
FINANCIAL INFORMATION

The following discussion of our financial condition and results of operations should be read in conjunction with our consolidated financial information included in the Accountant’s Report in Appendix I to this document together with the accompanying notes. Our audited consolidated financial information has been prepared in accordance with IFRS, which may differ in material aspects from generally accepted accounting principles in other jurisdictions. The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. Our actual results and timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including but not limited to, those set forth under the section headed “Risk Factors”.

OVERVIEW

We are an enterprise-grade AI solutions provider focusing on intelligent marketing and intelligent operations management solutions. According to Frost & Sullivan, in terms of revenue in 2024, we ranked fourth amongst enterprise-grade AI solutions providers equipped with vertical large model capabilities in China^(Note).

Committed to a client-centric approach, we serve as trusted partners throughout our clients’ AI transformation journeys. Our full-stack technical capabilities allow us to deliver end-to-end intelligent marketing and intelligent operations management solutions covering every stage of transformation, from comprehensive diagnosis and planning through implementation and ongoing iteration, to achieve tangible, measurable business results.

Our market-tested solutions are built on deep industry knowledge gained from close client collaboration, and a robust combination of this knowledge with our strong technical foundation. Over the years, we have become long-term partners to many of our clients by helping them translate AI investments into competitive advantage. We believe such client-centric approach and proven track record well position us to maintain a leading position in a rapidly growing enterprise-grade AI solutions market.

Our expanding client base reflects the partnerships we have built across key financial institutions, leading technology companies and globally renowned retail entities. The cumulative number of clients we had served grew from 88 as of December 31, 2023 to 241 as of December 31, 2024, and further expanded to 338 as of September 30, 2025, representing a CAGR of 63.1%. Many clients have progressively expanded their use of our solutions across additional functions and scenarios, demonstrating the sustained value we deliver through our client-centric approach and full-stack capabilities. This growth validates not only our market position but also the depth of our client relationships and our role as reliable partners in their AI transformation.

Note: According to Frost & Sullivan: (i) enterprise-grade AI solutions providers equipped with vertical large model capabilities are those that: (a) assist clients in building proprietary vertical large models, (b) provide services directly through self-developed vertical large model, or (c) combine clients’ proprietary large models or external general large models with accumulated industry knowledge to optimize outputs; and (ii) the market for enterprise-grade AI solutions based on vertical large model capabilities in China reached RMB5.0 billion in 2024, representing 10.6% of China’s overall enterprise-grade AI solution market of RMB47.2 billion in 2024.

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BASIS OF PRESENTATION

The historical financial information has been prepared in accordance with the International Financial Reporting Standards (the “IFRS”) issued by the International Accounting Standards Board. The Historical Financial Information has been prepared under the historical cost basis, as modified by the revaluation of financial assets at fair value through profit or loss (“FVTPL”), which are carried at fair value.

The preparation of the Historical Financial Information in conformity with the IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying our accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 4 to the Accountant’s Report included in Appendix I to this document.

In preparation of the historical financial information, all of the new standards, amendments to standards and interpretations are adopted and consistently applied to us throughout the Track Record Period.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

The success and growth of our business depend on many factors. While these factors present significant opportunities for our business, they also pose important challenges that we must successfully address to optimize our results of operations and sustain our growth. The factors include but are not limited to the following:

Our ability to enhance and develop our solutions

Our solutions are deployed across a wide range of enterprise scenarios and are shaped by rapidly evolving customer needs, diverse data environments and continual advancements in enterprise-grade AI technologies. The enterprise-grade AI solutions industry is characterized by innovation in multimodal large models, knowledge engineering, multi-agent orchestration, automated data processing and workflow intelligence. As enterprises accelerate their digital transformation, demand is shifting toward more modularized, reusable and scenario-specific AI capabilities that integrate deeply with existing business processes.

This requires us to incorporate emerging technologies in multimodal large models, knowledge engineering and multi-agent orchestration while expanding our industry-specific knowledge bases and reasoning chains that enable accurate, scenario-aligned automation.

Success depends on our ability to capture and encode industry expertise into reusable reasoning chains and standard operating procedures, improving both standardization and cross-scenario scalability. This enables progressive deployment tailored to each client while deepening our knowledge-driven architecture across finance, technology and retail sectors.

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Our R&D capabilities and ability to attract and retain top talent are fundamental to this effort. Innovation in enterprise AI involves inherent uncertainties and iterative development cycles that factors may impact our operational performance as we continue investing in platform enhancements.

Our ability to manage costs and improve operational efficiency

Our ability to manage our cost structure and enhance operational efficiency is critical to the scalability and profitability of our enterprise AI business. During the Track Record Period, our cost of sales was RMB194.9 million, RMB224.5 million and RMB172.1 million for the years ended December 31, 2023, 2024 and for the nine months ended September 30, 2025, representing 86.3%, 72.8% and 59.2% of total revenue. Variations in labor and computing resource expenses affects our margin.

As our platform architecture becomes more standardized and modularized, delivery efficiency and marginal cost per project are expected to improve. Our ability to standardize implementation processes, increase module and agent reusability, and automate recurring workflow configuration through QianNexus will be critical to controlling delivery costs. Refining XK-QianAI’s data intelligence and knowledge engineering pipelines should reduce manual effort for data preparation, workflow design and business logic modeling, achieving higher operational leverage.

Operating efficiency also depends on managing R&D, selling and marketing, and administrative expenses. R&D remains a significant cost component given the complexity of enterprise-grade knowledge modeling and multi-agent orchestration. During the Track Record Period, our research and development expenses were RMB10.9 million and RMB26.8 million, RMB59.7 million for the years ended December 31, 2023 and 2024, and for the nine months ended September 30, 2025, respectively, representing 4.8%, 8.7% and 20.6% of our total revenue.

Personnel expenses represent a substantial portion of our total costs across all functions, including delivery teams, R&D, sales and marketing, and administration. Maintaining disciplined personnel structure while improving productivity through enhanced internal tools and streamlined workflows will be important to achieving operational efficiency as we scale. As we expand revenue and increase platform standardization and reusability, we expect to realize economies of scale and profitability improvements.

Our customer structure, concentration and depth of adoption of our solutions

Our results of operations are affected by our customer structure, the level of revenue concentration among major enterprise customers and the depth of adoption of our solutions within each customer. We primarily serve medium and large enterprises with complex data environments and multi-layered business processes. The digital maturity, operating scale and technology investment priorities of such customers may influence the scope and timing of solution deployments.

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During the Track Record Period, a significant portion of our revenue comes from a limited number of major enterprise customers. Revenue from our top five customers accounted for 74.7%, 62.7% and 47.4% of total revenue for the years ended December 31, 2023, 2024 and for the nine months ended September 30, 2025. The business performance, procurement decisions or technology spending cycles of these customers, primarily in financial services, technology and retail, may affect our revenue stability and period-to-period results.

Revenue is also influenced by deployment depth within individual customers, which depends on each customer’s internal alignment, data management maturity and technology budget. As we broaden our customer base and diversify across industries and enterprise sizes, we expect customer concentration risks to gradually decrease and revenue visibility to improve. However, diversification of customer structure may take time to develop depending on industry demand cycles and enterprise AI transformation progress.

Our ability to retain existing customers and deepen collaboration with them

Our long-term revenue stability depends on retaining customers and expanding platform usage across additional workflows, departments and business functions. As enterprise AI deployments involve ongoing integration, data adaptation and iterative optimization, customer retention is closely tied to the sustained performance, reliability and scalability of our solutions.

Enterprise customers typically begin with limited-scope deployments, such as implementing specific intelligent agents for targeted workflows, and may expand to multi-department or enterprise-wide usage as solutions demonstrate measurable value through improved efficiency, revenue growth or risk management. Our “pilot first, scale later” deployment approach begins with targeted pilots demonstrating clear value, then expands systematically based on proven results. This progressive expansion depends on implementation quality, delivery effectiveness, customer success support and our ability to integrate XK-QianAI and QianNexus capabilities with existing IT architecture. The continuous performance of our reasoning chains, knowledge bases and intelligent agents directly influences customer satisfaction and expansion decisions.

Retention and expansion are also influenced by external factors. Changes in customer technology budgets, adjustments in digital transformation priorities, macroeconomic conditions, regulatory developments or organizational restructuring may impact deployment schedules, renewal timing and expansion plans. Our ability to demonstrate ongoing value through measurable business outcomes and adapt solutions to evolving requirements will be critical to maintaining customer relationships and expanding usage over time.

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CRITICAL ACCOUNTING POLICIES AND ESTIMATES

We have identified certain accounting policies and estimate that are significant to the preparation of our financial statements. Some of our accounting policies involve subjective assumptions and estimates, as well as complex judgements relating to accounting items. In each case, the determination of these items requires management judgement based on information and financial data that may change in future periods. When reviewing our financial statements, you should consider (i) our selection of critical accounting policies, (ii) the judgements and other uncertainties affecting the application of such policies, and (iii) the sensitivity of reported results to changes in conditions and assumptions.

Our significant accounting policies and estimates, which are important for an understanding of our financial condition and results of operations, are set forth in details in Note 3 to the Accountant’s Report included in Appendix I to this document. We set forth below those accounting policies that we believe are of critical importance to us or involve the most significant estimates and judgements used in the preparation of our financial statements.

Revenue recognition

We recognizes revenue when (or as) a performance obligation is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer.

Control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by our performance as we perform.
- our performance creates or enhances an asset that the customer controls as we perform; or
- our performance does not create an asset with an alternative use to us and we have an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognized at a point in time when the customer obtains control of the distinct good or service.

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In determining whether our revenue should be reported gross or net is based on a continuing assessment of various factors. When determining whether we are acting as the principal or agent in offering goods or services to the customer, we need to first identify who controls the specified goods or services before they are transferred to the customer. We follows the accounting guidance for principal-agent considerations to assess whether we control the specified goods or service before it is transferred to the customer, the indicators of which including but not limited to (a) whether the entity is primarily responsible for fulfilling the promise to provide the specified goods or service; (b) whether the entity has inventory risk before the specified goods or service has been transferred to a customer; and (c) whether the entity has discretion in establishing the prices for the specified goods or service. The management considers the above factors in totality, as none of the factors individually are considered presumptive or determinative, and applies judgment when assessing the indicators depending on each different circumstance.

The following is a description of the accounting policy for our principal revenue streams.

(i) Services

Cloud-based services primarily consist of fees that provide customers access to functions in the form of standardized cloud services to meet the needs of business processes. We charges customers based on the volume of orders processed on the products. Related revenue is recognized upon consumption over time since the customer simultaneously receives and consumes the benefits provided by us.

We also provides customized services to customers to complete tasks based on the customer’s specific requirements. The Group charges customers on a monthly basis based on the manpower consumption of the relevant services. Revenue from customized services is recognized over time since the customer simultaneously receives and consumes the benefits provided by us.

(ii) System modules

We sells system modules to customers, including delivery and installation. It is accounted for as a single performance obligation since we provide an integrated products and services. Revenue from sales of system modules is recognized at a point of time when the customers accept the system modules after the installation is complete.

A contract liability represents the our obligation to transfer system modules or services to a customer for which we have received consideration (or an amount of consideration is due) from the customer.

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Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. We use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on our past history, existing market conditions, as well as forward-looking estimates at the end of each Track Record Period. Details of the key assumptions and inputs used are disclosed in the tables in Note 4.1 to the Accountant’s Report included in Appendix I to this document.

Income Taxes and Deferred Taxations

There are many transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgments are required from us in determining the provisions for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact on the income tax and deferred income tax provisions in the period in which such determination is made.

We recognize deferred income tax assets based on estimates that it is probable to generate sufficient taxable profits in the foreseeable future against which the deductible losses will be utilized. The recognition of deferred income tax assets mainly involves management’s judgments and estimations about the timing and the amount of taxable profits of the companies who have tax losses.

Estimation of the fair value of certain financial assets

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. We use our judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Changes in these assumptions and estimates could materially affect the respective fair value of these financial assets.

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PRINCIPAL COMPONENTS OF CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

The following table summarizes the consolidated statements of comprehensive income from the financial statements during the Track Record Period, details of which are set out in the Accountant’s Report in Appendix I to this document.

	For the year ended		For the nine months ended	
	December 31,		September 30,	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(Unaudited)	(Unaudited)
Revenue	225,864	308,532	178,928	290,421
Cost of sales	<u>(194,940)</u>	<u>(224,548)</u>	<u>(138,049)</u>	<u>(172,054)</u>
Gross profit	30,924	83,984	40,879	118,367
Selling expenses	(721)	(2,615)	(1,133)	(15,383)
General and administrative expenses	(8,942)	(14,364)	(10,862)	(13,161)
R&D expenses	(10,918)	(26,791)	(12,591)	(59,710)
Net impairment losses on financial assets	(247)	(182)	(88)	(376)
Other income	447	278	272	1,440
Other gain/(loss) — net	<u>(9)</u>	<u>—</u>	<u>—</u>	<u>24</u>
Operating profit	10,534	40,310	16,477	31,201
Finance income	116	96	74	1,088
Finance costs	<u>(98)</u>	<u>(2,827)</u>	<u>(297)</u>	<u>(866)</u>
Profit before income tax	10,552	37,579	16,254	31,423
Income tax (expense)/credit	<u>(470)</u>	<u>(4,348)</u>	<u>(1,599)</u>	<u>232</u>
Profit for the year	<u><u>10,082</u></u>	<u><u>33,231</u></u>	<u><u>14,655</u></u>	<u><u>31,655</u></u>
Attributable to:				
Owners of the Company	10,082	33,231	14,655	31,655
Non-controlling interests	—	—	—	—
Earnings per share attributable to the owners of the Company				
Basic and diluted (expressed in RMB per share)	1.00	1.70	0.77	1.37

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Revenue

During the Track Record Period, we generated revenue from solutions charged on (i) intelligent marketing, and (ii) intelligent operation management in the PRC. For the years ended December 31, 2023 and 2024 and for the nine months ended September 30, 2024 and 2025, our total revenue amounted to RMB225.9 million, RMB308.5 million, RMB178.9 and RMB290.4 million, respectively.

Revenue by service types

	For the year ended December 31,				For the nine months ended September 30,			
	2023		2024		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Intelligent marketing solution	<u>152,205</u>	<u>67.4%</u>	<u>171,425</u>	<u>55.6%</u>	<u>108,162</u>	<u>60.5%</u>	<u>146,623</u>	<u>50.5%</u>
Intelligent operation management solution	<u>73,659</u>	<u>32.6%</u>	<u>137,107</u>	<u>44.4%</u>	<u>70,766</u>	<u>39.5%</u>	<u>143,798</u>	<u>49.5%</u>
Total	<u>225,864</u>	<u>100.0%</u>	<u>308,532</u>	<u>100.0%</u>	<u>178,928</u>	<u>100.0%</u>	<u>290,421</u>	<u>100.0%</u>

The following table sets forth the breakdown of our revenue by the industries in which our clients operate, in an absolute amount and as a percentage of our total revenue, for the periods indicated.

	For the year ended December 31,				For the nine months ended September 30,			
	2023		2024		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Intelligent marketing solution								
Financial services	48,423	21.4%	84,853	27.5%	45,071	25.2%	79,599	27.5%
Information Technology	98,895	43.8%	77,920	25.3%	57,131	31.9%	62,289	21.4%
Retail and Others	<u>4,887</u>	<u>2.2%</u>	<u>8,652</u>	<u>2.8%</u>	<u>5,960</u>	<u>3.3%</u>	<u>4,735</u>	<u>1.6%</u>
Subtotal	<u>152,205</u>	<u>67.4%</u>	<u>171,425</u>	<u>55.6%</u>	<u>108,162</u>	<u>60.4%</u>	<u>146,623</u>	<u>50.5%</u>
Intelligent operation management solution								
Financial services	60,761	26.9%	82,740	26.8%	42,524	23.8%	125,263	43.1%
Information Technology	12,162	5.4%	51,207	16.6%	28,138	15.7%	13,433	4.6%
Retail and Others	<u>736</u>	<u>0.3%</u>	<u>3,160</u>	<u>1.0%</u>	<u>104</u>	<u>0.1%</u>	<u>5,102</u>	<u>1.8%</u>
Subtotal	<u>73,659</u>	<u>32.6%</u>	<u>137,107</u>	<u>44.4%</u>	<u>70,766</u>	<u>39.6%</u>	<u>143,798</u>	<u>49.5%</u>
Total	<u>225,864</u>	<u>100.0%</u>	<u>308,532</u>	<u>100.0%</u>	<u>178,928</u>	<u>100.0%</u>	<u>290,421</u>	<u>100.0%</u>

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The following table sets forth the breakdown of our revenue by the timing of revenue recognition, in an absolute amount and as a percentage of our total revenue, for the periods indicated. See Note 5(b) to the Accountant’s Report in Appendix I to this document for further details.

	Year ended 31 December		Nine months ended 30 September	
	2023	2024	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
			<i>(Unaudited)</i>	<i>(Unaudited)</i>
Intelligent Marketing solution				
— services	151,074	148,237	102,904	96,238
— system modules	<u>1,131</u>	<u>23,188</u>	<u>5,258</u>	<u>50,385</u>
	<u>152,205</u>	<u>171,425</u>	<u>108,162</u>	<u>146,623</u>
Intelligent Operation				
Management solution				
— services	70,875	101,106	68,617	53,704
— system modules	<u>2,784</u>	<u>36,001</u>	<u>2,149</u>	<u>90,094</u>
	<u>73,659</u>	<u>137,107</u>	<u>70,766</u>	<u>143,798</u>
	<u><u>225,864</u></u>	<u><u>308,532</u></u>	<u><u>178,928</u></u>	<u><u>290,421</u></u>

Cost of sales

Our cost of sales primarily consisted of (i) external procurement; (ii) staff costs; (iii) depreciation and amortization; and (iv) other costs. For the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our cost of sales amounted to RMB194.9 million, RMB224.5 million, RMB138.0 million; and RMB172.1 million, respectively.

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The following table sets forth a breakdown of our cost of sales and as a percentage of our cost of sales for the periods indicated:

	For the year ended December 31,				For the nine months ended September 30,			
	2023		2024		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
External procurement ⁽¹⁾	143,281	73.5%	141,472	63.0%	83,466	60.5%	88,006	51.1%
Staff costs	50,958	26.1%	81,381	36.2%	53,997	39.1%	81,327	47.3%
Depreciation and amortization ⁽²⁾	79	0.1%	452	0.2%	337	0.2%	504	0.3%
Other costs	622	0.3%	1,243	0.6%	249	0.2%	2,217	1.3%
Total	194,940	100%	224,548	100%	138,049	100%	172,054	100%

Note:

- External procurement comprises (i) work in progress purchased from ZhongAn Technology, (ii) digital service fees; and (iii) external labor assignment fees.
- Depreciation and amortization comprise (i) the amortization of computer used for project implementation; and (ii) the amortization of intellectual property rights received from the ZhongAn Technology in December 2023.

Gross profit and gross profit margin

Our gross profit was RMB30.9 million, RMB84.0 million, RMB40.9 million and RMB118.4 million respectively, for the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2024 and 2025. Our gross profit margin was 14%, 27%, and 23% and 41%, respectively, in the same periods.

The following table sets forth a breakdown of our gross profit and gross profit margin by service types for the periods indicated:

	For the year ended December 31,				For the nine months ended September 30,			
	2023		2024		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Intelligent marketing solution	7,001	4.6%	43,018	25.1%	19,039	17.6%	67,563	46.1%
Intelligent operation management solution	23,923	32.5%	40,966	29.9%	21,840	30.9%	50,804	35.3%
Total	30,924	13.7%	83,984	27.2%	40,879	22.9%	118,367	40.8%

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Selling Expenses

Our selling expenses mainly consisted of (i) staff costs, (ii) other expenses, and (iii) depreciation and amortization. Our selling expenses amounted to RMB0.7 million and RMB2.6 million, for the years ended December 31, 2023 and 2024 and RMB1.1 million and RMB15.4 million for the nine months ended September 30, 2024 and 2025, respectively.

The following table sets forth the components of our selling expenses for the periods indicated:

	For the year ended December 31,				For the nine months ended September 30,			
	2023		2024		2024		2025	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%
					(Unaudited)		(Unaudited)	
Staff costs	610	84.6%	2,179	83.3%	883	77.9%	12,843	83.5%
Other expenses <i>(note)</i>	108	15.0%	396	15.2%	221	19.5%	2,501	16.3%
Depreciation and amortization	<u>3</u>	<u>0.4%</u>	<u>40</u>	<u>1.5%</u>	<u>29</u>	<u>2.6%</u>	<u>39</u>	<u>0.2%</u>
Total	<u><u>721</u></u>	<u><u>100.0%</u></u>	<u><u>2,615</u></u>	<u><u>100.0%</u></u>	<u><u>1,133</u></u>	<u><u>100.0%</u></u>	<u><u>15,383</u></u>	<u><u>100.0%</u></u>

Note: Other expenses mainly comprise of (i) the leasing fee for electronic equipments; and (ii) the appearance fee for guest speakers for sales event.

General and administrative expenses

Our general and administrative expenses mainly consisted of (i) staff costs, (ii) travel expenses, (iii) rental expenses, (iv) other expenses, (v) auditor’s remuneration, (vi) [REDACTED], and (vii) depreciation and amortization. Our general and administrative expenses amounted to RMB8.9 million and RMB14.4 million for the years ended December 31, 2023 and 2024, respectively. Our general and administrative expenses amounted to RMB10.9 million and RMB13.2 million for the nine months ended September 30, 2024 and 2025, respectively.

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The following table sets forth the components of our general and administrative expenses for the periods indicated:

	For the year ended December 31,				For the nine months ended September 30,			
	2023		2024		2024		2025	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%	<i>RMB'000</i>	%
					(Unaudited)		(Unaudited)	
Staff costs	6,834	76.4%	10,263	71.5%	6,894	63.5%	6,678	50.7%
Travel expenses	150	1.7%	144	1.0%	600	5.5%	7	0.1%
Rental expenses	492	5.5%	305	2.1%	217	2.0%	81	0.6%
Other expenses <i>(note)</i>	1,288	14.4%	3,237	22.6%	2,799	25.8%	2,331	17.7%
Auditor's remuneration	94	1.1%	150	1.0%	150	1.4%	89	0.7%
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Depreciation and amortization	84	0.9%	265	1.8%	202	1.8%	102	0.8%
Total	<u>8,942</u>	<u>100.0%</u>	<u>14,364</u>	<u>100.0%</u>	<u>10,862</u>	<u>100.0%</u>	<u>13,161</u>	<u>100.0%</u>

Note: Other expenses mainly comprise (i) consulting fee in relation to professional service fees related to external legal services, service fees paid to a copyright registration agency, expenses for electronic equipment; and (ii) service fees for staff recruitments.

R&D expenses

Our research and development expenses mainly consisted of (i) staff costs, (ii) travel expenses, (iii) depreciation and amortization, and (iv) other expenses. Our research and development expenses amounted to RMB10.9 million and RMB26.8 million for the years ended December 31, 2023 and 2024, respectively. Our R&D expenses amounted to RMB12.6 million and RMB59.7 million for the nine months ended September 30, 2024 and 2025, respectively.

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The following table sets forth the components of our R&D expenses for the periods indicated:

	For the year ended December 31,				For the nine months ended September 30,			
	2023		2024		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	%
Staff costs	10,364	94.9%	24,162	90.2%	11,522	91.4%	49,934	83.6%
Travel expenses	278	2.5%	1,172	4.4%	8	0.1%	4,882	8.2%
Depreciation and amortization	95	0.9%	1,337	5.0%	1,002	8.0%	1,126	1.9%
Other expenses <i>(note)</i>	<u>181</u>	<u>1.7%</u>	<u>120</u>	<u>0.4%</u>	<u>59</u>	<u>0.5%</u>	<u>3,768</u>	<u>6.3%</u>
Total	<u><u>10,918</u></u>	<u><u>100.0%</u></u>	<u><u>26,791</u></u>	<u><u>100.0%</u></u>	<u><u>12,591</u></u>	<u><u>100.00%</u></u>	<u><u>59,710</u></u>	<u><u>100.0%</u></u>

Note:

Other expenses mainly comprised (i) cloud storage fees paid to cloud solution providers; and (ii) rental payments for the dedicated office we lease for our R&D team.

Net impairment losses on financial assets

Net impairment losses on financial assets represented our net provision for impairment loss of trade receivables, contract assets and other receivables based on the expected credit loss model. Our net impairment losses on trade receivables amounted to RMB0.2 million and RMB0.2 million for the years ended December 31, 2023 and 2024, respectively. Our net impairment losses on financial assets amounted to RMB0.1 million and RMB0.4 million for the nine months ended September 30, 2024 and 2025, respectively.

Other income

Our other income represented the government grants. Our government grants amounted to RMB0.4 million and RMB0.3 million for the years ended December 31, 2023 and 2024, respectively. Our government grants amounted to RMB0.3 million and RMB1.4 million for the nine months ended September 30, 2024 and 2025, respectively.

During the Track Record Period, the government grants mainly include financial subsidies from local government authorities with certain specified conditions, as well as the amortization of deferred government grants. There are no unfulfilled conditions or other contingencies attaching to the grants recognized.

FINANCIAL INFORMATION

Finance costs — net

Our finance income represented bank interest income while finance costs mainly represented interest expenses (i) on financial instrument with preferred rights at amortized cost; (ii) on lease liabilities; and (iii) on borrowing. For the years ended December 31, 2023 and 2024, we recorded finance income of RMB0.1 million and RMB0.1 million respectively. For the nine months ended September 30, 2024 and 2025, we recorded finance income of RMB0.1 million and RMB1.1 million, respectively.

The following table sets forth a breakdown of our finance income and finance costs for the periods indicated:

	For the year ended December 31,		For the nine months ended September 30,	
	2023 RMB'000	2024 RMB'000	2024 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Finance Income				
Interest income from cash at banks	116	96	74	1,088
Finance costs				
Interest expenses on financial instruments with preferred rights at amortized cost ^(Note)	—	(2,330)	—	(202)
Interest expenses on lease liabilities	—	(51)	(38)	(41)
Interest expenses on borrowings	<u>(98)</u>	<u>(446)</u>	<u>(259)</u>	<u>(623)</u>
Finance income/(costs) — net	<u>18</u>	<u>(2,731)</u>	<u>(223)</u>	<u>222</u>

Note:

The financial instruments with preferred rights represent the paid-in capital of the Company with redemption rights held by certain investors, which were initially measured at present value of the redemption amount and subsequently measured at amortized cost. Details are set forth in Note 28 to the Accountant’s Report included in Appendix I to this document.

FINANCIAL INFORMATION

Income tax (expense)/credit

Our income tax expenses represent current income tax expenses and deferred income tax expenses. The following table sets forth a breakdown of our income tax expenses for the periods indicated:

	For the year ended		For the nine months ended	
	December 31,		September 30,	
	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(Unaudited)	(Unaudited)
Current income tax expense	710	4,779	1,533	4
Deferred income tax (expense)/credit	<u>(240)</u>	<u>(431)</u>	<u>66</u>	<u>(236)</u>
Total	<u><u>470</u></u>	<u><u>4,348</u></u>	<u><u>1,599</u></u>	<u><u>(232)</u></u>

- (1) Current income tax comprised PRC corporate income tax for our comprising entities based on taxable profit for the year.
- (2) Deferred income tax comprised mainly movement in deferred income tax assets on recognised deductible temporary differences primarily arising from tax losses, bad debts, and lease liabilities and deducted by deferred income tax liabilities.

For the years ended December 31, 2023, 2024, and for the nine months ended September 30, 2025, we recorded income tax expenses of RMB0.5 million, RMB4.3 million, RMB1.6 million and income tax credit of RMB0.2 million, respectively.

Our Company and our subsidiaries in the PRC are subject to Enterprise Income Tax Law and Implementation Regulation of the Enterprise Income Tax Law (the “EIT Law”), the tax rate of our PRC subsidiaries was 25% during the Track Record Period. Under the EIT Law and the respective regulations, the income tax rate of our PRC subsidiaries is 25% during the Track Record Period. Our subsidiary, Shanghai Youguang was qualified as High and New Technology Enterprises (高新技術企業) and enjoyed a preferential income tax rate of 15% during the Track Record Period. In addition, our Company and subsidiaries are entitled to an additional tax-deductible allowance calculated at 75% of their qualified R&D costs incurred before October 1, 2022, and at 100% of qualified R&D costs incurred after October 1, 2022. See Note 12 to the Accountant’s Report in Appendix I to this document for details regarding the applicable taxes and tax rates.

Profit for the year and net profit margin

For each whole year of the Track Record Period, we recorded profit of RMB10.1 million and RMB33.2 million respectively. For each whole year of the Track Record Period, our net profit margin was 4.5% and 10.8%, respectively.

FINANCIAL INFORMATION

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

The year ended December 31, 2023 compared to the year ended December 31, 2024

Revenue

Our revenue increased from RMB225.9 million for the year ended December 31, 2023 to RMB308.5 million for the year ended December 31, 2024. The increase in revenue was primarily attributable to:

- (i) the increase in our revenue from intelligent marketing solutions from RMB152.2 million for the year ended December 31, 2023 to RMB171.4 million for the year ended December 31, 2024. Such increase was mainly a result of the increased market demand for integrated AI marketing solutions, and with the launch of AI agent matrix QianNexus in 2024, we secured more customers, with the number increasing from 44 in 2023 to 79 in 2024.
- (ii) the increase in our revenue from intelligent operation management solution from RMB73.7 million for the year ended December 31, 2023 to RMB137.1 million for the year ended December 31, 2024. Such increase was mainly due to changes in the regulatory requirements for financial reporting applicable to insurance companies in the PRC, whereby the number of our customers in the insurance industry increased from 10 in 2023 to 47 in 2024, as our intelligent operations management solution assisted them in preparing financial reports that comply with the latest regulatory requirements.

Cost of sales

Our cost of sales increased from RMB194.9 million for the year ended December 31, 2023 to RMB224.5 million for the year ended December 31, 2024. This increase was mainly attributable to the increase in staff costs from RMB51.0 million to RMB81.4 million, primarily due to an expansion in the headcount of our branch offices as we hired additional staff to support and assist the on-site implementation and customization of our intelligent operations arrangement solution at customers' offices.

Gross profit and gross profit margin

Our gross profit increased from RMB30.9 million for the year ended December 31, 2023 to RMB84.0 million for the year ended December 31, 2024, which was in line with the increase in revenue, while our gross profit margin increased significantly from 13.7% for 2023 to 27.2% for 2024, which was mainly attributable to increase in gross profit margin of intelligent marketing solution from 4.6% to 25.1%.

FINANCIAL INFORMATION

Our gross profit generated from intelligent marketing solution increased from RMB7.0 million for the year ended December 31, 2023 to RMB43.0 million for the year ended December 31, 2024, with the gross profit margin increased from 4.6% to 25.1%, primarily due to the decrease in digital telecommunications service fees paid to the major telecommunications companies, as our intelligent marketing solution has significantly reduced our customers’ reliance on third-party marketing services by enhancing their in-house marketing capabilities.

Our gross profit generated from intelligent operations management solution increased from RMB23.9 million for the year ended December 31, 2023 to RMB41.0 million for the year ended December 31, 2024, with the gross profit margin slightly having decreased from 32.5% to 29.9%, primarily due to the new customer we engaged requiring additional staff to assist with the on-site implementation of our integrated AI operation solution.

Selling expenses

Our selling expenses increased from RMB0.7 million for the year ended December 31, 2023 and RMB2.6 million for the year ended December 31, 2024. The increase was mainly attributable to increase in staff costs resulting from the hiring of additional sales personnel in response to business growth.

General and administrative expenses

Our administrative expenses increased from RMB8.9 million for the year ended December 31, 2023 to RMB14.4 million for the year ended December 31, 2024. The increase was mainly attributable to higher staff costs resulting from the hiring of additional administrative staff to handle the increased administrative workload due to the Company’s operational expansion.

R&D expenses

Our R&D expenses increased significantly from RMB10.9 million for the year ended December 31, 2023 to RMB26.8 million for the year ended December 31, 2024. The increase was primarily attributable to (i) the increase in staff costs resulting from the hiring of additional R&D staff due to the need to train our XK-QianAI, the unified AI foundation, and (ii) to continue improving our AI agent matrix QianNexus to enhance its reliability in adapting to the complex operational environments of multiple industries.

Net impairment losses on financial assets

Our net impairment losses on financial assets decreased from RMB0.25 million for the year ended December 31, 2023 to RMB0.18 million for the year ended December 31, 2024. See Note 11 to the Accountant’s Report in Appendix I to this document for further details.

Other income

Our other income remained relatively stable at RMB0.4 million and RMB0.3 million For the years ended December 31, 2023 and 2024, respectively.

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Finance income/(costs) — net

Our finance income — net was RMB18,000 for the year ended December 31, 2023. Our finance costs — net was RMB2.7 million for the year ended December 31, 2024, the fluctuation was mainly attributable to (i) the increase in interest expenses on borrowing and (ii) the interest expenses on financial instrument with preferred rights at amortize costs. See Note 10 to the Accountant’s Report in Appendix I to this document for further details.

Income tax expenses

Our income tax expense increased from RMB0.5 million for the year ended December 31, 2023 to RMB4.3 million for the year ended December 31, 2024, respectively. Our effective tax rates, which represented our income tax expenses over our profit before income tax were 4.5% and 11.6% for the year ended December 31, 2023 and 2024, respectively.

The period ended September 30, 2024 compared to the period ended September 30, 2025

Revenue

Our revenue increased from RMB178.9 million for the nine months ended September 30, 2024 to RMB290.4 million for the nine months ended September 30, 2025. The increase in revenue was primarily attributable to:

- (i) the increase in our revenue from intelligent marketing solutions from RMB108.2 million for the nine months ended September 30, 2024 to RMB146.6 million for the nine months ended September 30, 2025, primarily due to the increase in our customer numbers from 56 for the nine months ended September 2024 to 87 for the same period in 2025, which was mainly attributable to rising market demand for our intelligent marketing solution. With the launch of QianNexus in 2024, our intelligent marketing solution became more accepted and recognized by the market.
- (ii) the increase in our revenue from intelligent operation management solution from RMB70.8 for the nine months ended September 30, 2024 to RMB143.8 million for the nine months ended September 30, 2025, primarily due to the increase in our customer numbers from 20 to 109, in particular, the number of our customers engaged in the financial services industry increased from 11 to 69. This sharp increase was mainly attributable to our intelligent operation management solutions being able to better adapt to and comply with the evolving regulatory requirements imposed by the PRC on the financial services industry.

FINANCIAL INFORMATION

Cost of sales

Our cost of sales increased from RMB138.0 for the nine months ended September 30, 2024 to RMB172.1 million for the nine months ended September 30, 2025. The increase in cost of sales was mainly attributable to (i) the increase in our external procurement fees from RMB83.5 million to RMB88.0 million, as we engaged additional external services for our increased number of projects in 2025; and (ii) the increase in staff costs from RMB54.0 million to RMB81.3 million, primarily due to an expansion in headcount at our branch offices as we hired additional staff to support the on-site implementation and customization of our enterprise-grade AI solutions at customers’ premises.

Gross profit and gross profit margin

Our gross profit increased from RMB40.9 million for the nine months ended September 30, 2024 to RMB118.4 million for the nine months ended September 30, 2025, which was in line with the increase in revenue, while our gross profit margin increased from 22.9% for the nine months ended September 30, 2024 to 40.8% for the nine months ended September 30, 2025, which was mainly attributable to:

- (i) Our gross profit generated from intelligent marketing solution increased from RMB19.0 million for the nine months ended September 30, 2024 to RMB67.6 million for the nine months ended September 30, 2025 with the gross profit margin improving from 17.6% to 46.1%, primarily due to the fact that our staff became more experienced and efficient in implementing and customizing our intelligent marketing solution for clients, which reduced the need for external labor.
- (ii) Our gross profit generated from intelligent operation management solution increased from RMB21.8 million for the nine months ended September 30, 2024 to RMB50.8 million for the nine months ended September 30, 2025, while the gross profit margin increased from 30.9% to 35.3%, mainly attributable to our business strategies to optimize our cost of sales structure by adjusting the proportion of (i) our external procurement; and (ii) our staff costs.

Selling expenses

Our selling expenses increase from RMB1.1 million for the nine months ended September 30, 2024 and RMB15.4 million for the nine months ended September 30, 2025. The increase was primarily attributable to (i) the increase in our staff costs from RMB0.9 million to RMB12.8 million due to our decision to hire more sales personnel to cope with business growth; and (ii) the increase in travel expenses from RMB95,000 to RMB1.0 million due to increased marketing activities.

General and administrative expenses

Our administrative expenses increased from RMB10.9 million for the nine months ended September 30, 2024 to RMB13.2 million for the nine months ended September 30, 2025. The increase was primarily due to the [REDACTED] of [REDACTED] incurred.

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R&D expenses

Our R&D expenses increased from RMB12.6 million for the nine months ended September 30, 2024 to RMB59.7 million for the nine months ended September 30, 2025. The increase was primarily attributable to our strategic decision to hire more R&D staff to improve the multi-faceted functionality of XK-QianAI and further develop QianNexus.

Net impairment losses on financial assets

Our net impairment losses on financial assets increased from RMB88,000 for the nine months ended September 30, 2024 to RMB0.4 million for the nine months ended September 30, 2025. See and Note 11 to the Accountant’s Report in Appendix I to this document for further details.

Other income

Our other income increased from RMB0.3 million for the nine months ended September 30, 2024 to RMB1.4 million for the nine months ended September 30, 2025, primarily due to the receipt of the industry policy support funds of RMB1.1 million from the local authority.

Finance income/(costs) — net

Our finance income/(costs) — net changed from financial costs of RMB0.2 million for the nine months ended September 30, 2024 to financial income of RMB0.2 million for the nine months ended September 30, 2025, primarily as a result of our interest income of RMB1.1 million generated from cash at banks, the effect of which was offset by (i) our interest expenses on financial instruments with preferred rights measured at amortised cost of RMB0.2 million and (ii) our interest expenses on borrowings of RMB0.6 million.

Income tax (expense)/credit

Our income tax expense changed from an income tax expense of RMB1.6 million for the nine months ended September 30, 2024 to income tax credit of RMB0.2 million for the nine months ended September 30, 2025.

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FINANCIAL INFORMATION

DISCUSSION OF CERTAIN ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth selected information from our consolidated statements of financial position as at the dates indicated, which have been extracted from our consolidated statements of financial position as at the dates indicated, which have been extracted from our audited consolidated financial statements included in the Accountant’s Report as set out in Appendix I to this document.

	As at December 31,		As at
	2023	2024	September 30,
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(unaudited)
Current assets	119,007	423,791	521,762
Non-current assets	11,765	12,597	33,735
Total assets	130,772	436,388	555,497
Current liabilities	87,476	181,427	167,791
Non-current liabilities	1,146	179,580	888
Total liabilities	88,622	361,007	168,679
Net current assets	31,531	242,364	353,971
Net assets	42,150	75,381	386,818

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FINANCIAL INFORMATION

The following table sets forth our current assets and current liabilities as at the dates indicated:

	As at December 31, 2023 <i>RMB'000</i>	2024 <i>RMB'000</i>	As at September 30, 2025 <i>RMB'000</i> (unaudited)	As at November 30, 2025 <i>RMB'000</i> (unaudited)
Current assets				
Contract fulfillment costs	3,247	57,078	88,456	64,540
Trade receivables	72,349	153,405	172,092	160,475
Contract asset	189	4,558	18,778	23,678
Other receivables and prepayments	446	903	9,812	15,549
Cash and cash equivalents	<u>42,776</u>	<u>207,847</u>	<u>232,624</u>	<u>460,519</u>
Subtotal	<u>119,007</u>	<u>423,791</u>	<u>521,762</u>	<u>724,761</u>
Current liabilities				
Trade payables	63,285	113,436	83,423	57,108
Other payables and accruals	14,572	27,325	36,855	36,108
Borrowings	7,524	25,020	32,020	39,024
Lease liabilities	—	1,370	2,428	2,438
Contract liabilities	1,403	9,590	13,063	16,308
Current income tax liabilities	<u>692</u>	<u>4,686</u>	<u>2</u>	<u>—</u>
Subtotal	<u>87,476</u>	<u>181,427</u>	<u>167,791</u>	<u>150,986</u>
Net current assets	<u><u>31,531</u></u>	<u><u>242,364</u></u>	<u><u>353,971</u></u>	<u><u>573,775</u></u>

Our net current assets increased from RMB354.0 million as at September 30, 2025 to RMB573.8 million as at November 30, 2025, primarily attributable to (i) an increase in our cash and cash equivalents of RMB227.9 million, mainly due to the capital injection of RMB215.1 million received from the Series B Financing, and (ii) a decrease in trade payables of RMB26.3 million, mainly as a result of the settlement of trade payables associated with ZhongAn Technology, the effects of which were partially offset by a decrease in contract fulfillment costs of RMB23.9 million as more projects were accepted by our customers.

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Our net current assets increased from RMB242.4 million as at December 31, 2024, to RMB354.0 million as at September 30, 2025, the increase of which was primarily attributable to (i) the increase in contract fulfilment costs of RMB31.4 million due to the increased number of projects underway in 2025, a large number of which are scheduled for delivery in Q4 2025, resulting in a relatively large sum of contract fulfilment costs at the period end; (ii) the increase in trade receivables of RMB18.7 million due to the prolonged settlement period with ZhongAn Technology, as they imposed a more stringent internal control policy on billing and settlement in the face of new regulatory requirements imposed by the PRC government on insurance companies in 2025; (iii) the increase in contract assets of RMB14.2 million as many of our projects are arranged to bill in the last quarter of 2025; and (iv) the increase in cash and cash equivalents of RMB24.8 million, the effects of which were partially offset by (i) the increase in other payables and accruals of RMB9.5 million due to increased salaries and welfare payables as we expanded the number of our staff numbers in 2025; and (ii) the increase in borrowings of RMB7.0 million due to additional working capital loans received from commercial banks.

Our net current assets increased from RMB31.5 million as at December 31, 2023, to RMB242.4 million as at December 31, 2024, the increase of which was primarily attributable to (i) the increase in our cash and cash equivalents of RMB165.1 million resulting from a capital injection received from Series A Financing; (ii) the increase in our trade receivables of RMB81.1 million, which was mainly due to growth in business scale; and (iii) the increase in contract fulfillment costs of RMB53.8 million driven by the growth in number of projects engaged by our customers, the effects of which were partially offset by the increase in trade payables of RMB50.2 million associated with the expansion in project numbers and operational scale.

Property, plant and equipment

During the Track Record Period, our property, plant and equipment primarily consisted of (i) computers and (ii) motor vehicles.

The net book amount of our property, plant and equipment increased from RMB0.3 million as at December 31, 2023 to RMB1.3 million as at December 31, 2024. This was primarily due to increase in electronic equipment such as computers purchased for new employees.

The net book amount of our property, plant and equipment increased from RMB1.3 million as at December 31, 2024 to RMB2.3 million as at September 30, 2025. This was primarily due to (i) the increase in electronic equipment acquisitions, procured for new employees; and (ii) the purchase of a new motor vehicle to support business needs of the Beijing subsidiary.

Intangible assets

Our intangible assets primarily consisted of (i) software copyrights and (ii) registered patent, amounted to RMB10.3 million, RMB9.2 million, RMB8.6 million as at December 31, 2023 and 2024 and September 30, 2025, respectively.

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Our intangible assets decreased from RMB10.3 million as at December 31, 2023 to RMB9.2 million as at December 31, 2024 primarily due to amortization.

Our intangible assets further decreased from RMB9.2 million as at December 31, 2024 to RMB8.6 million as at September 30, 2025 primarily due to amortization.

Right-of-use assets

Our right-of-use assets primarily represented our leased office premises, amounted to nil, RMB0.5 million, RMB1.9 million as at December 31, 2023 and 2024 and September 30, 2025, respectively.

Our right-of-use assets increased from nil as at December 31, 2023 to RMB0.5 million as at December 31, 2024, which represented our lease of office premises in Shanghai, Wuxi and Shenzhen.

Our right-of-use assets increased from RMB0.5 million as at December 31, 2024 to RMB1.9 million as at September 30, 2025, which was primarily due to the lease of an additional office premises in Shanghai, supplementing our existing office locations.

Deferred income tax assets

Our deferred income tax assets primarily represented the difference between book tax and the actual income tax, amounted to were RMB1.2 million, RMB1.6 million and RMB1.8 million as at December 31, 2023 and 2024 and September 30, 2025.

Our deferred income tax assets increased from RMB1.2 million as at December 31, 2023 to RMB1.6 million as at December 31, 2024. This is primarily due to (i) the recognition of lease liability of RMB0.3 million, which was partially offset by the increase in right-of-use assets of RMB0.1 million.

Our deferred income tax assets increased from RMB1.6 million as at December 31, 2024 to RMB1.8 million as at September 30, 2025. This is primarily due to (i) the increase in lease liability of RMB0.5 million, and (ii) the increase in loss allowance for financial assets of RMB0.1 million, which were partially offset by the increase in right-of-use assets of RMB0.4 million.

Contract fulfillment costs

Our contract fulfillment costs primarily represented the associated costs related to the projects under development, amounted to RMB3.2 million, RMB57.1 million and RMB88.5 million, as at December 31, 2023 and 2024 and September 30, 2025, respectively.

Our contract fulfillment costs increased from RMB3.2 million as at December 31, 2023 to RMB57.1 million as at December 31, 2024. This is primarily due to the increase in the projects number that we were engaged by the our customers.

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Our contract fulfillment costs further increased from RMB57.1 million as at December 31, 2024 to RMB88.5 million as at September 30, 2025. This is primarily due to the continued growth of our project numbers, which directly resulted in higher contract fulfillment costs.

Trade receivables

Our trade receivables mainly represented amounts due from customers for solutions provided in the ordinary course of business, amounted to RMB72.6 million and RMB153.4 million and RMB172.1 million as at December 31, 2023 and 2024 and September 30 2025, respectively.

The following table sets forth a breakdown of our trade receivables as at the dates indicated:

	As at December 31,	2024	As at
	2023	2024	September 30,
	<i>RMB'000</i>	<i>RMB'000</i>	2025
			<i>RMB'000</i>
			(unaudited)
Trade Receivables	<u>72,634</u>	<u>153,871</u>	<u>172,920</u>
Less: Provision for impairment	<u>(285)</u>	<u>(466)</u>	<u>(828)</u>
Trade receivables: net	<u>72,349</u>	<u>153,405</u>	<u>172,092</u>

Our trade receivables increased significantly from RMB72.6 million as at December 31, 2023 to RMB153.9 million as at December 31, 2024 mainly attributable to the increase in trade receivables due from ZhongAn Technology due to (i) the increase in the number of project engaged with ultimate independent customers in collaboration with ZhongAn Technology which is align with the overall growth in our revenue (ii) the disruption to our invoicing arrangements due to the preparatory work for relocating our Company’s registered address from Shanghai to Shenzhen.

Our trade receivables increased from RMB153.9 million as at December 31, 2024 to RMB172.9 million as at September 30, 2025 primarily due to disruption to our invoicing arrangement into a joint stock company in the first half of 2025.

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The following table sets forth an ageing analysis of our trade receivables based on date of revenue recognition as at the dates indicated:

	As at December 31,		As at
	2023	2024	September 30,
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(unaudited)
Within 6 months	72,291	149,557	134,061
6 months–1 year	343	3,151	36,801
Over 1 year	—	1,163	2,058
Total	<u>72,634</u>	<u>153,871</u>	<u>172,920</u>

The following table sets forth our average trade receivables turnover days for the periods indicated:

	For the years ended		For the nine
	December 31,	2024	months ended
	2023		September 30,
			2025
			(Unaudited)
Trade receivables turnover days (Note)	71	134	153

Note: Trade receivables turnover days for a period equals the average of the opening and closing trade receivables balance divided by revenue for the relevant period and multiplied by the number of days in the relevant period.

Our trade receivables turnover days increased from 71 days for the year ended December 31, 2023, to 134 days for the year ended December 31, 2024, mainly due to a temporary disruption in our invoicing arrangements with our clients arisen from the relocation of our Company’s registered address from Shanghai to Shenzhen. Our trade receivables turnover days further increased to 153 days for the nine months ended September 30, 2025, primarily due to further disruptions in the invoicing process resulted from the conversion of our Company into a joint stock company in the first half of 2025, which delayed our trade receivable collection from our clients. As at December 31, 2023, 2024 and the nine months ended September 30, 2025, our trade receivable payable by ZhongAn Technology amounted to RMB25.7 million, RMB130.7 million and RMB112.3 million, respectively.

As at the Latest Practicable Date, RMB121.2 million, or 70.1% of our trade receivables outstanding as at September 30, 2025, had been subsequently settled.

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Contract Assets

Our contract assets mainly represent the rights to consideration for solutions that have been transferred to our customers, amounting to RMB189,000, RMB4.6 million, and RMB18.8 million as at December 31, 2023, 2024, and September 30, 2025, respectively.

Our contract assets increased significantly from RMB189,000 as at December 31, 2023 to RMB4.6 million as at December 31, 2024, primarily due to the growth of our business. The balance further increased to RMB18.8 million as at September 30, 2025, mainly because many of our projects were scheduled to be billed in the last quarter of 2025.

As at the Latest Practicable Date, RMB5.8 million, representing 30.6% of the contract assets as at September 30, 2025, had been subsequently billed by our Group and recorded as trade receivables.

Financial assets at FVTPL

Our financial assets at fair value through profit or loss represents our investment in a wealth management product. As at September 30, 2025, we had financial assets at FVTPL of RMB19.1 million, representing our wealth management products issued by a Chinese non-bank financial institution controlled by the Department of Finance of the Tibet Autonomous Region, being a collective funds trust plan with an expected maturity date of 18 months. We use discounted cash flow analysis and models utilizing unobservable inputs such as expected rate of return to determine the fair value, and we classify the valuation techniques that use these inputs as Level 3 of the fair value hierarchy. We held nil financial assets at FVTPL as at December 31, 2023 and 2024.

We believe we can make better use of our cash by making appropriate investments in low-to-medium risk wealth management products, which generate income without interfering with our business operations or capital expenditures. We have established an internal control policy on financial product management, which outlines the investment principles on which investment decisions should be centered, namely safety, liquidity, yield, and compliance. Investment decisions on wealth management products must be approved by our head of finance and our general manager. If the investment amount exceeds RMB30.0 million, it must also be approved by the Board before the investment can be made. We will comply with the requirements under Chapter 14 of the Listing Rules and disclose the details of our investments and other notifiable transactions to the extent necessary and as appropriate after the [REDACTED].

Other receivables and prepayments

Our other receivables and prepayments, which comprised (i) deposits; (ii) prepayments; and (iii) prepaid income tax, amounted to RMB0.4 million, RMB0.9 million and RMB9.8 million as at December 31, 2023 and 2024 and as at September 30, 2025, respectively.

FINANCIAL INFORMATION

The following table sets forth a breakdown of other receivables and prepayments as at the dates indicated:

	As at December 31,		As at
	2023	2024	September 30,
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(Unaudited)
Other receivables — deposit	209	229	2,814
Less: allowance for credit losses	(1)	(2)	(16)
Prepayment for [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other prepayment	169	607	5,570
Prepaid VAT and other taxes	69	69	476
Total other receivables and prepayments	446	903	9,812

Other receivables and prepayments increased from RMB0.4 million as at December 31, 2023 to RMB0.9 million as at December 31, 2024, primarily because of the increase in other prepayments from RMB0.2 million to RMB0.6 million due to our prepaid travel expenses to travel agencies and prepaid outsourcing services paid to labor assignment agencies.

Other receivables and prepayments increased from RMB0.9 million as at December 31, 2024 to RMB9.8 million as at September 30, 2025, primarily because of the increase in other prepayments from RMB0.6 million to RMB6.5 million, mainly as a result of (i) the increase in prepayments to travel agencies for travel expenses, to IT solution providers for cloud resources and software licenses, to assignment agencies for project implementation, and to marketing agencies for marketing activities; and (ii) the prepayment for [REDACTED] of [REDACTED].

As at Latest Practicable Date, RMB4.2 million, or 44.6% of the other receivables and prepayments as at September 30, 2025 were subsequently settled/utilized by us.

Cash and cash equivalents

Our cash and cash equivalents consisted of cash on hand and cash at bank, amounted to RMB42.8 million, RMB207.8 million and RMB232.6 million as at December 31, 2023, 2024 and September 30, 2025.

Our cash and cash equivalents increased from RMB42.8 million as at December 31, 2023 to RMB207.8 million as at December 31, 2024, primarily attributable to the capital injection of RMB177.3 million we received from our Series A Financing.

Our cash and cash equivalents increased from RMB207.8 million as at December 31, 2024 to RMB232.6 million as at September 30, 2025, primarily attributable to the remaining proceeds of the capital injection we received from our Series A Financing.

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Financial instruments with preferred rights at amortized cost

Our financial instruments with preferred rights at amortized cost represented the paid-in capital of the Company with redemption rights held by our pre-[REDACTED] investors. Our financial instruments with preferred rights at amortized cost were nil, RMB179.6 million and nil as at December 31, 2023 and 2024, and as at September 30, 2025 respectively.

Trade payables

Our trade payables represented outstanding amounts due to our suppliers for our purchases, amounted to RMB63.3 million, RMB113.4 million and RMB83.4 million as at December 31, 2023 and 2024, and as at September 30, 2025 respectively.

Our trade payables increased from RMB63.3 million as at December 31, 2023 to RMB113.4 million as at December 31, 2024, the increase of which was primarily attributable to the payables of RMB97.6 million to ZhongAn Technology in connection with work-in-progress purchased from them and other external third-party services acquired through them.

Our trade payables then decreased to RMB83.4 million as at September 30, 2025, primarily due to the fact that the amount payable to ZhongAn Technology had been partly settled by us at the end of the period.

The following table sets forth the ageing analysis of our trade payables as at the dates indicated:

	As at December 31,		As at
	2023	2024	September 30,
	<i>RMB'000</i>	<i>RMB'000</i>	2025
			<i>RMB'000</i>
			(Unaudited)
Within 1 year	63,285	113,436	83,423

The following table sets forth our average trade payables turnover days for the periods indicated:

	For the years ended		For the
	December 31,		nine months
	2023	2024	ended
			September 30,
			2025
			(Unaudited)
Trade payables turnover days	65	144	156

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Our trade payables turnover days increased from 65 days for the year ended December 31, 2023 to 144 days for the year ended December 31, 2024, and further increased to 156 days for the nine months ended September 30, 2025. The movement in trade payables turnover days was primarily attributable to payables of RMB52.7 million to ZhongAn Technology in connection with work-in-progress purchased from them and other external third-party services acquired through them in relation to the movement in cost of sales. As at the Latest Practicable Date, the remaining balance of trade payables owed to ZhongAn Technology was RMB30.2 million.

As at Latest Practicable Date, RMB37.08 million, or 44.4% of our trade payables as at September 30, 2025 were subsequently settled.

Other payables and accruals

Our other payables and accruals primarily consisted of (i) salaries and welfare payables, (ii) VAT and other taxes payables, (iii) deposits and (iv) others, amounted to RMB14.6 million, RMB27.3 million and RMB36.9 million as at December 31, 2023 and 2024, and as at September 30, 2025 respectively.

The following table sets forth our trade and other payables as at the dates indicated:

	As at December 31,		As at
	2023	2024	September 30,
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(unaudited)
Salaries and welfare payables	8,717	23,574	27,977
VAT and other taxes payables	3,283	1,220	590
Payable [REDACTED]	—	—	[REDACTED]
Deposits	200	380	160
Others	2,372	2,151	3,664
	14,572	27,325	36,855

Our other payables and accruals increased from RMB14.6 million as at December 31, 2023 to RMB27.3 million as at December 31, 2024, primarily attributable to the increase in salaries and welfare payables as a result of the increased number of employees.

Our other payables and accruals further increased from RMB27.3 million as at December 31, 2024 to RMB36.9 million as at September 30, 2025, primarily attributable to (i) the increase in salaries and welfare payable of RMB4.4 million; and (ii) the increase in payable [REDACTED] of [REDACTED].

As at the Latest Practicable Date, RMB29.2 million or 73.9% of our other payables and accruals as at September 30, 2025 was subsequently settled by us.

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Borrowings

Our borrowings represented our revolving credit facilities denominated in RMB, amounted to RMB7.5 million, RMB25.0 million and RMB32.0 million as at December 31, 2023, 2024 and September 30, 2025, respectively.

For the years ended December 31, 2023, 2024 and the nine months ended September 30, 2025, our bank borrowings were denominated in RMB with a weighted average effective interest rates of 3.5%, 3.3% and 2.9% per annum.

We borrow from banks mainly for work capital to help manage day-to-day operational expenses. Our borrowings increased from RMB7.5 million as at December 31, 2023 to RMB25.0 million as at December 31, 2024, and then further increased to RMB32.0 million as at September 30, 2025. This was primarily due to the growing operational requirements associated with our expanding business activities.

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, we had not breached any financial covenant or defaulted in repayment of bank borrowings or other loan facilities that were due.

Lease liabilities

Our lease liabilities represented payment obligations for properties leased primarily as our office premises in Shanghai, Wuxi and Shenzhen. The following table sets forth our lease liabilities as at the dates indicated:

	As at December 31,		As at
	2023	2024	September 30,
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(unaudited)
Current lease liabilities	—	(1,370)	(2,428)
Non-current lease liabilities	—	—	(888)
	—	(1,370)	(3,316)

Our lease liabilities increased from nil as at December 31, 2023, to RMB1.4 million as at December 31, 2024, and then further increased to RMB3.3 million as at September 30, 2025, primarily due to the lease of a new office premises in Shanghai, Wuxi and Shenzhen which is in line with our business needs.

Contract Liabilities

Our contract liabilities primarily represented the advance payment made by our customers, which amounted to RMB1.4 million, RMB9.6 million and RMB13.1 million as at December 31, 2023 and 2024, and as at September 30, 2025 respectively.

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FINANCIAL INFORMATION

The following table sets forth our contract liabilities related to the contracts with customers as at the dates indicated:

	As at December 31,	2024	As at September 30,
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(unaudited)
Current contract liabilities	1,403	9,590	13,063

Our contract liabilities increased from RMB1.4 million as at December 31, 2023 to RMB9.6 million as at December 31, 2024, the increase of which is aligned with our growth in business and contracts entered with our customers.

Our contract liabilities increased from RMB9.6 million as at December 31, 2024 to RMB13.1 million as at September 30, 2025, the increase of which is aligned with our growth in business and contracts entered with our customers.

As at Latest Practicable Date, RMB1.89 million or 14.5% of the contract liabilities as at September 30, 2025 were subsequently utilized.

Current income tax liabilities

Our income tax payables represented the income tax due under the PRC corporate tax law, which amounted to RMB0.7 million, RMB4.7 million and RMB2,000 as at December 31, 2023 and 2024, and as at September 30, 2025 respectively. The increases in current income tax liabilities were consistent with our growth in profits.

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FINANCIAL INFORMATION

INDEBTEDNESS

The table below sets forth the breakdown of our indebtedness as at the dates indicated:

	As at December 31,		As at 30 September	November 30,
	2023	2024	2025	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
			(unaudited)	(unaudited)
Borrowings	7,524	25,020	22,016	39,024
Lease liabilities	—	1,370	3,316	3,326
Financial instruments with preferred rights at amortized cost	—	179,580	—	—
Total	7,524	205,970	25,332	42,350

As at November 30, 2025, being the latest practicable date for determining our indebtedness, we had outstanding indebtedness of RMB42.4 million comprising our lease liabilities of RMB3.3 million and borrowings of RMB39.0 million, mainly consist of our working capital loan received from commercial banks.

Our Directors confirm that there has not been any material change in our indebtedness and contingent liabilities since the Latest Practicable date and up to the date of this document.

CONTINGENT LIABILITIES

As at the Latest Practicable Date, we did not have any material contingent liabilities.

LIQUIDITY AND CAPITAL RESOURCES

Historically, we have financed our capital expenditures and working capital requirements mainly through cash generated from operation, bank borrowings, and Pre-[REDACTED] Investments.

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Cash Flows

The following table sets forth a summary of our cash flows for the periods indicated:

	For the year ended		For 9 months
	December 31,		ended
	2023	2024	September 30,
	<i>RMB'000</i>	<i>RMB'000</i>	2025
			<i>RMB'000</i>
			(unaudited)
Cash generated/(used in) from operations	4,585	(27,363)	(56,676)
Interest received from cash at banks	116	96	1,088
Income tax paid	<u>16</u>	<u>(786)</u>	<u>(4,688)</u>
Net cash generated from/(used in) operating activities	<u>4,717</u>	<u>(28,053)</u>	<u>(60,276)</u>
Net cash generated from/(used in) investing activities	<u>—</u>	<u>(1,176)</u>	<u>(20,832)</u>
Net cash generated financing activities	<u>26,126</u>	<u>194,300</u>	<u>105,885</u>
Net increase in cash and cash equivalents	<u>30,843</u>	<u>165,071</u>	<u>24,777</u>
Cash and cash equivalents at the beginning of the year	<u>11,933</u>	<u>42,776</u>	<u>207,847</u>
Cash and cash equivalents at the end of the year	<u><u>42,776</u></u>	<u><u>207,847</u></u>	<u><u>232,624</u></u>

Cash flows from operating activities

For the nine months ended September 30, 2025, we had net cash used in operating activities of RMB60.3 million, primarily attributable to our profit for the period of RMB31.7 million, as adjusted for non-cash and non-operating items, which primarily included (i) an increase in trade receivables of RMB19.0 million; (ii) an increase in contract assets of RMB14.2 million; (iii) an increase in other receivables and prepayments of RMB8.9 million; (iv) an increase in contract fulfilment costs of RMB31.4 million; mainly due to more project being engaged by our customer for the period and (v) a decrease in trade payables of RMB30.0 million mainly due to the settlement for the purchase of work in progress acquired from ZhongAn Technology.

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For the year ended December 31, 2024, we had net cash used in operating activities of RMB28.1 million, primarily attributable to our profit for the year of RMB33.2 million, as adjusted for non-cash and non-operating items, which primarily included (i) finance costs of RMB2.8 million; and (ii) amortization of other intangible assets of RMB1.1 million. The amount was further adjusted by changes in certain working capital accounts, primarily including (i) an increase in trade receivables of RMB81.1 million; (ii) an increase in contract assets of RMB4.4 million; (iii) an increase in contract fulfilment costs of RMB53.8 million; (iv) an increase in trade payables of RMB50.2 million; and (v) an increase in contract liabilities of RMB8.2 million.

For the year ended December 31, 2023, we had net cash generated from operating activities of RMB4.7 million, primarily attributable to our profit for the year of RMB10.1 million, as adjusted for non-cash and non-operating items. The amount was further adjusted by changes in certain working capital accounts, primarily including (i) an increase in trade receivables of RMB57.5 million; (ii) a decrease in other receivables and prepayments of RMB18.1 million; (iii) a decrease in contract liabilities of RMB13.4 million; and (iv) an increase in trade payables of RMB57.3 million.

We are in a growth phase during which we continue to incur necessary expenses, particularly in R&D expenses and distribution and selling expenses, to enhance our AI solutions infrastructure, scale up our solutions delivery, and ramp up our sales and marketing efforts. As our business continues to develop and grow, we expect our net cash outflows position to improve through greater cash generation from operating activities and enhanced cost control and operational efficiency, mainly by (i) leveraging economies of scale to control delivery costs and operating R&D expenses more effectively; (ii) improving trade receivables management and negotiating better payment terms; (iii) developing new solutions more efficiently using our XK-QianAI and QianNexus infrastructure to improve cash flow timing; and (iv) diversifying revenue streams by expanding into new industries and solutions. We will continue to review and monitor our working capital position regularly and update our liquidity and funding policies to ensure that they are aligned with our business plan and financial position. As we achieve greater scale and operational maturity, we expect our net operating cash outflow positions to improve.

Cash flows used in investing activities

For the nine months ended September 30, 2025, we had net cash used in investing activities of RMB20.8 million, primarily attributable to (i) the purchase of financial assets at fair value through profit or loss of RMB19.0 million; and (ii) the purchase of property, plant and equipment of RMB1.6 million.

For the year ended December 31, 2024, we had net cash used in investing activities of RMB1.2 million, solely attributable to the purchase of property, plant and equipment of RMB1.2 million.

For the year ended December 31, 2023, we did not carry out any investing activities and therefore did not record any cash flow movements in this regard.

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Cash flows from financing activities

For the nine months ended September 30, 2025, we had net cash generated from financing activities of RMB105.9 million, primarily attributable to (i) proceeds from contributions by equity holders of RMB100.0 million; and (ii) proceeds from borrowings of RMB34.0 million, partially offset by repayments of borrowings of RMB27.0 million.

For the year ended December 31, 2024, we had net cash generated from financing activities of RMB194.3 million, primarily attributable to proceeds from borrowings of RMB25.0 million, partially offset by repayments of bank borrowings of RMB7.5 million.

For the year ended December 31, 2023, we had net cash generated from financing activities of RMB26.1 million, primarily attributable to (i) proceeds from contributions by equity holders of RMB18.7 million; and (ii) proceeds from borrowings of RMB7.5 million.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For details of our related party transactions, see Note 34 to the Accountants’ Report included in Appendix I to this document.

Our Directors are of the view that each of the related party transactions set out in Note 34 to the Accountants’ Report included in Appendix I to this Document was conducted in the ordinary course of business on an arm’s length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

WORKING CAPITAL CONFIRMATION

During the Track Record Period, we met our working capital needs mainly from our cash and cash generated from operations, bank borrowings, and pre-[REDACTED] financing. We manage our cash flow and working capital by closely monitoring and managing our operations. We also diligently review future cash flow requirements and adjust our operation and expansion plans, if necessary, to ensure that we maintain sufficient working capital to support our business operations. We generally maintained a stable working capital position during the Track Record Period.

Taking into consideration the financial resources presently available to us, including the expected cash generated from our operations, available financing facilities and the estimated net [REDACTED] from the [REDACTED], our Directors are of the opinion that we have sufficient working capital for our present working capital requirements for at least the next 12 months from the date of this document.

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CAPITAL EXPENDITURES AND COMMITMENTS

Capital expenditures

Our capital expenditures primarily consisted of expenditures on electronic equipments including computers and laptops, as well as software copyrights.

For the year ended December 31, 2023, 2024 and for the nine-month period ended September 30, 2025, our capital expenditures were nil, RMB1.2 million, RMB1.6 million, respectively.

We will continue to make capital expenditures to support the expected growth of our business. See “Future Plans and Use of [REDACTED] — Use of [REDACTED]” for further details. We expect to fund these capital expenditures with our available cash resources and net [REDACTED] from [REDACTED].

Capital commitments

We had no capital commitment as at December 31, 2023, and 2024 and as at September 30, 2025.

OFF-BALANCE SHEET ARRANGEMENTS

As at the Latest Practicable Date, we had not entered into any off-balance sheet arrangements.

KEY FINANCIAL RATIOS

The following table sets forth a summary of our key financial ratios as at the dates or for the periods indicated:

	As at/For the year ended		As at/For the nine months ended
	December 31, 2023	2024	September 30, 2025 (Unaudited)
Revenue growth	N/A	36.6%	25.5%
Gross profit margin	13.7%	27.2%	40.8%
Net profit margin	4.5%	10.8%	10.9%
Current Ratio	1.36	2.34	3.11

Notes:

- (1) Revenue growth ratio equals revenue growth divided by revenue for the same period of the last period.

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- (2) The calculation of gross profit margin is based on gross profit for the year divided by revenue for the period.
- (3) The calculation of net profit margin is based on profit for the year divided by revenue for the period.
- (4) Current ratio is calculated based on the total current assets divided by the total current liabilities as at the end of the period.

FINANCIAL RISKS

Our business activities expose us to a variety of financial risks including foreign exchange risks, market risks, cash flow and fair value interest rate risks, price risks, credit risks and liquidity risks. For details of our financial risk management, please see Note 4 of the Accountant’s Report included in Appendix I to this document.

DIVIDEND

No dividend has been paid by us during the years ended December 31, 2024. No dividend has been paid or declared by the Company during each of the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2025.

We do not currently have a fixed dividend policy or fixed dividend pay-out ratio and may declare dividends from time to time as our Board considers appropriate in compliance with our Articles of Association and the applicable laws and regulations. Distribution of dividends will be formulated by our Board at its discretion and will be subject to shareholders’ approval. Under the PRC Company Law and our Articles of Association, all of our Shareholders holding the same class of shares have equal rights to dividends and other distributions proportionate to their shareholding.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that, as at the Latest Practicable Date, there were no circumstances which would give rise to a disclosure required under Rules 13.13 to 13.19 of the Listing Rules upon the [REDACTED] of our H Shares on the Stock Exchange.

DISTRIBUTABLE RESERVES

As at September 30, 2025, we had distributable reserves of RMB41.4 million.

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[REDACTED]

Based on the [REDACTED] [REDACTED] of HK\$[REDACTED] (being the [REDACTED] of our [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED]), the total [REDACTED] (including [REDACTED]) payable by our Company are estimated to be approximately [REDACTED] (equivalent to approximately [REDACTED]), accounting for approximately [REDACTED] of our gross [REDACTED], assuming that the [REDACTED] is not exercised. These [REDACTED] mainly include [REDACTED] and professional fees paid to legal, accounting and other advisors for their services rendered in connection with the [REDACTED] and the [REDACTED], comprising of (i) [REDACTED] of [REDACTED]-related expenses (including but not limited to [REDACTED] and fees); and (ii) [REDACTED] of non-[REDACTED]-related expenses, including [REDACTED] of fees and expenses of legal advisors and accountants and [REDACTED] of other fees and expenses.

As at September 30, 2025, we had incurred [REDACTED] of [REDACTED] for the [REDACTED], among which [REDACTED] was charged to our consolidated statement of comprehensive income. We estimate that additional [REDACTED] of [REDACTED], assuming the [REDACTED] is not exercised, will be further incurred by us. In aggregate, we expect to incur [REDACTED] for the [REDACTED], among which [REDACTED] is expected to be charged to our consolidated statement of comprehensive income and [REDACTED] is directly attributable to the issue of Shares and expected to be charged against equity upon the [REDACTED].

UNAUDITED [REDACTED] OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See “Appendix II — Unaudited [REDACTED] Financial Information”.

RECENT DEVELOPMENT

Please refer to the section headed “Summary — Recent Development” in this document for more information of our recent development.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, as at the date of this document, there has been no material adverse change in our financial and trading positions or prospects since September 30, 2025, this being the end of the period reported on in the Accountant’s Report set out in Appendix I to this document.