

China's new innovation map

From Ningde to Chengdu, and beyond

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China's new innovation map: from Ningde to Chengdu, and beyond



China's innovation surge is being built far from its best-known megacities. From Ningde and Hefei to Suzhou, Wuhan and Chengdu, a new industrial geography is taking shape. One anchored not in internet platforms or property booms, but in batteries, biologics, power systems, advanced materials and AI infrastructure. These cities may be less visible than Shanghai, Shenzhen or Hangzhou – home to Alibaba, DeepSeek, and a cluster of robotics startups – but they are becoming increasingly central to the technologies and supply chains shaping both the domestic and global economies.

The idea that leading-edge innovation is confined to China's coastal champions has been obsolete for some time. These new industrial clusters are increasingly attracting talent and investment, shifting supply chains deeper into the country. The result is a more resilient and integrated model of industrial and tech innovation, sharpening China's competitive edge, and accelerating the translation of innovation into production at scale.

We highlight 10 companies – none based in Shanghai, Shenzhen or Hangzhou – whose technology footprints are putting their cities firmly on the global innovation map.

Jiangsu's maker belt: quietly powering AI and electrification



↑ Qingming Bridge, Wuxi

Ask any Chinese about Jiangsu and they'll likely mention the classical gardens of Suzhou or the imperial history of Nanjing, the "capital of the South". The tourist guides paint a province of canals, silk and scholar-officials. Yet behind this genteel image lies one of the world's densest concentrations of computing infrastructure: Jiangsu's industrial parks now host the chip packaging, optical components and server manufacturing that quietly underpin China's AI ambitions. While others claim the headlines with their model labs, it is Jiangsu that builds the machinery of the intelligence age.



Wuxi, Jiangsu:

Wuxi Lead Intelligent Equipment

The company has developed AI driven, fully automated battery manufacturing equipment, significantly improving yield, uptime, and scalability.

Did you know?

At the March 2026 InterBattery Innovation Awards in Seoul, Wuxi Lead won the Equipment Award for its Dry Mixing & Coating System (a key enabler for future, greener next-generation battery production), the only non-Korean company honoured and the first Chinese company ever to win the award.

Source: PR Newswire, March 2026



Suzhou, Jiangsu: Zhongji InnoLight

Zhongji InnoLight is leading developments in high-speed optical modules, commercialising 800G, an ultra-high-speed network communications technology. This places Innolight at the junction of compute demand and energy constraints, where optical modules are a clear winner.

Did you know?

One of the world's dominant maker of the optical transceivers that link GPUs in AI data centres, Zhongji Innolight is now accelerating mass production of 1.6-terabit modules (twice the speed of today's 800G workhorses) with 1.6T silicon-photonics transceivers entering mass production in early 2026, just as the industry shifts from copper to light to handle AI workloads.

Source: ip-fiber.com, November 2025



↑ Shantang Street, Suzhou

Nantong (Rugao), Jiangsu: Jiangsu Zhongtian Technology (ZTT)

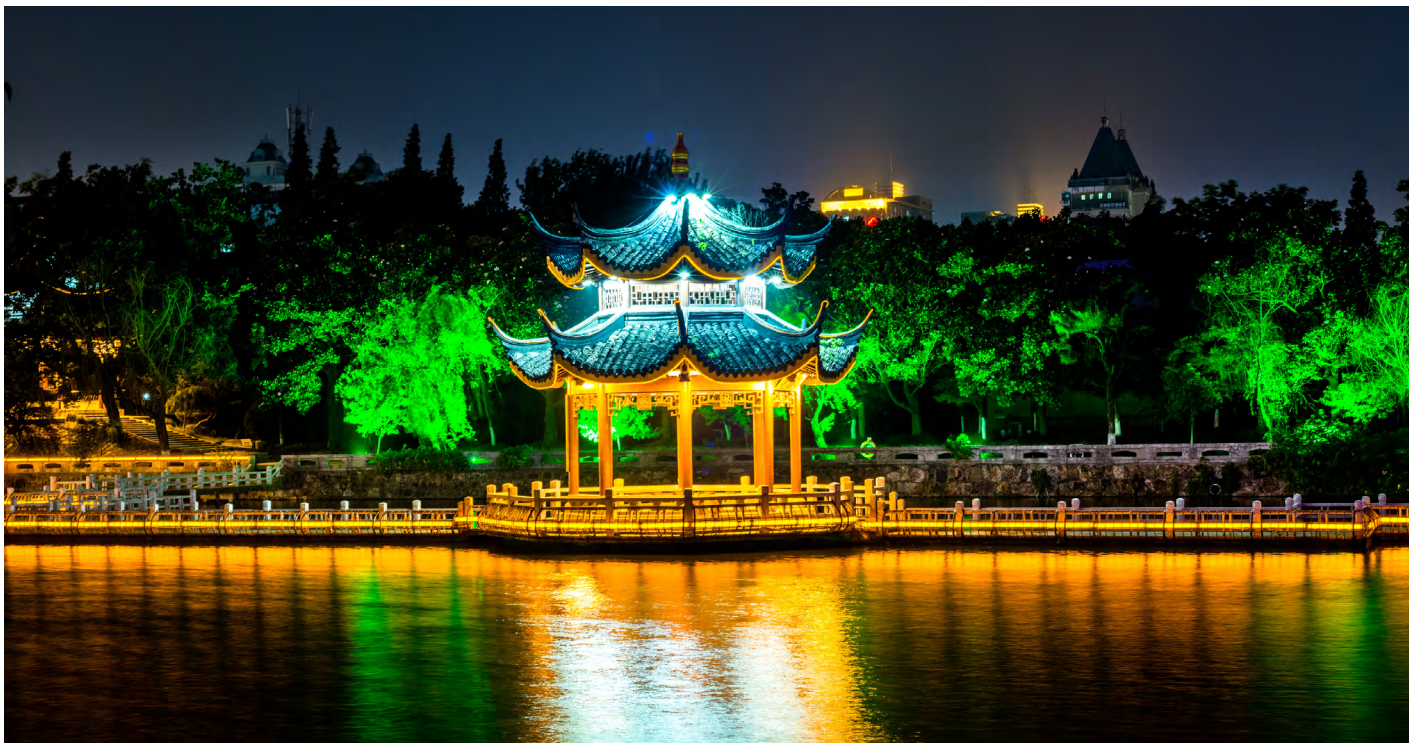
ZTT is an innovator in specialty optical fibre and submarine cable systems, enabling long distance, high-capacity power and data transmission. With a growing focus on high-end optical fibre, the company is well positioned to benefit from the optical fibre upcycle driven by accelerating AI datacentre infrastructure buildout, alongside structural tailwinds from electrification, offshore wind expansion, and rising cross-regional power transfer.



Did you know?

ZTT recently won the contract for a $\pm 500\text{kV}$ DC submarine cable system; with a length of 116.5 km and capable of carrying 2 GW – enough to supply millions of homes – it is one of the most ambitious HVDC submarine cable projects in Asia.

Sources: ZTT, tgs4c.com, March 2025



↑ Wenfeng Pagoda, Nantong

Materials and manufacturing depth: Fujian, Hubei, and Shandong



↑ Xiamen Shimao Straits Tower

Fujian conjures images of oolong tea; Hubei is known for the Three Gorges Dam; Shandong for Confucius and Tsingtao beer. But these three provinces have become the backbone of advanced manufacturing, from new materials and optoelectronics in Wuhan's "Optics Valley" to Shandong's chemical and heavy-industry base, feeding everything from wind turbines to semiconductors. They are a reminder that industrial leadership is built less on flagship campuses than on deep, layered supply chains.



Xiamen, Fujian: **Xiamen Tungsten**

Advanced high purity tungsten and rare earth materials are critical inputs for EVs, industrial tooling, and electronics, placing Xiamen Tungsten at the core of China's critical materials supply chain.

Did you know?

Xiamen Tungsten is one of the world leaders in ultra-fine tungsten wire (thinner than a human hair!) used to slice silicon wafers for solar panels. Its capacity has reached 84.5 billion metres per year, and a new expansion project will lift total capacity to 184.5 billion metres annually. That's roughly 184 million kilometres of wire a year, more than the distance from the Earth to the Sun.

Source: Futu News, Cailian News, November 2025



Wuhan, Hubei: Hubei Dinglong

Hubei Dinglong is a producer of high-performance chip polishing chemicals and materials, enabling the domestic substitution of a critical semiconductor input.

Did you know?

In March 2026, Dinglong began mass production at China's first full-process photoresist plant, in Qianjiang, Hubei; photoresists are a key component in the making of high-end memory chips.

Source: Yicai Global, March 2026



↑ Yangtze River Bridge, Wuhan

Yantai, Shandong:**Yantai Jereh**

Yantai Jereh is transitioning beyond more traditional oilfield equipment to become a critical supplier of gas turbine integrated power solutions for AI datacentres, while remaining an innovator in intelligent digital oilfield equipment and LNG solutions.

**Did you know?**

Jereh achieved a landmark breakthrough into the North American AI datacentre market in late 2025. It became the first China A-share equipment company to announce integrated gas turbine power solutions, alongside multi-million-dollar contracts, with US hyperscaler data centres.

Source: Yicai Global, March 2026



↑ Penglai Pavilion, Yantai

The “Battery Crescent”: Fujian and Anhui come of age



↑ Huazhu Village, Sansha, Xiapu County, Ningde

Anhui was long dismissed as a poor agricultural hinterland, and Fujian's Ningde was an obscure coastal prefecture few outside China could place on a map. Today they form a crescent of battery power: Ningde gave the world CATL, the largest battery maker on the planet¹, while Anhui's capital Hefei has bet boldly on EVs and energy storage. What looks like provincial backwater on a tourist map is, in fact, the beating heart of the global energy transition.



Ningde, Fujian: Contemporary Amperex Technology (CATL)

CATL is pioneering ultra-fast charging and high energy density EV batteries, plus sodium ion chemistry, improving range, safety, cold weather performance, and charging speed. Its continued innovation has led to its addressable market expanding from EVs to grid-scale storage.

Did you know?

At CATL's annual Super Technology Day in April 2026, the company unveiled a breakthrough battery enabling an EV to drive 1500km on a single charge, paired with ultra-fast charging that can reach 80% in less than 5 minutes.

Sources: CATL, cnevpost.com, April 2026

¹ Source: CNBC, June 2025



Hefei, Anhui:

Sungrow Power Supply

Sungrow's advanced modular solar inverters and power control technologies are enabling greater efficiency, faster maintenance, and better grid stability for large scale solar and energy storage systems.

Did you know?

In May 2026, Sungrow secured a landmark supply contract for Abu Dhabi's first gigascale round-the-clock renewable energy project, supplying 7.5GWh of liquid-cooled energy storage - equivalent to powering a large city for several hours - alongside 2.6GW of solar power inverters. This project is designed to deliver stable 24/7 clean baseload power for industrial users and power-hungry digital infrastructure.

Sources: CATL, cnevpost.com, April 2026



↑ Swan Lake financial business district, Hefei



↑ Chinese historic architecture in Xidi village, Anhui

The Greater Bay Area: beyond the usual suspects



↑Shenzhen–Zhongshan Link

Mention the Greater Bay Area and the mind jumps to Shenzhen's consumer electronics, Hong Kong's finance or Guangzhou's trade fairs. Less noticed is the region's emergence as a biotech powerhouse: genomics pioneers, contract research giants and a fast-growing cluster of drug developers are turning the Pearl River Delta into Asia's answer to Boston. The hardware capital of the world is quietly learning to engineer biology as fluently as it engineers circuit boards.



Zhongshan, Guangdong:

Akeso

A pioneer in first-in-class bispecific antibodies, Akeso is delivering breakthrough therapies across oncology and neurodegenerative diseases, helping to drive Chinese developed drugs onto the global stage.

Did you know?

Akeso out-licensed its breakthrough cancer drug ivonescimab to global partner Summit Therapeutics in a deal worth up to US\$5 billion. This is one of the largest licensing agreements, highlighting the rising value of China biotech innovation worldwide.

Source: PR Newswire, December 2022

Western momentum: Chengdu's grid- scale ambition

Sichuan

● Chengdu



↑ Anshun Bridge, Chengdu

Chengdu is famous for pandas, teahouses and a laid-back lifestyle that locals proudly contrast with the coastal grind. Yet Sichuan's capital sits at the centre of one of the world's great energy systems, a vast hydropower network feeding ultra-high-voltage transmission lines that carry clean electricity across thousands of kilometres to China's eastern megacities. The city of leisure is, paradoxically, the nerve centre of a hard-working grid in China.



Chengdu, Sichuan: Dongfang Electric

Dongfang Electric is a manufacturer of advanced large scale power equipment, including gas turbines, offshore wind, hydropower, and nuclear components. Supporting energy transition and grid reliability, Dongfang's products are key to the grid upgrades and generation capacity needed for AI-driven electricity demand.

Did you know?

In late 2025 Dongfang finished installing its 26MW offshore wind turbine - enough capacity from a single unit to rival a small conventional power plant – making it the world's largest by single-unit capacity and rotor diameter. Its rotor spans over 310 metres, wider than the Eiffel Tower is tall.

Source: offshorewind.biz, September 2025

Why this matters

A stylized map of China is visible in the background, rendered in a lighter blue shade than the dark blue background. Several regions are highlighted in a slightly different shade of blue. Labels for these regions are placed near their respective areas: 'Sichuan' is located in the central-western part of the map, 'Hubei' is to its east, 'Guangdong' is in the southern coastal region, and 'Chengdu' is positioned below 'Sichuan'. There are also small yellow dots with thin lines pointing to specific locations within the highlighted regions.

For investors, China's evolving innovation landscape signals a structural shift in how and where value is created. Innovation is no longer concentrated in a handful of coastal hubs but distributed across a network of regional clusters. We believe this is materially strengthening the country's industrial base, enabling the faster translation of innovation into scalable production and reinforcing China's position as a global manufacturing and technology powerhouse.

At the core of this shift is the continued build-out of China's technology infrastructure and growing self-reliance across sectors. Investment is accelerating across the full stack of AI and industrial capabilities amid mutually reinforcing trends: AI workloads are driving demand for high-speed optical modules and data infrastructure, while electrification requires advanced materials, battery technologies, and power equipment. In effect, China is creating a series of "tech flywheels", where each wave of capital expenditure catalyses further demand across adjacent sectors, amplifying growth across the ecosystem – and the country.

- This dynamic is already visible in global market outcomes. Chinese firms have secured many leading positions in critical technologies such as batteries, where domestic manufacturers account for close to 70% of global EV battery installations², shaping both pricing power and technology standards. Similarly, in sectors such as biopharma, China is rapidly moving up the value chain, with around one-third of global pharma licencing activity now linked to Chinese-developed assets, reinforcing its role in shaping global drug pipelines³.

Rather than isolated pockets of excellence, China's competitive advantage lies in the breadth, depth and connectivity of its technological and industrial base. For investors, the implication is clear: we believe the opportunity set is broadening beyond headline names to a wider universe of companies that are increasingly critical to global value chains.

² Source: Asia Times., January 2026

³ Sources: Biopharma Dive, Jefferies, June 2026

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