s shipments and sales in the twelve months ended December 31, 2023. We anticipate these factors will continue to have an adverse impact on ACM Shanghai' s shipments and sales in future periods. Alongside these new restrictions, BIS has also continued to designate additional China entities, many involved in the semiconductor manufacturing industry, on restricted party lists under the EAR, such as the Entity List and the Unverified List. These designations impose licensing requirements for the supply of products to such entities. In most cases, any items subject to the EAR, including foreign produced products with specified U. S. content or that are the product of specified U. S. origin software, technology, or equipment, now require an export license from BIS before they can be supplied to the newly listed China entities, regardless of their export classification. In December 2020, SMIC, one of the largest chip manufacturers in mainland China and one of our key customers, was one of numerous entities added to the Entity List. Challenges faced by SMIC and its key suppliers as a result of the listing have indirectly impacted SMIC' s demand for, and ACM Shanghai' s ability to supply, ACM Shanghai products. More recently, in October 2022, YMTC, a leading mainland China memory chip company and one of our key customers, was added to the Unverified List of the EAR alongside a number of other Chinese entities. The Unverified List identifies parties for whom BIS has been unable to confirm their bona fides (i. e., legitimacy and reliability about the end- use and end- user of items subject to the EAR). Entities listed on the Unverified List are ineligible to receive items subject to the EAR by means of a license exception if a U. S. export license is required. In December 2022, YMTC was moved from the Unverified List to the Entity List. Challenges faced by YMTC and its key suppliers as a result of the listing could indirectly impact YMTC' s demand for, or ACM Shanghai' s ability to supply, ACM Shanghai products. We cannot be certain what additional actions the U. S. government may take with respect to China entities, or whether such actions will impact our relationships with our mainland China- based customers. Additional actions could take the form of further revisions to the Entity List or Unverified List, new export restrictions, further expansions to the geographic scope of the controls, or additional tariffs or other trade restrictions. It is also possible that other countries could adopt similar semiconductor- focused export controls to align with the October 2022 and October 2023 U. S. actions. During the three and twelve months ended December 30, 2023, two prominent exporters of advanced semiconductor manufacturing equipment, the Netherlands and Japan, announced and began to implement plans to join the United States in imposing semiconductor- focused export controls. On May 23, 2023, the Japanese government issued the final amendment to an ordinance implementing new export controls to require licensing for export of certain advanced semiconductor manufacturing equipment, effective as of July 23, 2023. The amendment expands the scope of export controls to prohibit (1) exporting 23 additional categories of items relating to semiconductor manufacturing and (2) providing technology relating to manufacturing, development or use of these categories of items, in both cases, without an advance license. While the expanded export controls apply to exports to any jurisdiction, exports to certain jurisdictions, such as the United States, are expected to be permitted by certain types of broad general licenses. However, it remains to be seen whether the Japanese government will authorize any exports of these items to mainland China by a limited general license or specific license, if at all. Likewise, on September 30, 2023, the Government of the Netherlands published additional export control measures for advanced semiconductor manufacturing equipment. The Regulation on Advanced Semiconductor Manufacturing Equipment entered force on September 1, 2023. From that point on, the export of certain advanced semiconductor manufacturing equipment, as specified in the Annex to the Regulation, is now subject to a national export license authorization requirement by the Dutch Central Import and Export Service. Efforts to further tighten semiconductor- related export controls have continued in 2024. In December 2024, the Government of the Netherlands implemented supplemental export controls on certain emerging technology items including sensitive goods, software,

and technology related to the semiconductor sector. As a result of the new restrictions, the ability of ACM Shanghai to acquire such parts from Japan and the Netherlands to fulfill customer requirements, and the ability of ACM Shanghai's customers in mainland China to scale their production, could be further negatively impacted by these additional controls. The introduction of additional multilateral semiconductor- focused export controls could further negatively impact ACM Shanghai's supply arrangements. We are unable to predict the duration of the restrictions imposed by the U. S. government, Japan and the Netherlands or the effects of any future governmental actions by the U. S., Japan, the Netherlands or other countries that may impact our relationships with our mainland China- based customers, any of which could have a long- term adverse effect on our business, operating results and financial condition. Effective on December 2, 2024, the U. S. Department of Commerce's Bureau of Industry and Security (" BIS ") promulgated a final rule naming a number of companies to the BIS Entity List (the " BIS Entity List"). Among the 140 companies added to the BIS Entity List were two subsidiaries of ACM Research, ACM Shanghai, located in the People's Republic of China, and ACM Korea, a direct subsidiary of ACM Shanghai, which is located in the Republic of Korea, and other related entities. In general terms, the new BIS Entity List designations prohibit any party worldwide from furnishing hardware, software, or technologies that are subject to U. S. export controls jurisdiction to ACM Shanghai or ACM Korea. See " Item 1A. Risk Factors — Regulatory Risks — Our operations in mainland China and Korea, including the import of components, technology, and activities of U. S. personnel therein, may be further impacted by the addition of ACM Shanghai, ACM Korea and related entities to the BIS Entity List " of this report for more information. Changes in government trade policies could limit the demand for our tools and increase the cost of our tools. General trade tensions between the United States and mainland China escalated beginning in 2018, and have continued to escalate. Since 2018, the U. S. government has imposed new or higher tariffs on specified imported products originating from mainland China in response to what the U. S. government characterized as unfair trade practices. The mainland China government responded to each of these rounds of U. S. tariff changes by imposing new or higher tariffs on specified products imported from the United States. Higher tariffs and additional rounds of tariffs have been suggested or threatened by U. S. and mainland China officials. More recently, in February 2025, U. S. officials have suggested potentially targeting Chinese origin legacy semiconductors with additional tariffs. Certain U. S. officials have also called for revocation of, or revisions to, China's permanent normal trade relations (PNTR) status, which would increase tariffs significantly on goods of Chinese origin. In the event any such increased tariffs take effect, it is possible that the Chinese government could respond with additional tariffs or restrictions. The imposition of heightened tariffs on imports by both the U. S. and mainland China governments and the surrounding economic uncertainty may negatively impact the semiconductor industry, including by reducing the demand of fabricators for capital equipment such as our tools. Further changes in trade policy, including by tariffs, additional taxes, restrictions on exports or other trade barriers, or restrictions on supplies, equipment, and raw materials including rare earth minerals, may limit the ability of our customers to manufacture or sell semiconductors or to make the manufacture or sale of semiconductors more expensive and less profitable, which could lead those customers to fabricate fewer semiconductors and to invest less in capital equipment such as our tools. In addition, if mainland China were to impose additional tariffs on raw materials, subsystems or other supplies that we source from the United States, our cost for those supplies would increase. As a result of any of the foregoing events, the imposition of new or additional tariffs may limit our ability to manufacture tools, increase our selling and / or manufacturing costs, decrease margins, or inhibit our ability to sell tools or to purchase necessary equipment and supplies, which could have a material adverse effect on our business, results of operations, or financial condition. Changes in political and economic policies of the mainland China government may materially and adversely affect our business, financial condition and results of operations and may result in our inability to sustain our growth and expansion strategies. Substantially all of our operations are conducted in mainland China, and a substantial majority of our revenue is sourced from mainland China. Accordingly, our financial condition and results of operations are affected to a significant extent by economic, political and legal development in mainland China. The Chinese economy differs from the economies of most developed countries in many respects, including the extent of government involvement, level of development, growth rate, and control of foreign exchange and allocation of resources. Although the mainland China government has implemented measures emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in mainland China are still owned by the government. In addition, the mainland China government continues to play a significant role in regulating industry development by imposing industrial policies. The mainland China government also exercises significant control over economic growth in mainland China by allocating financial resources, controlling payment of foreign currency- denominated obligations, setting monetary policy, regulating financial services and institutions, and providing preferential treatment to particular industries or companies. While the mainland China economy has experienced significant growth in the past three decades, growth has been uneven, both geographically and among various sectors of the economy. The mainland China government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall mainland China economy, but may also have a negative effect on us. Our financial condition and results of operation could be materially and adversely affected by government control over capital investments or changes in tax regulations that are applicable to us. In the past the mainland China government has implemented measures to control the pace of economic growth, and similar measures in the future may cause decreased economic activity, which in turn could lead to a reduction in demand for our products and consequently have a material adverse effect on our businesses, financial condition and results of operations. Although the mainland China government has been implementing policies to develop an independent domestic semiconductor industry supply

chain, there is no guaranteed time frame in which these initiatives will be implemented. We cannot guarantee that the implementation of these policies will result in additional revenue to us or that our presence in mainland China will result in support from the mainland China government. To the extent that any capital investment or other assistance from the mainland China government is not provided to us, it could be used to promote the products and technologies of our competitors, which could adversely affect our business, operating results and financial condition. Mainland China's currency exchange control and government restrictions on investment repatriation may impact our ability to transfer funds outside of mainland China, which could materially and adversely affect our ability to grow, make investments or acquisitions that could benefit our business, otherwise fund and conduct our business, or pay dividends on our common stock. We generate substantially all of our revenue through ACM Shanghai, our mainland China subsidiary. Mainland China statutory laws and regulations permit payments of dividends by ACM Shanghai only out of its retained earnings, which are determined in accordance with mainland China accounting standards and regulations that differ from U. S. generally accepted accounting principles. Mainland China regulations and ACM Shanghai's articles of association require annual appropriations of 10 % of net after-tax profits to be set aside, prior to payment of dividends, as a reserve or surplus fund, which restricts ACM Shanghai's ability to transfer a portion of its net assets to us. Such reserved funds can only be used for specific purposes and are not transferable to ACM in the form of loans, advances or cash dividends. As a result of these and other restrictions under mainland China laws and regulations as well as restrictions under ACM Shanghai's bank loan agreements, we may be significantly restricted in our ability to transfer a portion of ACM Shanghai's net assets to ACM or other subsidiaries of ACM. We have no assurance that mainland China governmental authorities in the future will not limit further or eliminate the ability of ACM Shanghai to purchase foreign currencies and transfer such funds to ACM to meet its liquidity or other business needs. Any inability to access funds in mainland China, if and when needed for use outside of mainland China, could have a material and adverse effect on our liquidity and our business. Certain of our investments may be subject to review by and approval from CFIUS, which may prevent us from taking advantage of investment opportunities that would otherwise be advantageous to our stockholders. Certain of our investments may be subject to review by and approval from the U. S. Committee on Foreign Investment in the U. S., or CFIUS. In the event that CFIUS reviews one or more of our investments, there can be no assurances that we will be able to maintain or proceed with such investments on terms acceptable to us. Additionally, CFIUS may seek to impose limitations on one or more such investments that may prevent us from maintaining or pursuing investment opportunities that we otherwise would have maintained or pursued, which could adversely affect the performance of our investments and thus our overall performance. Certain of our stockholders may be non- U. S. investors, and in the aggregate, may comprise a substantial portion of our net asset value, which may increase the risks of such limitations being imposed in connection with investments pursued or made by us. Legislative and regulatory changes, including changes to agency practice, in the future may negatively impact our ability to realize value from certain existing and future investments, including by limiting exit opportunities or causing us to favor buyers that we believe are less likely to require CFIUS review, even in circumstances where other buyers may offer better terms or more consideration. The U. S. Government has implemented an outbound investment review mechanism, which may prevent us from taking advantage of investment opportunities outside the United States that could otherwise be advantageous to our stockholders. On November 15, 2024, the Office of Investment Security of the U. S. Department of the Treasury published in the Federal Register a final rule to implement President Biden's August 2023 Executive Order on Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern (the EO). The EO provided for the establishment of a new and targeted national security regulatory framework directed at controlling outbound investment from the United States in certain sensitive industry sectors in the People's Republic of China (PRC) and the Special Administrative Regions of Hong Kong and Macau (collectively, China). This final rule went into effect January 2, 2025. As implemented by the final rule, the new framework would impose notification requirements and prohibitions on specified investments by U. S. persons in the semiconductor and microelectronics sector, quantum information technologies, and artificial intelligence (AI) systems. Within the semiconductor and microelectronics sector, prohibited investments will include certain covered investments in electronic design automation software; certain fabrication and advanced packaging tools; the design, fabrication, or packaging of certain advanced integrated circuits, and supercomputers. Notifiable investments will include any covered investments related to the design, fabrication, or packaging of integrated circuits not otherwise covered by the prohibition. Given the breadth of the notification requirement as applicable within the semiconductor industry, we will likely be subject to increased regulatory burden to engage in certain investments in the PRC. Such a mechanism could negatively impact our ability to realize value from certain existing and future investments, including by limiting exit opportunities or causing us to favor buyers that may avoid complex notification requirements, even in circumstances where other buyers may offer better terms or more consideration. There can be no assurances that we will be able to maintain or proceed with investments on terms acceptable to us. It is possible that the outbound investment reporting requirements and prohibitions could adversely affect our business, financial condition, and operating results. On December 2, 2024, the U. S. BIS imposed additional controls on exports to, and transfers within, the People's Republic of China PRC relating to advanced integrated circuit products, certain IC manufacturing equipment and technology, and supercomputers associated with artificial intelligence (AI) and advanced computing. In coordination with the new regulations, among other updates, ACM Shanghai and its operating subsidiaries in China and Korea, were added to the Entity List published by BIS. Neither ACM, nor its direct subsidiaries outside of mainland China, were added to the Entity List. The new regulations will make it difficult, if not impossible, for ACM Shanghai and ACM Korea to obtain any U. S.- sourced components, or components from other countries that may choose to follow the U. S. restrictions. Although we believe the impact to our

supply chain, and the ability of ACM Shanghai and ACM Korea to produce tools in mainland China can be managed without a significant interruption of our business, it will require the transition of certain components to be qualified at our customers to maintain consistent quality standards. The potential impact on sales to our customers will also depend on the effect of the new regulations on their own spending plans. We do not anticipate an impact to the ability to sell, deliver and service products to our global customers outside of mainland China. We believe the new regulations prohibit the export or reexport of Items to companies on the Entity List without a BIS license, but do not inhibit the ability of companies on the Entity List to sell, deliver, and service their products to global customers. We are subject to government regulation, including import, export, economic sanctions, and anti- corruption laws and regulations, that may limit our sales opportunities, expose us to liability and increase our costs. Our products are subject to import and export controls in jurisdictions in which we distribute or sell our products. Import and export controls and economic sanctions laws and regulations include restrictions and prohibitions on the sale or supply of certain products and on our transfer of parts, components, and related technical information and know- how to certain countries, regions, governments, persons and entities. Various countries regulate the importation of certain products through import permitting and licensing requirements and have enacted laws that could limit our ability to distribute our products. The exportation, re- exportation, transfers within foreign countries and importation of our products, including by our partners, must comply with these laws and regulations, and any violations may result in reputational harm, government investigations and penalties, or a denial or curtailment of exporting privileges. Complying with export control and sanctions laws for a particular sale may be time consuming, may increase our costs, and may result in the delay or loss of sales opportunities. If we are found to be in violation of U. S. sanctions or export control laws, or similar laws in other jurisdictions, we and the individuals working for us could incur substantial fines and penalties. Changes in export, sanctions or import laws or regulations may delay the introduction and sale of our products in international markets, require us to expend resources to seek necessary government authorizations or develop different versions of our products, or, in some cases, prevent the export or import of our products to certain countries, regions, governments, persons or entities, which could adversely affect our business, financial condition and operating results. We are subject to various domestic and international anti- corruption laws, such as the U. S. Foreign Corrupt Practices Act, as well as similar anti- bribery and anti- kickback laws and regulations in the United States and other jurisdictions. These laws and regulations generally prohibit companies and their intermediaries from offering or making improper payments to non- U. S. officials for the purpose of obtaining, retaining or directing business. Our exposure for violating these laws and regulations increases as our international presence expands and as we increase sales and operations in foreign jurisdictions. We may not achieve the results contemplated by our business strategy and our strategy for growth in mainland China may not result in increases in the price of Class A common stock. We cannot assure you that we will realize any or all of our anticipated benefits of the STAR Listing and the STAR IPO, which may not have the anticipated effects of including the strengthening of our market position and operations in mainland China. ACM Shanghai continues to have broad discretion in the use of the proceeds from the initial sales of shares to investors and the proceeds from the STAR IPO, and will have similar discretion over the use of proceeds from future financing activities (including follow- on offerings or private placements of shares with mainland China investors). ACM Shanghai may not spend or invest those proceeds in a manner that results in our operating success or with which ACM Research stockholders agree Shanghai leases from Zhangjiang Group. Our failure Zhangjiang Group has not obtained a certificate of property title for the premises, although it has represented to successfully leverage the completion of the STAR Listing and the STAR IPO, and any future financings by ACM Shanghai, to expand our mainland China business could result in a decrease in the price of the Class A common stock, and we cannot assure you that it has the success of right to rent the premises to ACM Shanghai will have an attendant positive effect on the price of the Class A common stock. # Mainland China companies are critical to the global semiconductor industry, and our current business is substantially concentrated in the mainland China market. Our inability to build, or any adjustment delay in growing local regional overall planning of Shanghai, or our any other reason, mainland China- based operations would materially and adversely limit our operations and operating results in the demolition of such premises, including our revenue growth. the premises could not continue to be leased to ACM Shanghai 's status as a publicly traded company that is controlled, but less than wholly owned, by ACM Research could have and- an adverse effect on us. In November 2021, we completed the STAR Listing and STAR IPO with respect to shares of ACM Shanghai. ACM Shanghai is our principal operating company and, prior to the STAR Listing process, was a wholly owned subsidiary of ACM Research. As the result of actions taken in connection with the STAR Listing and the STAR IPO, ACM Shanghai is no longer a wholly owned subsidiary of ACM Research, and the interests of ACM Shanghai may diverge from the interests of ACM Research and its the other day subsidiaries in the future. We may face conflicts of interest in managing, financing or engaging in transactions with ACM Shanghai, or allocating business opportunities between our subsidiaries, including future arrangements for operating subsidiaries other than ACM Shanghai to license and use our intellectual property. Substantially all of our intellectual property has been developed in mainland China and is owned by ACM Shanghai. As we expand our global operations through operating subsidiaries outside of mainland China, those operating subsidiaries may need to license intellectual property from ACM Shanghai in order to operate, and there can be no assurance that conflicts of interest will not preclude those operating subsidiaries from licensing the required intellectual property from ACM Shanghai on reasonable terms or at all. ACM Research retains majority ownership of ACM Shanghai since the STAR IPO, but ACM Shanghai is managed by a separate board of directors and officers and those directors and officers will owe fiduciary duties to the various stakeholders of ACM Shanghai, including shareholders other than ACM Research. In the operation of ACM Shanghai' s business, there may be situations that arise whereby the directors and officers of ACM Shanghai, in the exercise of their fiduciary duties,

take actions that may be contrary to the best interests of ACM Research. In the future, ACM Shanghai may issue options, restricted shares and other forms of share-based ~~to-day production and operation~~ compensation to its directors, officers and employees, which could dilute ACM Research's ownership in ACM Shanghai. In addition, ACM Shanghai may engage in capital raising activities in the future that could further dilute ACM Research's ownership interest. For example, on January 25, 2024, we announced that ACM Shanghai intends to offer up to 43.6 million of its ordinary shares in a private offering to qualified buyers in compliance with the requirements of the China Securities Regulatory Commission, which would constitute up to 10% of ACM Shanghai's share capital prior to the transaction. If consummated in full, we estimate that our equity interest in ACM Shanghai would decline from 81.5% to approximately 74.1%. The consummation of the proposed transaction is subject to market conditions, the approval of ACM Shanghai's shareholders, completion of the review process by the Shanghai Stock Exchange, completion of the registration process by the China Securities Regulatory Commission, and other factors. We estimate that if consummated in full, the proposed transaction would generate gross proceeds of up to RMB 4.5 billion (\$ 625 million) to ACM Shanghai, whose management would have broad discretion over the use of such proceeds. It is unlikely that any of such proceeds would be distributed to ACM Research. ACM Research and ACM Shanghai both are public reporting companies but each is subject to separate, and potentially inconsistent, accounting and disclosure requirements, which may lead to investor confusion or uncertainty that could cause decreased demand for, or fluctuations in the price of, one or both of the companies' publicly traded shares. Since ACM Shanghai completed the STAR Listing and the STAR IPO in November 2021, it has been subject to accounting, disclosure and other regulatory requirements of the STAR Market. At the same time, ACM Research remains subject to accounting, disclosure and other regulatory requirements of the SEC and the Nasdaq Global Market, or Nasdaq. As a result, ACM Research and ACM Shanghai periodically will disclose information simultaneously pursuant to differing laws and regulations. Even though substantially all of the operations of ACM Research are currently conducted through ACM Shanghai, the information disclosed by the two companies will differ, and may differ materially from time to time, due to the distinct, and potentially inconsistent, accounting standards applicable to the two companies and disclosure requirements imposed by securities regulatory authorities, as well as differences in language, culture and expression habit, in composition of investors in the United States and mainland China, and in the capital markets of the United States and mainland China. Differing disclosures could lead to confusion or uncertainty among investors in the publicly traded shares of one or both companies. Differences between the price of ACM Shanghai shares on the STAR Market and the price of ACM Research Class A common stock on Nasdaq could lead to increased volatility, as some investors seek to arbitrage price differences. Moreover, such volatility could be exacerbated by the fact that ACM Shanghai shares currently represent substantially all of the assets of ACM Research. Our commercial success depends in part on our ability to obtain and maintain patent and trade secret protection for our intellectual property, including our SAPS, TEBO, Tahoe, ECP, furnace and other technologies and the design of our Ultra C equipment, as well as our ability to operate without infringing upon the proprietary rights of others. There can be no assurance that our patent applications will result in additional patents being issued or that issued patents will afford sufficient protection against competitors with similar technology, nor can there be any assurance that the patents issued will not be infringed, designed around, or invalidated by third parties. Even issued patents may later be found unenforceable or may be modified or revoked in proceedings instituted by third parties before various patent offices or in courts. The degree of future protection for our intellectual property is uncertain. Only limited protection may be available and may not adequately protect our rights or permit us to gain or keep any competitive advantage. This failure to properly protect the intellectual property rights relating to our products and technologies could have a material adverse effect on our financial condition and results of operations. The patent application process is subject to numerous risks and uncertainties, and there can be no assurance that we or any of our future development partners will be successful in protecting our product candidates by obtaining and defending patents. These risks and uncertainties include the following:

- The U. S. Patent and Trademark Office and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions during the patent process. There are situations in which noncompliance can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such ~~and~~ an event, competitors might be able to enter the market earlier than would otherwise have been the case.
- Patent applications may not result in any patents being issued.
- Patents that may be issued may be challenged, invalidated, modified, revoked, circumvented, found to be unenforceable or otherwise may not provide any competitive advantage.
- Our competitors may seek or may have already obtained patents that will limit, interfere with, or eliminate our ability to make, use and sell our potential product candidates.
- Mainland China and other countries other than the United States may have patent laws less favorable to patentees than those upheld by U. S. courts, allowing foreign competitors a better opportunity to create, develop and market competing product candidates. In addition, we rely on the protection of our trade secrets and know-how. Although we have taken steps to protect our trade secrets and unpatented know-how, including entering into confidentiality and non-disclosure agreements with third parties and confidential information and inventions agreements with key employees, customers and suppliers, other parties may still obtain this information or may come upon this information independently. If any of these events occurs or if we otherwise lose protection for our trade secrets or proprietary know-how, the value of this information may be greatly reduced. We may be involved in lawsuits to protect or enforce our patents, which could be expensive, time consuming and unsuccessful. Competitors may infringe upon our patents. If our technologies are adopted, we believe that competitors may try to match our technologies and tools in order to compete. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time consuming. An adverse result in any litigation or defense

proceedings, including our current suits, could put one or more of our patents at risk of being invalidated, found to be unenforceable or interpreted narrowly and could put our patent applications at risk of not issuing. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during litigation. In addition, any future patent litigation, interference or other administrative proceedings will result in additional expense and distraction of our personnel. Most of our competitors are larger than we are and have substantially greater resources, and they therefore are likely to be able to sustain the costs of complex patent litigation longer than we could. An adverse outcome in such litigation or proceedings may expose us to loss of our proprietary position. We may not be able to protect our intellectual property rights throughout the world, including mainland China, which could materially, negatively affect our business. Filing, prosecuting and defending patents on our products or proprietary technologies in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States, including mainland China, can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and may export otherwise infringing products to territories where we have patent protection but enforcement is not as strong as that in the United States. These products may compete with our products, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. The significant majority of our intellectual property has been developed in mainland China and is owned by ACM Shanghai. Implementation and enforcement of intellectual property-related laws in mainland China has historically been lacking due primarily to ambiguities in mainland China intellectual property law. Accordingly, protection of intellectual property and proprietary rights in mainland China may not be as effective as in the United States or other countries. As a result, third parties could illegally use the technologies and proprietary processes that we have developed and compete with us, which could negatively affect any competitive advantage we enjoy, dilute our brand and harm our operating results. Litigation may be necessary to enforce our intellectual property rights, and given the relative unpredictability of mainland China's legal system and potential difficulties enforcing a court judgment in mainland China, there is no guarantee litigation would result in an outcome favorable to us. Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license and may adversely affect our business. If we are sued for infringing intellectual property rights of third parties, it will be costly and time consuming, and an unfavorable outcome in that litigation could have a material adverse effect on our business. Our success depends on our ability to develop, manufacture, market and sell our products without infringing upon the proprietary rights of third parties. Numerous U. S. and foreign- issued patents and pending patent applications owned by third parties exist in the fields in which we are developing products, some of which may contain claims that overlap with the subject matter of our intellectual property. A third party has claimed in the past, and others may claim in the future, that our technology or products infringe their intellectual property. In some instances third parties may initiate litigation against us in an effort to prevent us from using our technology in alleged violation of their intellectual property rights. The risk of such a lawsuit will likely increase as our size and the number and scope of our products increase and as our geographic presence and market share expand. Any potential intellectual property claims or litigation commenced against us could:

- be time consuming and expensive to defend, whether or not meritorious;
- force us to stop selling products or using technology that allegedly infringes the third party's intellectual property rights;
- delay shipments of our products;
- require us to pay damages or settlement fees to the party claiming infringement;
- require us to attempt to obtain a license to the relevant intellectual property, which may not be available on reasonable terms or at all;
- force us to attempt to redesign products that contain the allegedly infringing technology, which could be expensive or which we may be unable to do;
- require us to indemnify our customers, suppliers or other third parties for any loss caused by their use of our technology that allegedly infringes the third party's intellectual property rights; or
- divert the attention of our technical and managerial resources.

Because patent applications can take many years to issue, there may be currently pending applications, unknown to us, that may later result in issued patents upon which our products or technologies may infringe. Similarly, there may be issued patents relevant to our products of which we are not aware. Breaches of our cybersecurity systems could degrade our ability to conduct our business operations and deliver products to our customers, result in data losses and the theft of our intellectual property, damage our reputation, and require us to incur significant additional costs to maintain the security of our networks and data. We increasingly depend upon our information technology systems to conduct our business operations, ranging from our internal operations and product development and manufacturing activities to our marketing and sales efforts and communications with our customers and business partners. Computer programmers may attempt to penetrate our network security, or that of our website, and misappropriate our proprietary information or cause interruptions of our service. Because the techniques used by such computer programmers to access or sabotage

networks change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques. We have also outsourced a number of our business functions to third-party contractors, including our manufacturers, and our business operations also depend, in part, on the success of our contractors' own cybersecurity measures. Accordingly, if our cybersecurity systems and those of our contractors fail to protect against unauthorized access, sophisticated cyberattacks and the mishandling of data by our employees and contractors, our ability to conduct our business effectively could be damaged in a number of ways, including sensitive data regarding our employees or business, including intellectual property and other proprietary data, could be stolen. Should this occur, we could be subject to significant claims for liability from our customers and regulatory actions from governmental agencies. In addition, our ability to protect our intellectual property rights could be compromised and our reputation and competitive position could be significantly harmed. Consequently, our financial performance and results of operations could be adversely affected. See

The market price of Class A common stock has been and may continue to be volatile, which could result in substantial losses for investors purchasing our shares. The market price of Class A common stock has been, and could continue to be, subject to significant fluctuations. The market price of Class A common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including:

- actual or anticipated fluctuations in our revenue and other operating results;
- the financial projections we may provide to the public, any changes in these projections or our failure to meet these projections;
- actions of securities analysts who initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow our company, or our failure to meet these estimates or the expectations of investors;
- changes in projections for the chips or chip equipment industries or in the operating performance or expectations and stock market valuations of chip companies, chip equipment companies or technology companies in general;
- changes in operating results;
- any changes in the financial projections we may provide to the public, our failure to meet these projections, or changes in recommendations by any securities analysts that elect to follow Class A common stock;
- additional shares of Class A common stock being sold into the market by us or our existing stockholders or the anticipation of such sales;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- lawsuits threatened or filed against us;
- litigation and other developments relating to our patents or other proprietary rights or those of our competitors;
- developments in new legislation and pending lawsuits or regulatory actions, including interim or final rulings by judicial or regulatory bodies; and
- general economic trends, including changes in the demand for electronics or information technology or geopolitical events such as war or acts of terrorism, or any responses to such events.

In recent years, the stock market in general, and Nasdaq in particular, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to changes in the operating performance of the companies whose stock is experiencing those price and volume fluctuations. Further, following periods of volatility in the overall market and the market price of a particular company's securities, securities class action litigation has often been instituted against these companies. Similar litigation may be instituted against us in the future, which could result in substantial costs and a diversion of our management's attention and resources. Few if any companies with stock publicly traded in the United States have effected a STAR Market listing of stock of a mainland China-based subsidiary, and it is therefore difficult to predict the effect of the STAR Listing and STAR IPO on the Class A common stock. The China Securities Regulatory Commission initially launched the STAR Market in June 2019 and trading on the Market began in July 2019. In November 2021 ACM Shanghai completed the STAR Listing and the STAR IPO. We believe we are one of the first publicly traded U. S. companies to complete an initial public offering of shares of a mainland China subsidiary on the STAR Market. As a result, no assurance can be given regarding the effect of the STAR Listing and the STAR IPO on the market price of the Class A common stock. The market price of Class A common stock may be volatile or may decline, for reasons other than the risk and uncertainties described above, as the result of investor negativity or uncertainty with respect to the impact of the STAR Listing and STAR IPO. ACM Research stockholders were not entitled to purchase ACM Shanghai shares in the pre-STAR Listing placement, and they may have limited opportunities to purchase ACM Shanghai shares now that the STAR Listing and the STAR IPO have been completed. Investors may elect to invest in our business and operations by purchasing ACM Shanghai shares on the STAR Market rather than purchasing ACM Research Class A common stock, and that reduction in demand could lead to a decrease in the market price for the Class A common stock. If securities or industry analysts do not publish research or reports about us, our business or our market, or if they publish negative evaluations of Class A common stock or the stock of other companies in our industry, the price of our stock and trading volume could decline. The trading market for Class A common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business. If one or more of the analysts who cover us downgrade the Class A common stock or publish inaccurate or unfavorable research about our business, the Class A common stock price would likely decline. In addition, if one or more of these analysts ceases coverage of the Class A common stock or fails to publish reports about the Class A common stock on a regular basis, we could lose visibility in the financial markets, which in turn could cause the Class A common stock price or trading volume to decline. We have never paid and do not intend to pay cash dividends and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of Class A common stock. We have never declared or paid cash dividends on our capital stock. We intend to retain any future earnings to finance the operation and expansion of our business, and we do not expect to declare or pay any dividends in the foreseeable future. Accordingly, you may only receive a return on your investment in Class A common stock if the market price of Class A common stock increases. Our ability to pay dividends on Class A common stock depends significantly on our receiving distributions of funds from our subsidiaries in mainland China. mainland China statutory laws and regulations permit payments of dividends by those subsidiaries only out of their retained earnings, which are

determined in accordance with mainland China accounting standards and regulations that differ from U. S. generally accepted accounting principles. Mainland China regulations and our subsidiaries' articles of association require annual appropriations of 10 % of net after-tax profits to be set aside, prior to payment of dividends, as a reserve or surplus fund, which restricts our subsidiaries' ability to transfer a portion of their net assets to us. In addition, our subsidiaries' short-term bank loans restrict their ability to pay dividends to us. The dual class structure of common stock has the effect of concentrating voting control with our executive officers and directors, including our Chief Executive Officer and President, which will limit or preclude your ability to influence corporate matters. Class B common stock has twenty votes per share and Class A common stock has one vote per share. As of February 24, 2025, stockholders who hold shares of Class B common stock, who consist principally of our executive officers, employees, directors and their respective affiliates, collectively held 64.2 % of the voting power of our outstanding capital stock. Because of the twenty-to-one voting ratio between Class B and Class A common stock, holders of Class B common stock collectively will continue to control a majority of the combined voting power of Class A common stock and therefore be able to control all matters submitted to our stockholders for approval so long as the shares of Class B common stock represent at least 4.8 % of all outstanding shares of Class A and Class B common stock. This concentrated control will limit or preclude your ability to influence corporate matters for the foreseeable future. This concentrated control could also discourage a potential investor from acquiring Class A common stock due to the limited voting power of such stock relative to the Class B common stock and might harm the market price of Class A common stock. Because of the market capitalization achieved by Class A common stock during October 2020, the trigger included in our charter pursuant to which all of the shares of Class B common stock must convert into Class A common stock no longer applies. Instead, all of the Class B common stock generally will convert into Class A common stock only upon the election of the holders of a majority of the then-outstanding shares of Class B common stock, and specific shares of Class B common stock will convert into Class A common stock upon future transfers by the holders of those shares. The potential conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term. Delaware law and provisions in our charter and bylaws could make a merger, tender offer or proxy contest difficult, thereby depressing the trading price of Class A common stock. Our status as a Delaware corporation and the anti-takeover provisions of the Delaware General Corporation Law may discourage, delay, or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder, even if a change of control would be beneficial to our existing stockholders. Our charter and bylaws contain provisions that may make the acquisition of our company more difficult, including the following:

- our dual class common stock structure provides holders of Class B common stock with the ability to control the outcome of matters requiring stockholder approval, even if they own significantly less than a majority of the total number of outstanding shares of Class A and Class B common stock;
- when the outstanding shares of Class B common stock represent less than a majority of the combined voting power of common stock;
- amendments to our charter or bylaws will require the approval of two-thirds of the combined vote of our then-outstanding shares of Class A and Class B common stock;
- vacancies on the board of directors will be able to be filled only by the board and not by stockholders;
- the board, which currently is not staggered, will be automatically separated into three classes with staggered three-year terms;
- directors will only be able to be removed from office for cause; and
- our stockholders will only be able to take action at a meeting and not by written consent;
- only our chair, our chief executive officer or a majority of our directors is authorized to call a special meeting of stockholders;
- advance notice procedures apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders;
- our charter authorizes undesignated preferred stock, the terms of which may be established, and shares of which may be issued, without stockholder approval; and
- cumulative voting in the election of directors is prohibited.

As a Delaware corporation, we are also subject to provisions of Delaware law, including Section 203 of the Delaware General Corporation Law, which limits the ability of stockholders holding more than 15 % of our outstanding voting stock from engaging in certain business combinations with us. Any provision of our charter or bylaws or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of Class A common stock, and could also affect the price that some investors are willing to pay for Class A common stock. Our charter designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or stockholders. Our charter provides that the Court of Chancery of the State of Delaware will, to the fullest extent permitted by law, be the sole and exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of a fiduciary duty owed to us, our stockholders, creditors or other constituents by any of our directors, officers, other employees, agents or stockholders;
- any action asserting a claim arising under the Delaware General Corporation Law, our charter or bylaws, or as to which the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware; or
- any action asserting a claim that is governed by the internal affairs doctrine.

By becoming a stockholder in our company, you will be deemed to have notice of and have consented to the provisions of our charter related to choice of forum. The choice of forum provision in our charter may limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or any of our directors, officers, other employees, agents or stockholders, which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provision contained in our charter to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations and financial condition. We incur increased costs and

demands upon management as a result of complying with the laws and regulations affecting public companies which could adversely affect our business, operating results and financial condition. As a public company, we will continue to incur significant legal, accounting and other expenses. We are subject to the reporting requirements of the Securities and Exchange Act, the Sarbanes- Oxley Act, the Dodd- Frank Wall Street Reform and Consumer Protection Act, and the rules and regulations of Nasdaq. These requirements have increased and will continue to increase our legal, accounting and financial compliance costs and have made and will continue to make some activities more time consuming and costly. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to maintain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve as our executive officers or on the board of directors, particularly to serve on the audit and compensation committees. The Sarbanes- Oxley Act requires, among other things, that we assess the effectiveness of our internal control over financial reporting annually and the effectiveness of our disclosure controls and procedures quarterly. In particular, Section 404 of the Sarbanes- Oxley Act, or Section 404, requires our management to perform system and process evaluation and testing to allow it to report on the effectiveness of our internal control over financial reporting. Investor perceptions of our company may suffer if deficiencies are found, which could cause a decline in the market price of our stock. Irrespective of compliance with Section 404, any failure of our internal control over financial reporting could have a material adverse effect on our stated operating results and harm our reputation. If we are unable to implement these requirements effectively or efficiently, it could harm our operations, financial reporting, or financial results and could result in an adverse opinion on our internal controls from our independent registered public accounting firm. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expense and a diversion of management' s time and attention from revenue- generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies, regulatory authorities may initiate legal proceedings against us and our business may be harmed. Short sellers of our stock may be manipulative and may drive down the market price of our Class A common stock. Short selling is the practice of selling securities that a seller does not own but rather has borrowed, or intends to borrow, from a third party with the intention of buying identical securities at a later date to return to the lender. A short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as the short seller expects to pay less in that purchase than it received in the sale. As it is in the short seller' s interest for the price of the stock to decline, some short sellers publish, or arrange for the publication of, opinions or characterizations regarding the relevant issuer, its business prospects and similar matters calculated to or which may create negative market momentum, which may permit them to obtain profits for themselves as a result of selling the securities short. The use of the Internet, social media, and blogging have allowed short sellers to publicly attack a company' s credibility, strategy and veracity by means of so- called " Properties research reports " that mimic the type of Part I investment analysis performed by legitimate securities research analysts. Issuers with limited trading volumes or substantial retail stockholder bases can be particularly susceptible to higher volatility levels, and can be particularly vulnerable to such short attacks. Short seller publications are not regulated by any governmental or self- regulatory organization or any other official authority in the United States and are not subject to the certification requirements imposed by the SEC in Regulation Analyst Certification. Accordingly, the opinions they express may be based on distortions of this actual facts or, in some cases, outright fabrications. In light of the limited risks involved in publishing such information, and the significant profits that can be made from running successful short attacks, short sellers will likely continue to issue such report-reports . Short-seller publications may create the appearance or perception of wrongdoing, even when they are not substantiated, and may therefore affect the reputation or perception of our company and management. While we intend to strongly defend our public filings against any such short seller attacks, in many situations we could be constrained, for example, by principles of freedom of speech, applicable state law or issues of commercial confidentiality, in the manner in which we are able to proceed against the relevant short seller. Such short- seller attacks have caused, and may cause in the future, temporary or possibly long term, declines in the market price of Class A common stock and possible litigation initiated against us. Our production facilities could be damaged or disrupted by a natural disaster, war, terrorist attacks or other catastrophic events. Our manufacturing facilities are subject to risks associated with natural disasters, such as earthquakes, fires, floods tsunami, typhoons and volcanic activity, environmental disasters, health epidemics, and other events beyond our control such as power loss, telecommunications failures, and uncertainties arising out of armed conflicts or terrorist attacks. The frequency and intensity of severe weather events are reportedly increasing throughout the world as part of broader climate changes. Global weather pattern changes may pose long- term risks of physical impacts to our business. A substantial majority of our facilities as well as our research and development personnel are located in mainland China. Any catastrophic loss or significant damage to any of our facilities would likely disrupt our operations, delay production, and adversely affect our product development schedules, shipments and revenue. In addition, any such catastrophic loss or significant damage could result in significant expense to repair or replace the

facility and could significantly curtail our research and development efforts in a particular product area or primary market, which could have a material adverse effect on our operations and operating results.