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OVERVIEW

Who We Are

We are a leading provider of intelligent industrial software solutions (智能工業軟件解決方案) in China, leveraging proprietary technologies and independently developed intellectual properties, according to the CIC Report. We are the largest Chinese provider in China’s advanced-industry intelligent manufacturing software companies market with a market share of 1.5% in terms of industrial software revenue from advanced industries in 2024, according to the same source. The thereof market accounts for approximately 10% of China’s industrial software market. With strong commercialization capabilities, we are one of a few China-based advanced-industry intelligent manufacturing software companies to achieve profitability.

We are committed to addressing critical bottlenecks in developing advanced-industry intelligent manufacturing software. For example, we have overcome technical barriers and challenges related to ecosystem closure and integrated the entire process of semiconductor manufacturing, making us the first and only provider in China whose fully automated CIM solutions have been validated for mass production by multiple 12-inch wafer fabs, according to CIC. This helped our customers build China’s first wafer fab powered entirely by a domestic CIM system — boosting confidence in domestic CIM solutions, according to the same source. As of December 31, 2025, the number of our customers reached 843, covering six of the top eight wafer fabs, the top three semiconductor silicon wafer manufacturing plants and the top three packaging and testing plants in China.

Our Platform Layout

Since our inception, we have gradually built a comprehensive capability framework — from foundational architecture design to application-level deployment — through our strategic “one horizontal, one vertical and one diagonal” development road map as illustrated below:

- Vertically, we continuously expand our product portfolio, offering a variety of intelligent manufacturing solutions including Manufacturing Execution System (“MES”), Equipment Automation Program (“EAP”), Yield Management System (“YMS”), Statistical Process Control (“SPC”), Real Time Dispatch (“RTD”), Advanced Planning and Scheduling (“APS”), Material Control System (“MCS”) and MessageBus.
- Horizontally, we are rooted in the core industry vertical of the semiconductor sector, comprehensively covering the entire manufacturing process — from the manufacturing of semiconductor materials (such as silicon wafers), front-end wafer fabrication to back-end packaging and testing, as well as other related high-end manufacturing processes. We have also extended our expertise into other industry verticals such as electrification, electronics, automotive, display panels, photovoltaic, chemicals, new energy batteries, high-end equipment, metal products and biopharmaceuticals.
- Diagonally, we are achieving comprehensive coverage across core functions — from R&D and production automation to operations management — bridging the factory floor and enterprise management layer.

Together, these components form our trusted “PlantU,” one-stop digital factory platform, earning the confidence of our customers.

AI

We are committed to reshaping intelligent manufacturing with AI. Supported by a dedicated implementation team, we integrate AI across both our solutions implementation and internal operations, underpinning the end-to-end rollout of multiple 8-/12-inch semiconductor intelligent-factory projects as of the Latest Practicable Date. Unlike traditional manual or fixed rule-based approaches, AI delivers tangible benefits in cost reduction, efficiency improvement, and quality improvement, which are directly perceived by business users. AI technologies also enables broader process coverage across the production line through a unified technical platform, thereby becoming a key digital enabler for the production line. Concurrent with our operational adoption of AI technologies, we have initiated an internal AI innovation challenge. This initiative is part of our multifaceted strategy to harness AI to enhance internal productivity and encourage AI innovation.

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Impacts on Our Solutions Implementation

For frontline personnel, our AI technologies deliver the following tangible business impacts across roles: (i) **Yield Management Engineers.** Our “AI Yield Management System (YMS)” predicts defect trends and equipment anomalies, reducing issue localization time by over 95% and has indirectly driven yield improvements of around 2% to 5% in certain process stages, thereby helping customers lower rework and retest frequency, improving process capability and equipment utilization; (ii) **Manufacturing Engineers.** Our “AI Robotic Process Automation (RPA) System” automates image judgment workflows and performs intelligent filtering, successfully reducing over 90% of repetitive image review tasks and keeping the overall system error rate below 0.1%, thereby lowering the frequency of human misjudgment and intervention; (iii) **Quality Engineers.** Our “AI Fault Defect and Classification (FDC) System” monitors and analyzes equipment operation data to detect potential issues early, classify fault causes and provide corresponding solutions, with the integrated application of our other quality management software, we achieved defect identification accuracy of over 95%, reaching even 99.9% in specific scenarios, thereby shifting decision-making from manual and experience-based to data-driven, thereby improving equipment reliability and availability; (iv) **Planning Engineers.** Our “AI Advanced Planning and Scheduling (APS) System” leverages AI to simulate various complex production and operational scenarios, providing comprehensive and precise planning and scheduling solutions to improve equipment and personnel utilization.

Impacts on Our Internal Operations

While our business does not involve the provision of generative AI services, we adopt AI technologies to improve internal productivity and encourage internal AI innovation. For our internal operations, AI technologies deliver the following tangible impacts across roles: (i) **R&D.** AI technologies are used to generate and optimize code, enhancing development productivity. For example, we use AI agents to automatically generate “User Interface Operation Manuals” based on input user interfaces, improving documentation efficiency; (ii) **Management.** We have developed an internal 24/7 one-stop AI Q&A assistant to support access to internal policies and operational information; and (iii) **Sales.** We foster internal AI innovation by encouraging our employees to collaboratively develop an intelligent bidding assistant. This initiative strategically automates critical processes, including tender announcement retrieval, bid document analysis, quotation strategy simulation, and bid outcome tracking, thereby systematically enhancing our capabilities in market order acquisition.

Market Opportunities and Supportive Policies

With the rapid development of AI, 5G and IoT technologies, the era of Industry 4.0 and AI+ manufacturing have arrived. China’s industry scale has ranked first in the world for 14 consecutive years, making it a significant global market for industrial software, according to CIC. Among all segments, advanced industry stands out for its high technical complexity, value-add, and level of intelligence. As a result, industrial software tailored for this segment plays a critical role in enabling innovation across R&D, production, and management. Further, the Chinese government places significant emphasis on the development of advanced industries and has introduced a series of supportive policies that provide a favorable regulatory environment for intelligent manufacturing software companies in advanced industries. According to CIC, the market size of China’s advanced-industry intelligent manufacturing software companies is expected to grow from RMB31.0 billion in 2024 to RMB62.5 billion in 2029, with a CAGR of 15.0%.

Advanced-industry intelligent manufacturing software serves multiple sectors with high-growth potentials, among which the semiconductor sector stands out for its extreme complexity — featuring diverse product lines, highly complex production environments, intricate processes, and stringent yield requirements. This makes CIM solutions — renowned as the “Digital Brain” for its stability, reliability, and comprehensive functionality — mission-critical, with an exceptionally high barrier to entry. For example, a single wafer may go through up to 2,000 process steps and thousands of equipment interactions. Any system failure can directly affect product yield and even jeopardize billion-dollar production lines.

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International players currently dominate China’s advanced-industry intelligent manufacturing software companies market, benefiting from early industrialization and rich data accumulation. According to the same source, international companies hold over 80% of the market share in China’s advanced-industry intelligent manufacturing software companies in 2024. However, in recent years, driven by policy support, geopolitical risks and cost pressures, demand for domestic alternatives is rising, creating a vast incremental market for Chinese software providers. We believe this shift is creating significant opportunities for our business expansion and revenue growth in the future.

Our Solutions

We are committed to becoming pioneers in solving the critical bottleneck challenges of advanced-industry intelligent manufacturing software companies. By seizing industry development opportunities and the trend of domestic substitution, we aim to provide trusted domestic solutions for our customers. Building on our expertise and technical strengths in the semiconductor sectors, we have successfully expanded into other fields. We primarily offer intelligent manufacturing software solutions and operations management software solutions for customers in semiconductor, electrification, electronics, automotive, display panels, photovoltaic, chemicals, new energy batteries, high-end equipment, metal products and biopharmaceuticals industries:

- **Intelligent Manufacturing Software Solutions.** We operate mainly on a project-based model, offering dozens of manufacturing-related industrial software, including MES, EAP, YMS, SPC, RTD, APS, MCS and MessageBus, along with related hardware. After project completion, we provide ongoing operation and maintenance services to maintain client relationships, explore future business opportunities and achieve long-term mutual benefits. As of December 31, 2023, 2024 and 2025, our intelligent manufacturing software solutions served 296, 367 and 444 customers, respectively, with a CAGR of 22.5% from 2023 to 2025. Our revenue from intelligent manufacturing software solutions for 2023, 2024 and 2025 was RMB254.0 million, RMB372.9 million and RMB437.0 million, respectively, with a CAGR of 31.2% from 2023 to 2025, reflecting our high-quality growth with increase in both customer base and volume expansion.
- **Operations Management Software Solutions.** We offer software solutions related to operations management, such as ERP, EAM, eRPA and IDP, together with customized implementation services to customers across industry verticals, primarily targeting large state-owned enterprises (“SOEs”). This includes secondary development and customization based on third-party software packages, implementation and maintenance services. As of December 31, 2023, 2024 and 2025, our operations management software solutions served 55, 304 and 392 customers, respectively, with a CAGR from 2023 to 2025 of 166.9%. Our revenue from operations management software solutions for 2023, 2024 and 2025 was RMB29.2 million, RMB101.1 million and RMB294.5 million, respectively, with a CAGR of 217.5% from 2023 to 2025. We also plan to develop our own ERP software, aiming to achieve domestic ERP substitution and further expand our market share.

We offer fully integrated, scalable intelligent manufacturing and operations management software solutions through a comprehensive product matrix and strong technical integration capabilities. Our solutions — from equipment-level interfaces, factory-level scheduling to enterprise-level decision-making — help customers eliminate compatibility issues and data silos caused by fragmented systems, reducing integration complexity and maintenance costs. Our PlantU product line, with its modular design and open platform architecture, allows us to deploy flexible, customized solutions tailored to different customer needs and stages of development.

We have gained recognition from industry leaders in various fields and achieved sustainable growth at scale. We focus on serving benchmark customers in different industry verticals and adopt targeted marketing strategies based on the characteristics of each industry. For example, in the semiconductor sector, we emphasize long-term cooperation with benchmark customers and continuously increase their transaction volume with new products and solutions. In other sectors, we validate our products and services through initial projects with key customers, then scale by expanding to broader customer bases.

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In the semiconductor industry, we cover 100% of China’s key manufacturing companies. We have cumulatively provided solutions to over 200 semiconductor manufacturing plants, covering key areas such as wafer fabrication, packaging and testing, semiconductor materials and semiconductor equipment, covering major semiconductor production bases in China. We have demonstrated leadership in the 12-inch semiconductor manufacturing sector and continue to lead the development of related technologies and services in China. As of December 31, 2025, we have provided intelligent manufacturing software solutions for 22 12-inch wafer fabs, seven 12-inch packaging and testing plants and eight 12-inch silicon wafer manufacturing plants, showcasing our core competitiveness and market recognition in the field of high-end semiconductor manufacturing. Our customer base includes nearly all of China’s top semiconductor manufacturers. The number of our customers increased from 357 as of December 31, 2023 to 678 as of December 31, 2024, and further to 843 as of December 31, 2025.

We are committed to achieving long-term mutual success with our customers. From 2023 to 2025, the CAGR of the number of new projects awarded reached 16.1%. Our total revenue in 2023, 2024 and 2025 was RMB286.8 million, RMB499.7 million and RMB731.5 million, respectively, with a CAGR from 2023 to 2025 of 59.7%. We have achieved large-scale profitability, with adjusted net profits (Non-HKFRS measure) of RMB26.0 million, RMB78.7 million and RMB97.3 million, and adjusted profit margins (Non-HKFRS measure) of 9.1%, 15.8% and 13.3% in 2023, 2024 and 2025, respectively.

OUR COMPETITIVE STRENGTHS

Strong Position in China’s Advanced-industry Intelligent Manufacturing Software Companies Industry

We hold a strong position in China’s advanced-industry intelligent manufacturing software companies industry. According to CIC, in terms of industrial software revenue from advanced industries in 2024, we are the largest Chinese company in China’s advanced-industry intelligent manufacturing software companies market with a market share of 1.5%. The thereof market accounts for approximately 10% of China’s industrial software market. We are also the largest Chinese intelligent manufacturing software company in the semiconductor industry in terms of industrial software revenue in 2024, ranking first among Chinese companies with a clear lead over other domestic market participants. As of December 31, 2025, we offer a broad product portfolio of intelligent manufacturing software solutions, having served over 800 customers across more than 12 industry verticals, and our solutions are applied in diverse intelligent manufacturing factories.

We have achieved several industry-first and only achievements, positioning ourselves as one of the early movers in domestic substitution in advanced-industry intelligent manufacturing software companies industry. According to CIC, we were the first in China to achieve mass production application of the 12-inch wafer fab CIM solutions, making us China’s first CIM solutions provider to support fully automated 12-inch production and ranking us the first among Chinese solution providers in terms of the number of 12-inch cases and delivery scale. See “—Case Studies of Intelligent Manufacturing Software Solutions.” Additionally, according to the same source, we are currently the only provider in China whose fully automated CIM solutions have been validated for mass production by multiple 12-inch wafer fabs. As of December 31, 2025, our solutions are widely applied in key areas such as wafer fabrication, packaging and testing, semiconductor materials and semiconductor equipment, covering the major semiconductor production bases in China. Moreover, we have helped our clients to build China’s first 12-inch wafer fab that fully utilizes domestic CIM solutions. These milestone achievements have greatly boosted the industry’s confidence in domestic CIM solutions. We continue to introduce industry solutions, and develop the industry’s leading cross-factory production collaboration platform. These efforts have led to breakthroughs in several technical subfields.

We are actively participate in and contributing our experience to standard-setting and industry progress. For example, we serve as the main leading unit for the major project of Shanghai’s strategic emerging industries (上海市戰略性新興產業重大項目) — the intelligent CIM for fully automated 12-inch (wafer) fabs (12英寸全自動半導體工廠智能CIM系統) — continuously contributing to the development of industry technology. Additionally, we have joined the Industrial Software Standards Working Group (工業軟件標準工作組) established by the National Integration of Informatization and Industrialization Management Committee (全國兩化融合標委會) and actively participated in the organization of industrial software-related standards formulation, contributing to the upgrade of intelligent manufacturing in the industry. Furthermore, we have participated in the formulation of Industrial Automation Systems and Integration (工業自動化系統與集成), a series of national standards in Mainland China.

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We maintain brand visibility and have been recognized by various authoritative institutions, government bodies and mainstream media. We have received a number of prestigious awards, including accredited as a State-Level Technologically Advanced “Little Giant” Enterprise (國家級專精特新“小巨人”企業) in 2023, a National High and New Technology Enterprise (國家高新技術企業) in 2024, a Shanghai Municipal Little Giant of Technology (Training) Enterprise (上海市科技小巨人(培育)企業) in 2023, a 2024 Shanghai Municipal Key Service Unicorn (Potential) Enterprise (2024上海市重點服務獨角獸(潛力)企業) and one of the Top 100 High-Growth Enterprises in Shanghai in the Software and Information Technology Services Industry in 2024 (2024上海軟件和信息技術服務業高成長百家). We have been recognized as one of the 2024 Semiconductor Manufacturing Technology Innovation TOP20 (2024半導體製造技術創新TOP20) and the 2024 Hurun Global Gazelle Enterprises (2024胡潤全球瞪羚企業). We were also included in the 2024 Shanghai Municipal Manufacturing Digital Products and Solutions Recommended Directory (2024上海市製造業數字化產品和解決方案推薦目錄).

Advanced R&D and Innovation Capabilities

We possess independently controlled intellectual property rights and software development capabilities. Our CIM architecture covers entire process from manufacturing execution to equipment control, logistics, and quality monitoring. It works seamlessly with systems such as ERP, and integrates with various tools and automated material handling systems on the shop floor. This setup helps us keep production running continuously and efficiently, manage logistics smartly, and track product quality and history. It has been successfully utilized in both new and existing factories, allowing for smooth transitions, fast production ramp-ups, and standardized engineering processes. This reduces integration risks and costs for our customers, while also creating high switching costs and a durable competitive moat. We have also assembled an experienced technical team of over 900 technical specialists, representing more than 80% of our workforce — one of the highest talent concentrations in China’s advanced-industry intelligent manufacturing software companies sector, according to the CIC Report. Our core team members have an average of more than 25 years of industry experience.

We have also integrated AI technology with intelligent manufacturing to help create “thinking” fully automated smart factories, driving our clients’ digital transformation. Our self-developed PlantU series solutions has incorporated AI technology into various aspects such as yield management, defect management, defect detection, automated operations and scheduling. This integration allows us to further optimize production processes and resource allocation. For instance, our integration of “AI+RPA” can reduce human errors, enhancing production line continuity and stability. The integration of “AI+FDC” monitors and analyzes equipment operation data to detect potential issues early, classify fault causes and provide corresponding solutions, thereby improving equipment reliability and availability. “AI+APC” uses production and measurement data for data mining and analysis, optimizing recipe parameters in real-time through system models to achieve more precise and efficient process control, thereby ensuring coordination and efficient operation of all production stages and enhancing overall production efficiency. “AI+YMS” enables “monitoring-analysis-prediction” full-process production management, thereby quickly identifying defects and anomalies, improving yield and ensuring stable and efficient production. “AI+APS” can optimize scheduling models and integrate supply chain demand forecasting and inventory optimization functions, achieving closed-loop intelligent decision-making from planning to execution. Meanwhile, we have also integrated AI technology with our operations management software solutions. For instance, “AI + IDP” enables intelligent extraction and processing of diverse documents, enhancing governance and ensuring security and compliance through patented AI technologies and enterprise-grade deployment. Additionally, we have comprehensively integrated AI into our internal operation processes, covering multiple core aspects such as R&D, production testing and office management. For example, by utilizing AI to automatically generate operation manuals, we effectively reduce labor costs and shorten the product development and delivery cycle.

We have established a dedicated AI team, forming unique technical barriers in key areas such as scheduling algorithms, image recognition, data analysis and data monitoring. For example, our R&D team has adopted an optimized convolutional neural network structure which achieves an image recognition accuracy rate of approximately 95%, which is a 15% improvement over the industry average, according to CIC. In data processing, we have introduced the latest unsupervised learning algorithms, which perform well in complex environments. This technological breakthrough has increased the speed at which machines extract key information from massive data by 50%.

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We continuously promote the integration of industry-academia-research achievements with practical applications by collaborating with universities and research institutions to form a healthy innovation ecosystem. We have entered into multiple contracts with universities and research institutions. Each contract defines the project scope and the roles and obligations of each party. We typically assume responsibility for the development of the solutions, construction of the operating environment of the solutions, and organization of the implementation demonstrations of the solutions in industrial scenarios, while the counterparties provide project direction and coordination with other partner units, if applicable. The intellectual property rights arising from collaboration with universities and research institutions are determined on a project-by-project basis in accordance with the relevant contractual arrangements. In general, pre-existing intellectual property remains solely owned by the original owner, new intellectual property jointly developed through the collaboration is jointly owned, and new intellectual property independently developed by a party within its scope of responsibility remains solely owned by that party. For example, we have partnered with Tsinghua University (清華大學) on the research and development project “Natural Human-Machine Interaction Software and Hardware System for Hybrid Intelligence (《面向混合智能的自然人機交互軟硬件系統》).” This project is part of the 14th Five-Year Plan national key R&D projects and focuses on tackling critical core technologies. It aims to break through key technical barriers in hardware equipment, industrial software and hybrid intelligent computing platforms, thereby promoting the integrated application of software and hardware in semiconductor manufacturing. In addition, we signed a technology development agreement with a renowned university in Mainland China to co-develop advanced algorithms for semiconductor manufacturing and data analysis, and entered into an industry-academia collaboration agreement with another renowned university in Mainland China to jointly develop a scalable YMS.

Our investment in R&D has been steadily increasing, with R&D expenses of RMB52.9 million in 2023, RMB60.1 million in 2024, RMB81.7 million in 2025, which yielded fruitful results. As of December 31, 2025, we had 49 invention patents, eight utility model patents, 386 computer software copyrights and ten copyrighted works registered in Mainland China. As of the Latest Practicable Date, we had 67 and one patent applications pending approval in Mainland China and the United States, respectively. Furthermore, in March 2025, we commenced construction of a new R&D center focusing on domestic intelligent industrial software solutions in addressing challenges relating to capacity, quality and supply chain management.

One-Stop Intelligent Industrial Software Solutions

Leveraging years of industry insights and technological accumulation, we pioneered China’s first and only CIM solutions for semiconductor manufacturers. Our product matrix spans all aspects from the factory floor to enterprise management, covering complete functional components such as manufacturing execution, equipment automation and data acquisition, quality management, production schedule planning, production and logistics automation as well as general tools and middleware. Compared to other providers in the market that offer single components or partial solutions, our PlantU one-stop platform boasts comprehensiveness. When clients adopt our solutions, they essentially gain an integrated digital factory platform, where dozens of systems are seamlessly connected, allowing data and commands to flow efficiently within the same architecture. This integration efficiently reduce system integration complexity and operational costs, helping customers ramp up production faster, improve equipment performance and product quality, shorten production cycles, and respond more quickly to issues. It also lowers overall costs by using a unified data system that makes it easier to manage, validate, and roll out across multiple sites.

Our extensive product line enables us to provide customized solutions tailored to client needs. For instance, for customers with a newly-built wafer fab, we can offer a complete set of software solutions covering things from material warehousing and production execution to yield analysis, thereby enabling immediate digital capabilities upon factory setup. For customers with existing systems, we can also provide modular deployment and seamlessly integrate our solutions with their current setup. This comprehensiveness and flexibility make our solutions suitable for advanced technology manufacturing customers at different development stages and of various types, which enhances our market competitiveness. As of December 31, 2025, we have developed 25 software solutions in-house, making us the most comprehensive in the industry.

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We provide our customers with exceptional technical implementation services, ensuring high-quality system deployment and scenario adaptation. By combining project planning consultation with implementation, and integrating standardized products with customization, we ensure that the system seamlessly aligns with our customers’ actual business processes, production standards and regional regulatory requirements. This guarantees timely and high-quality project execution.

In the field of discrete manufacturing, semiconductors have the most processes and the highest precision requirements, with extremely strict and complex international standards for materials, equipment and processes. As an industrial software that covers all aspects of semiconductor production, CIM requires not only software capabilities but also a thorough understanding of each production process and seamless integration of both. Therefore, achieving comprehensive stability in production necessitates long-term experience accumulation and trial-and-error optimization. Moreover, the data volume and the difficulty of data collection, flow and processing in semiconductor CIM solutions far exceed those in traditional manufacturing. Leveraging our industry insights, we have overcome technical barriers and challenges related to ecosystem closure and integrated the entire process of semiconductor manufacturing. We have tackled key bottlenecks such as real-time processing of massive data, cross-equipment collaborative control and dynamic process optimization, thereby creating highly reliable and market-validated products and solutions.

We excel at handling the complex system connections and data integration needs of factories. With an understanding of semiconductor manufacturing processes, our solutions effectively integrate data and processes across all stages of semiconductor design, production, logistics and quality inspection, forming an end-to-end data loop. Our products and solutions boast high performance, availability and reliability, with our developed systems expectedly achieving 99.999% uptime, supporting 24/7 continuous production to meet high-frequency production rhythms.

Through long-term symbiotic cooperation with leading international wafer fabs and other customers, we continuously accumulate process-equipment interface standards and production optimization models, resulting in high customer migration costs and strong business moats. This integrated ecosystem is not only reflected in our comprehensive support capabilities for automation upgrades in 8-inch to 12-inch production lines but also in the continuous recognition of our services by clients. As of December 31, 2025, we ranked first among Chinese solution providers in terms of the number of 12-inch cases and delivery scale.

We are committed to creating highly integrated platform-based products, and our CIM system boasts strong integration and scalability capabilities. In terms of architecture design, we adopt an open platform architecture that adheres to international standards such as SEMI, MESA, and ISA-95. This allows our system to interface with ERP and other enterprise management systems on the upper level, and adapt to various equipment interface standards on the lower level, thereby facilitating integration with our customers’ IT environments and production equipment. As a result, our solutions are more adaptable to the needs and functional scenarios of multiple industries and can support cross-industry and cross-scenario application expansion.

Customer Network and Industry Benchmark Use Cases

We have a large and diverse customer base across numerous vertical industries. Our total number of customers has grown swiftly from 357 as of December 31, 2023 to 678 as of December 31, 2024, and further to 843 as of December 31, 2025, spanning a wide range of industry verticals including semiconductor, electrification, electronics, automotive, display panels, photovoltaic, chemicals, new energy batteries, high-end equipment, metal products and biopharmaceuticals. In addition to our presence in over 30 provinces in Mainland China, our reach extends to nine other countries and regions as of the Latest Practicable Date.

We have cultivated the semiconductor field and were the first Chinese company to conquer the high-barrier area of fully automated CIM systems for 12-inch wafer fabs, according to CIC. By creating industry benchmark cases and providing solutions for various segmented scenarios, we have accumulated substantial verifiable results which allow us to thoroughly penetrate this field. Our customer base boasts industry-leading scale, reputation and stable market demand. Our customers include almost all of the top semiconductor manufacturers in the country. As of December 31, 2025, we have provided solutions to more than 200 manufacturing facilities in the semiconductor industry, covering key areas such as wafer fabrication, packaging and testing, semiconductor materials and semiconductor equipment.

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The semiconductor industry’s extreme requirements for CIM solutions stability, real-time performance and complex process adaptability drive us to continuously refine our technical depth and product reliability. This has resulted in a modular, highly compatible underlying technical architecture that can meet less complex industry needs at a lower cost. Building on our accumulation and successful practices in the semiconductor field, we have expanded into other diverse fields and vertical scenarios. We efficiently transform the AI-driven scheduling algorithms and full-process data closed-loop management capabilities, as proven in the semiconductor industry, into intelligent industrial software solutions suitable for multiple industries. Building on our accumulation and successful practices in the semiconductor field, we have extended our intelligent manufacturing capabilities into a wide range of non-semiconductor industries. In these advanced industries, we apply our modular, AI-driven architecture to facilitate full-process data integration, predictive quality control, flexible scheduling and compliance automation. Our proprietary solutions, domain know-how and ability to adapt to complex, multi-stage workflows position us as a trusted technology partner for industrial digitalization and intelligent transformation across diverse sectors.

For example, in the electronics industry, especially in relation to the assembly of 3C devices (computers, communication and consumer electronics) and industrial control boards, demand for precision, speed and flexible mixed-model lines is rising. Frequent model changes and high integration make traditional surface mount technology (“SMT”) changeovers slow and defect rates high. Our intelligent manufacturing software solutions address these challenges step by step. We connect SMT, insertion, packaging and testing through MES to shorten changeover time and improve yield. AI vision with ADC-based defect classification detects micro-solder issues, tombstoning and component offsets with higher accuracy. APS dynamically schedules multiple lines and resources, optimizes takt, and alerts bottlenecks to ensure stable implementation. Through the adoption of our intelligent manufacturing software solutions, we enable electronics assemblers to achieve board-level serialization and full-process traceability, thereby enabling consistent quality and compliance.

As a further illustration, in the automotive industry, the accelerating shift towards electrification and intelligent systems has heightened the importance of precision, flexibility and supply chain coordination in component production. Our intelligent manufacturing software solutions help automotive customers adapt to small-batch, multi-variant, high-precision demands by enabling AI-powered anomaly detection and process optimization, synchronizing multi-step assembly operations through MES integration and establishing full-process traceability from material intake to final testing.

Additionally, by accurately understanding international market demands, we have made internationalization a long-term focus of our development. We have established subsidiaries in Singapore, Malaysia and Japan. Leveraging local advantages and human resources, we have provided intelligent manufacturing services to over ten factories. In July 2025, we were named one of the “Top 100 Emerging Chinese Globalization Forces” (中國企業全球化新勢力100強), recognizing our strong capabilities and future potential in global expansion through localized operations, compliance excellence and ecosystem building. With our CMMI5 (software capability maturity level five) international standard certification in 2025 — the highest globally recognized standard for software capability maturity — we have established a foundation for consistently offering high-reliability, high-quality intelligent industrial software solutions, reinforcing the efficiency, trustworthiness and excellence of our localized services. As of the Latest Practicable Date, we have gained recognition from local customers in Singapore and Malaysia and achieved profitability.

We provide reliable customer service and have earned a strong brand reputation by upholding our core value of “Customer First.” Our 24/7 on-site support ensures rapid response and continuous optimization to meet evolving client needs. Additionally, our standardized cross-module UI design aligns with local user preferences, reduces learning curves, and reshapes user habits — accelerating adoption through an intuitive and seamless experience. The continued relevance and utility of our solutions naturally lead to sustained customer interaction and long-term collaboration. The number of new projects awarded increased from 409 as of December 31, 2023 to 551 as of December 31, 2025, reflecting a CAGR from 2023 to 2025 of 16.1%.

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Leveraging the influence of industry-leading customers and efficient marketing strategies, we possess a strong ability to acquire high-retention customers. According to the CIC Report, our sales and marketing efficiency is ahead of the industry average, with the revenue generated per member of our sales and marketing team exceeding RMB12.8 million as of December 31, 2025. At the same time, our selling and marketing expenses only accounted for 7.0% of revenue in 2025.

Strong M&A and Integration Capabilities and Scalable Business Model

During the Track Record Period, we expanded our nationwide presence by combining a scalable business model with strong M&A integration capabilities. Our strategy — rooted in an understanding of global CIM industry dynamics — follows a structured approach that mirrors the growth paths of leading international players.

Since our inception, we have completed over ten acquisitions, integrating experienced software companies and absorbing advanced technologies. This allowed us to quickly fill product gaps, build a comprehensive intelligent industrial software solutions, and extend our reach across industries, products, and scenarios. Our M&A approach is tailored: we acquire startups with core technologies at reasonable valuations and integrate companies through synergy and resource alignment. This helps address the fragmented intelligent industrial software solutions market while reducing development and customer acquisition costs.

Post-acquisition, we follow a structured three-phase integration approach to ensure seamless alignment and long-term value creation. In the first phase, we focus on integrating core functions such as human resources, finance and information technology. The second phase expands to key business units including sales, product development and operations. In the third phase, we concentrate on technical integration, covering R&D standardization, product testing and shared infrastructure optimization. Alongside this phased approach, we focus on unifying R&D systems, standardizing technical frameworks, and fostering cross-team collaboration. Shared infrastructure and streamlined processes have improved R&D efficiency. Our open and inclusive culture supports smooth team integration, with the retention rate of our core talent (vice president level or above) exceeding 95% over four years. We avoid short-term valuation-adjustment mechanisms common in the industry, instead prioritizing long-term value creation and technological synergy. Through unified brand management, standardized systems, and incentive alignment, acquired teams contribute meaningfully to our strategic goals.

Our dual-track strategy of organic growth and targeted acquisitions has driven measurable results. For example, through the integration of companies such as ShenZhen Semi-Tech, (formerly known as ShenZhen Weixun Info and Tech Co., Ltd (深圳微迅信息科技有限公司)) and SEMI Integration (Suzhou) Co., Ltd. (固耀软件科技(苏州)有限公司), we have further expanded our product line layout, built full-chain technical capabilities, expanded our customer network and achieved cross-industry expansion. Notably, by acquiring Beijing Zhi Yang and Beijing Huiliu, we have further enhanced our industry experience and delivery capabilities in business management, solidified our industry chain layout in the manufacturing field and addressed our customers’ digital transformation needs in an efficient manner. At the same time, leveraging our brand endorsement and financial strength, Beijing Zhi Yang has achieved rapid revenue growth alongside business breakthroughs, creating complementary advantages and mutually beneficial outcomes for all stakeholders.

In 2023, 2024 and 2025, we recorded total revenue of RMB286.8 million, RMB499.7 million and RMB731.5 million, respectively, with a CAGR from 2023 to 2025 of 59.7%, being the fastest-growing company among the top ten intelligent manufacturing software companies in China in terms of revenue from advanced industries in 2024 in terms of CAGR of relevant revenue from 2022 to 2024, according to CIC. This growth underscores our effective coordination of diversified businesses and highlights the value generated by the strategic synergy between our acquired companies and our core businesses.

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Management Team with Extensive Industry Expertise

Our executive Director, chairman of the Board and chief executive officer, Mr. Li Gangjiang (李鋼江), is a software industry integration expert with a strong sense of social responsibility, a technological innovator and a business leader. Mr. Li graduated from Tsinghua University (清華大學) with a bachelor’s and master’s degree in computer science and holds an executive master’s degree in business administration from China Europe International Business School (中歐國際工商學院). Mr. Li was awarded the opportunity to pursue his studies for a doctorate degree in electronic information at Tsinghua University in Beijing in July 2020, and has been pursuing his PhD since then. He has extensive academic and industry expertise and resources and is widely recognized in both fields. Additionally, he has unique insights and extensive experience in the capital markets. Before founding our Company, Mr. Li led core technology development at tech giants such as Microsoft, Intel and Google, and is the listed inventor of over 40 domestic and international invention patents. He later served as a senior executive at internet companies including tv.Sohu.com (搜狐視頻) and Baidu (百度), gaining insights and practical experience in the software industry ecosystem and management. As a serial entrepreneur, Mr. Li founded industry-leading listed companies such as Gaotu Education Technology Group Co., Ltd. (高途教育科技集團有限公司) (as a co-founder) and Baijiayun Group Ltd. (百家雲集團有限公司) (as a founder). He is dedicated to promoting the localization of China’s industrial software, continuously injecting momentum into China’s intelligent manufacturing through his cross-industry integration capabilities, technological passion and social responsibility.

Our Chief Scientist, Mr. Min Dong Sik (閔東植), has over 32 years of experience in software development and over 20 years of experience in the semiconductor intelligent manufacturing field. He worked at SK Hynix Semiconductor Inc. (海力士) and had also served as the president of Chinese Corporation for MIRACOM Inc Co., accumulating extensive industry resources and international management experience. Our executive Director and president, Ms. Zhang Ying (張影), has over 20 years of experience in the semiconductor intelligent manufacturing software field. She has served as an executive director and the general manager of Guyao Software Technology (Suzhou) Co., Ltd., a company primarily engaged in research and developing software technology products and computer system integration solutions, becoming a pioneer in domestic alternatives. Our head of Enterprise Application Software Center, Mr. Ma Zhen (馬楨), possessed extensive experience in the operations management software field. As the founder and General Manager of Beijing Zhiyang Tongda Technology Co., Ltd (北京智揚通達科技有限公司), he has led the promotion and implementation of over 100 large-scale ERP projects for state-owned enterprises and central government agencies. Our head of Digital & Intelligent Products Center, Mr. Zheng Anyou (鄭安佑), was highly experienced during the semiconductor and big data industries. He served as the founder and General Manager of Suzhou Vida Technologies Co., Ltd (蘇州威達數據科技有限公司), and also held the position of General Manager at a software and data-services company which focused on Yield Management Solution.

We have built an efficient, stable and highly effective team within the industry. Our team boasts strong technical research and development capabilities, extensive practical industry experience, keen business insights and international perspectives. We offer our employees generous compensation and benefits, a comprehensive training system and ample career development opportunities, thereby fostering a positive company culture.

OUR STRATEGIES

Further Strengthening Our Position in the Intelligent Industrial Software Solutions Sector

As a leading provider of domestic intelligent industrial software solutions, we are rooted in the core vertical field of the semiconductor industry. We have established technological barriers in the intelligent industrial software sector.

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We plan to deepen our product layout and expand our market share in the CIM field and, through a platform-driven strategy, build an intelligent industrial software ecosystem. Our goal is to strengthen our position and advance toward becoming a competitive participant in the intelligent industrial software sector. Our core initiatives within this strategic direction include:

- **Continuous Iteration and Upgrade of Core Software Products and Solutions.** We will continuously iterate and upgrade the PlantU one-stop platform by integrating downstream customer needs with technological development trends, while expanding into new categories to form a comprehensive product matrix. These upgrades will further elevate the informatization, automation and intelligence levels of our product matrix, supporting our customers in optimizing their production management.
- **Developing Cross-industry Intelligent Industrial Software Solutions.** Leveraging our proven success in semiconductors, we are extending our intelligent industrial software solutions to other selected vertical industries. By combining in-house R&D with accumulated industry know-how and integrated ecosystem and technical resources, we aim to deploy tailored solutions across advanced and other industries.
- **Continuous Construction of Industrial Software Ecosystem.** Centered around intelligent manufacturing software, we will gradually expand into operations management and research and design software — aiming for end-to-end coverage from design to production automation and operations management. Specifically, this includes deepening the implementation and self-development of ERP, developing ERP systems tailored for advanced manufacturing industries and accelerating a series of research and design software, including a portfolio of computer-aided design (“CAD”) and Product Lifecycle Management (“PLM”) software. We will seize the business opportunities brought by digital transformation to empower customers across different industries with intelligent, efficient solutions.
- **Expansion of Semiconductor Advanced Equipment Hardware and Software Integration Business.** We plan to strategically engage in hardware businesses by investing in companies focusing on semiconductor industrial control hardware and conducting R&D on related advanced equipment surrounding the semiconductor manufacturing process. This will strengthen our full-process service capabilities in the CIM field. This initiative is expected to enhance our end-to-end service capabilities in the CIM and, in the future, enable integration with our core CIM products to deliver more comprehensive “software + hardware” solutions to customers.

Through the above measures, our goal is to become a domestic intelligent industrial software solutions platform company rooted in semiconductor intelligent manufacturing with multi-industry collaboration, covering the entire lifecycle of “design — production — management.”

Continuously Strengthening R&D Investment

We possess core technologies in intelligent manufacturing, independently controlled intellectual properties and software development capabilities. In the future, we will continuously strengthen our R&D investment and reconstruct our core intelligent industrial software solutions through AI technology. This will enable an integration of AI technology with manufacturing scenarios, thereby providing effective digital transformation pathways for our global customers. Our core initiatives within this strategic direction include:

- **AI Empowerment.** We are committed to creating fully automated intelligent factories with autonomous thinking capabilities for our customers. In the future, we plan to continuously optimize the critical components of our AI capabilities. Subsequently, we will integrate AI into other areas based on customer needs to build AI+ fully digital platform capabilities.

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- **Strengthening R&D Team Development.** We will continue to enhance our R&D team, deepen our technological barriers and recruit top global talent in areas such as industrial software, big data and AI. Through specialized training and talent mentorship programs, we will ensure the rapid growth of our R&D personnel, thereby strengthening our position in the intelligent industrial software solutions field.
- **New R&D Center.** We plan to construct and establish a R&D center in Shanghai. With the objective of upgrading and enhancing our overall R&D environment, this initiative is expected to strengthen our technological capabilities and reinforce our position in the development of technologies.
- **Industry-Academia-Research Innovation Incubation.** Currently, we have established long-term strategic partnerships with renowned universities and research institutions such as Tsinghua University. Together, we explore core technological breakthroughs in AI technology and intelligent manufacturing. In the future, we will further expand our cooperation scope, continuously deepen joint R&D and collaboration with top domestic and international universities, research institutions and industry ecosystem partners and participate in key national R&D projects. This will enable us to continuously provide solutions in the intelligent industrial software solutions field.

Through the above measures, we are building an ecosystem based on independently controlled core intelligent manufacturing technologies, with AI integration as the engine and industry-academia-research collaboration as the accelerator. This will further solidify our technological moat in the intelligent industrial software solutions field and help our customers maintain a sustainable competitive advantage.

Optimizing Operational Efficiency and Scientific Management to Unlock Talent Potential

As a Chinese intelligent industrial software company, we recognize the critical importance of internal collaboration, standardized technical protocols, performance evaluations and promotion systems in effective business management. We plan to leverage advanced technologies, including AI, to enhance our internal operations. By implementing scientific management practices, we aim to unlock the potential of our teams and build a high-performance talent pipeline. Our core initiatives within this strategic direction include:

- **Enhancing Internal Management Efficiency.** We will leverage advanced technologies such as AI to enhance our internal operations and achieve efficiency breakthroughs. By integrating AI-assisted tools into various stages, including R&D, technical testing and product demonstrations, we aim to enhance development efficiency, shorten testing cycles, rapidly iterate software solutions and reduce maintenance costs. This will help us build an intelligent internal operational system.
- **Strengthening Team Building and Optimizing Talent Development Mechanisms.** To further scale our business and enhance responsiveness, we plan to recruit technical and sales elites across industries to expand and strengthen our existing R&D and sales and marketing teams. Additionally, we will continuously optimize our compensation system, implement equity incentive plans, foster a cohesive team culture, and establish clear promotion pathways to ensure the stability and growth of our core talent.

Through these initiatives, we will continuously enhance our operational efficiency, reduce operating costs and build a more resilient corporate system.

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Empowering and Expanding Domestic and International Customer Base to Become a Global Intelligent Industrial Software Solutions Provider

We will continue to deepen our cooperation with existing customers and implement our solutions in more core segments and new application scenarios within the intelligent manufacturing chain, thereby expanding our customer base. Simultaneously, we will prioritize internationalization as a long-term growth strategy, proactively expanding into high-value overseas markets by accompanying key customers in their global expansion and thereby deepening our partnerships and penetration abroad. For instance, we have collaborated with a leading global supplier of automotive parts to execute multiple projects across Poland and France, primarily involving the provision of overseas ERP implementation services. We also plan to establish new delivery centers in Mainland China and overseas, with the dual objective of optimizing and expanding our current delivery center network and enhancing the capabilities of our application teams.

As of the Latest Practicable Date, we have gained recognition from local customers in Singapore and Malaysia and achieved profitability. In the future, we will increase our efforts in building sales and service teams in Malaysia, Singapore, Hong Kong and Japan to ensure rapid coverage of global leading customers and improve the overall efficiency of our sales and marketing activities in overseas markets. We will gradually enrich our domestic and international customer base with the aim of achieving organic synergy between our domestic and international operations. While continuously exploring the value of intelligent manufacturing scenarios in the domestic market, we will leverage our overseas sales and service teams to establish regional competitive advantages. We will continuously optimize our technological strengths, solutions delivery capabilities and integrated service capabilities, aiming to further enhance our market influence.

Accelerating Technological Accumulation through Strategic Acquisitions, and Enhancing Competitiveness through Integration and Synergy

We have accelerated our technological accumulation through several acquisitions. By strategically acquiring and thoroughly integrating these businesses, we have successfully transformed our Group from a specialized CIM solutions provider to a comprehensive intelligent industrial software solutions provider. We have enhanced our semiconductor fabrication and large-scale manufacturing industrial software solutions, improved our service experience with major Chinese SOEs in intelligent manufacturing and ventured into new downstream application fields. Leveraging our brand strength and financial resources, we have successfully integrated the acquired businesses to further enhance our operational efficiency and improve our financial performance during the Track Record Period. Driven by the synergy effects generated from the successful integration of acquired business lines into our core operations, we have not only continued to diversify our product portfolio but also achieved notable improvements in operational efficiency and cost optimization across key financial metrics. Our selling and marketing expenses as a percentage of revenue decreased from 9.6% in 2023 to 7.2% in 2024 and further to 7.0% in 2025. Such improvements are a direct reflection of our proven capabilities to integrate technology stacks, consolidate acquired resources, and streamline overlapping workforce and capital investments. By uniting key technologies and top talent, we have built a product matrix and a core team with strong R&D, industry insight, and global vision. This has driven our cross-industry, cross-product, and cross-scenario expansion and synergy, accelerating our business growth and strategic execution. Our global perspective enables seamless integration of diverse corporate cultures and enhances overall competitiveness.

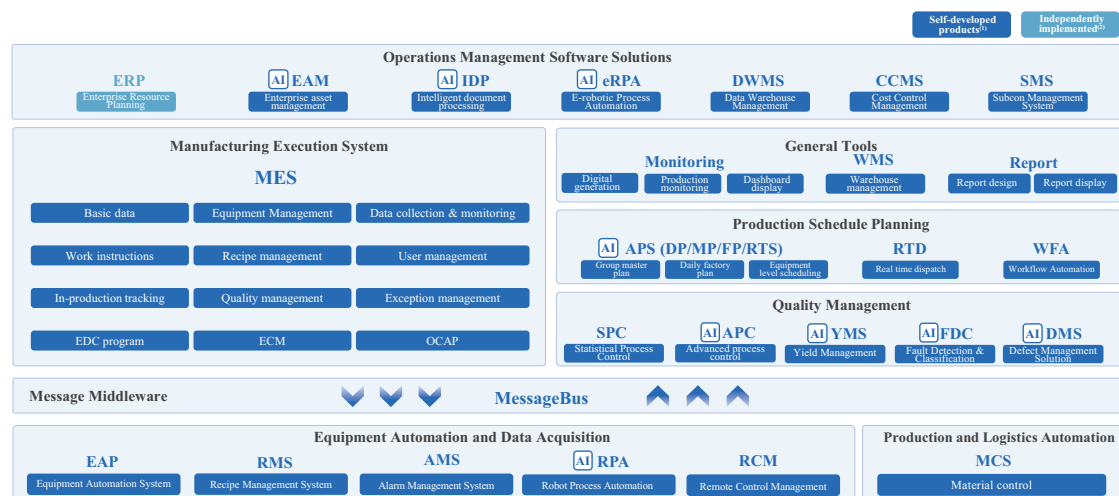
Looking ahead, we plan to continue seeking suitable acquisition or investment targets based on considerations in multiple dimensions, including industry sector, technological level, talent advantage, financial performance and team culture. We will focus on the complementarity and compatibility of potential targets with our own business. Through integration mergers, incubation mergers, intellectual property mergers and expansion mergers, we aim to explore business opportunities in other advanced manufacturing sectors, aiming to further deepen our product matrix and build a one-stop platform for domestic intelligent industrial software solutions. As of the Latest Practicable Date, we had not proposed investing in any specific acquisition target nor had we identified any specific targets for the use of [REDACTED] from the [REDACTED].

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OUR SOLUTION OFFERINGS

Overview

We are a leading provider of intelligent industrial software solutions (智能工業軟件解決方案) that offers one-stop solutions, ranging from production to operations management, through our proprietary PlantU series software products, to companies in the semiconductor industry and other advanced industries. We mainly offer two major types of software solutions, namely (i) intelligent manufacturing software solutions (智能製造軟件解決方案), all of which are self-developed; and (ii) operations management software solutions (經營管理軟件解決方案). Our PlantU series software products comprehensively address the intelligent manufacturing and management needs of manufacturing facilities — including production, operations and equipment management — while enabling consistent and integrated execution, manufacturing and enterprise-level administration. Our PlantU series offers core software products spanning across manufacturing execution, equipment automation, quality control, productivity efficiency, material control and operations management, as set out in the following table.



- (1) Self-developed products: These refer to software products that are independently developed by us, with full ownership of the associated core intellectual property rights.
- (2) Independently implemented: This category refers to software products for which the original suppliers provide only the software licenses without accompanying implementation services. Leveraging our in-house technical and consulting capabilities, we independently undertake the deployment, system integration, implementation and post-deployment support tailored to the specific needs of its customers.

Intelligent manufacturing software solutions, with computer integrated manufacturing (“CIM”) (計算機集成製造) solutions being a representative primarily deployed by the semiconductor manufacturers within their manufacturing processes, functions as the “brain” of high-end manufacturing. CIM system integrates computer software to control, automate and document the entire semiconductor fabrication process — from silicon wafer manufacturing to front-end wafer fabrication and back-end packaging and testing. In addition to the semiconductor industry, our intelligent manufacturing software solutions are also utilized in other advanced industries. Our intelligent manufacturing software solutions enable companies in industries to achieve rapid system deployment, enhance production yield and improve productivity. This is crucial for both established companies striving to compete on cost, quality and cycle time, and new entrants with limited experience in building their first manufacturing facilities. Our operations management software solutions help companies streamline their core business processes — including finance, human resources, asset management, compliance, manufacturing, supply chain, sales and procurement — with a unified view of activities and provide a single source of truth.

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We adopt a modular approach in offering our solutions to customers. Each of our PlantU series software products can be offered individually or as part of integrated solutions, tailored to meet specific customer needs and requirements across essential factory domains. The underlying software products for each of these domains are connected through a message bus. This out-of-box integration provides synchronized real-time communication to enable seamless decision-making logic flow that controls the complex manufacturing operations in a semiconductor and high-end manufacturing facility. In addition, our off-the-shelf capabilities to offer standalone software product can help customers ramp up new manufacturing facility swiftly.

Intelligent Manufacturing Software Solutions

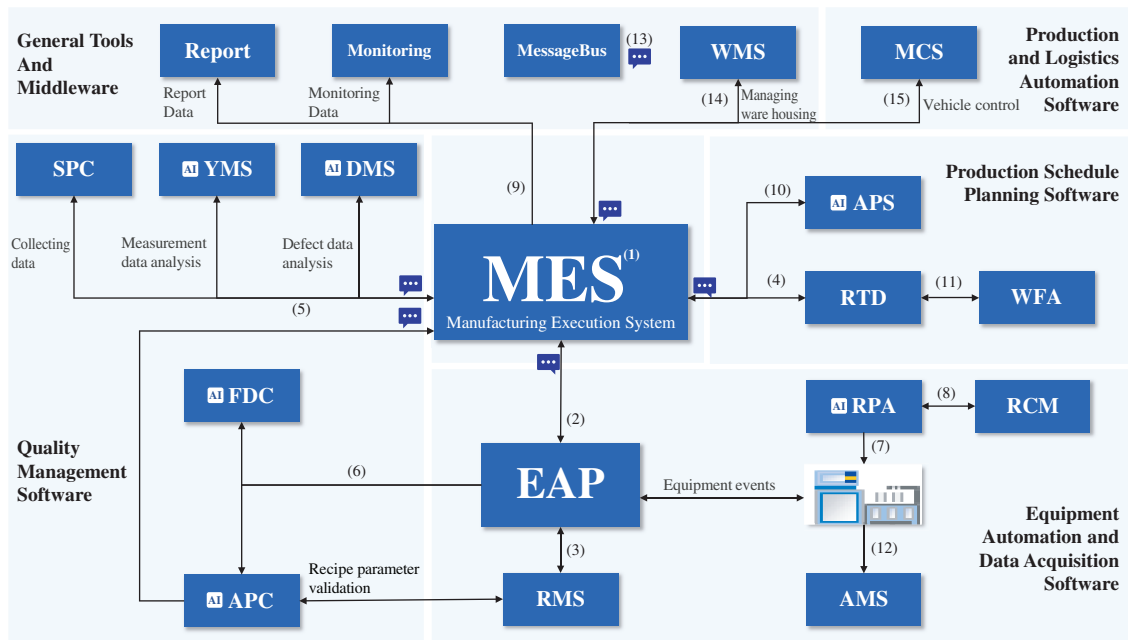
Our PlantU intelligent manufacturing software solutions consist of the following major software products:

- **Manufacturing Execution System:**
 - Manufacturing Execution System (“MES”) (製造執行系統): MES seamlessly integrates and manages the entire manufacturing process to ensure real-time monitoring and control.
- **Equipment Automation and Data Acquisition Software:**
 - Equipment Automation Program (“EAP”) (設備自動化): EAP automates equipment operations and data collection, minimizes manual errors and boosts efficiency.
 - Other software products include Recipe Management System (“RMS”) (程序管理系統), Alarm Management System (“AMS”) (報警管理系統), Robotic Process Automation (“RPA”) (機器人流程自動化) and Remote Control Management (“RCM”) (遠程控制管理).
- **Quality Management Software:**
 - Yield Management System (“YMS”) (良率管理系統): YMS analyzes yield data to identify and address root causes of defects.
 - Statistical Process Control (“SPC”) (統計過程控制): SPC monitors and controls quality with precision.
 - Other software products include Defect Management System (“DMS”) (缺陷管理系統), Fault Defect and Classification (“FDC”) (缺陷檢測與分類) and Advanced Process Control (“APC”) (高級制程控制).
- **Production Schedule Planning Software:**
 - Real Time Dispatch (“RTD”) (實時派工系統): RTD combines real-time work-in-progress status, equipment and process conditions as well as bottleneck situations to provide the optimal production sequence.
 - Other software products include Advanced Planning and Scheduling (“APS”) (高級計劃與排程) and Workflow Automation (“WFA”) (工作流自動化).

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- **Production and Logistics Automation Software:**
 - Material Control System (“MCS”) (物料管理系統): MCS enables automated material transport between production lines and warehouses, between different warehouses and between different production lines.
- **General Tools and Middleware:**
 - MessageBus (消息中間件): MessageBus enables reliable and efficient communication across systems and components within the manufacturing environment.
 - Other software products include Monitoring (智能監控看板), Report (報表系統) and Warehouse Management System (“WMS”) (倉儲管理系統).

The following diagram illustrate the inter-relationship between each of our intelligent manufacturing software products.



- (1) **MES as the core “brain” of intelligent manufacturing:** MES spans the entire manufacturing process, issuing instructions, collecting data, and performing analysis and decision-making.
- (2) **MES and EAP:** When equipment starts operating, the EAP system receives data generated from the equipment and transmits it to the MES system for verification.
- (3) **MES, EAP and RMS:** At the start of equipment operation, EAP checks whether the selected recipe complies with standards; during equipment operation, MES verifies whether the recipe selected for processing on the equipment matches the required specifications.
- (4) **MES and RTD:** MES determines the priority sequence of equipment actions during manufacturing.
- (5) **MES and SPC, YMS, DMS:** MES collects all process data during production for quality and yield analysis.
- (6) **MES and FDC, APC:** MES gathers and analyzes processing data during production for advanced process control and fault detection.
- (7) **RPA and Equipment:** RPA remotely controls equipment, simulating manual operations.
- (8) **RCM and RPA:** RCM issues instructions to RPA, which automatically processes the instructions.
- (9) **MES and Report, Monitoring:** MES provides visual dashboards for viewing various factory information and reports.
- (10) **MES and APS:** MES uses data on equipment and production volumes to enable intelligent planning and scheduling.

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- (11) **RTD and WFA:** RTD automates equipment dispatching, selecting the next batch for processing when a machine becomes idle and determining the next transport target after batch completion.
- (12) **AMS and Equipment:** AMS tracks abnormal signals from equipment and triggers alarms to alert relevant personnel.
- (13) **MES and MessageBus:** MessageBus acts as the factory’s neural network responsible for transmitting information and instructions quickly and reliably between MES and various equipment, sensors, and other systems.
- (14) **MES and WMS:** MES is the commander of the production line, focusing on how to manufacture, while WMS is the steward of materials, managing storage and distribution. Together, they ensure precise and efficient flow from raw materials to finished products.
- (15) **MES and MCS:** MES determines what materials are needed for production and issues instructions, while MCS receives these instructions and accurately executes material retrieval, picking, and delivery to keep the production line running without interruption.

Operations Management Software Solutions

PlantU operations management software solutions primarily feature our Enterprise Resource Planning (“**ERP**”) (企業資源計劃) system and our Enterprise Asset Management (“**EAM**”) (企業資產管理) system, enhanced through our customized implementation services. Our ERP system integrates and streamlines every aspects of a business’s operations — including finance, human resources, manufacturing, supply chain, sales and procurement — for optimized operational efficiency and informed decision-making. Our EAM system, a comprehensive asset lifecycle management platform tailored for the power generation industry, integrates core functions across production, operations, equipment, business management and safety to ensure secure and intelligent plant operations. These featured solutions are further complemented by other in-house add-on components and systems, such as e-Robotic Process Automation (“**eRPA**”) (機器人流程自動化), Intelligent Document Processing (“**IDP**”) (智能文檔平台), Data Warehouse Management System (“**DWMS**”) (數據倉庫管理), Cost Control Management System (“**CCMS**”) (製造成本管理) and Subcon Management System (“**SMS**”) (委外管理系統).

Our Edge

Leveraging our strong in-house technological innovation capabilities and ongoing efforts to diversify our product portfolio, our intelligent manufacturing software solutions and operations management software solutions collectively form a comprehensive suite of intelligent industrial software solutions and as a whole, our software solutions present distinct advantages and compelling value propositions that differentiate us from our competitors:

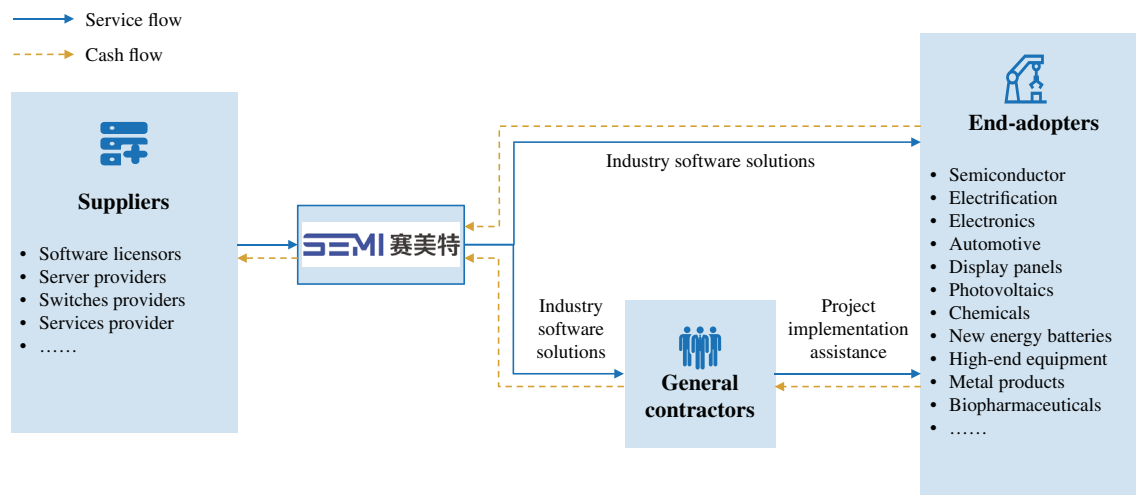
- **Proven Performance Record and Industry-Grade Reliability.** We have a proven performance record as a provider of intelligent industrial software solutions and are trusted for years with mission-critical tasks by our customers. Advanced industries, in particular, semiconductor fabrication, are characterized by a wide variety of products, short cycles, multiple batches and highly complex processes with demanding precision as well as high stability requirements. Our solutions are designed with exceptionally high standards for system stability, performance and anomaly handling. Recognizing our customers’ usual hesitance in trying out new system, solution and service providers due to the high stakes involved in the manufacturing processes, we have fortified our position as a reliable CIM system provider, earning the trust of our customers through offering high-quality software products and our industry experience.
- **Solutions with End-to-end Coverage.** With our intelligent industrial software solution offerings, we are able to satisfy customer needs at every juncture of their business operations, represented by our solutions which serve the entire lifecycle of semiconductor fabrication and other high-end manufacturing. As a result, our customers are empowered with a panoramic view of their manufacturing processes and facilities for one-stop management. We are also committed to expanding our solutions as our customers’ demands evolve. In addition, our intelligent manufacturing software solutions and operations management software solutions offer full-cycle software products for customers, from production management, business management, planning and scheduling, quality management, logistics management, equipment automation and data acquisition to software products that are of general business applications.

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- Flexible and Customizable Solutions.** Our solutions are designed to be offered in flexible configurations, whether modular-based or custom-made, to meet specific needs of our customers. With extensive experience in developing industry-specific solutions, we have accumulated valuable insights, particularly for industries with complex customization requirements. Each software product of our solutions can operate independently or be seamlessly integrated with our other software offerings with minimal changes. Our solutions can also be customized to integrate with the customer’s own software systems and facilities, ensuring flexibility and compatibility with customers’ existing technology infrastructure.
- Fully-automated System Solutions for Semiconductor Mass Production.** Through strategic investments and the acquisition of software companies within the semiconductor sector, we are the first and sole Chinese CIM solution provider in China capable of offering fully-automated mass production solutions for 12-inch wafers as of the Latest Practicable Date, setting us apart from our competitors, according to CIC. With our technology accumulation and industry insights, we have demonstrated leadership in the 12-inch semiconductor manufacturing sector and continue to lead the development of related technologies and services in China.

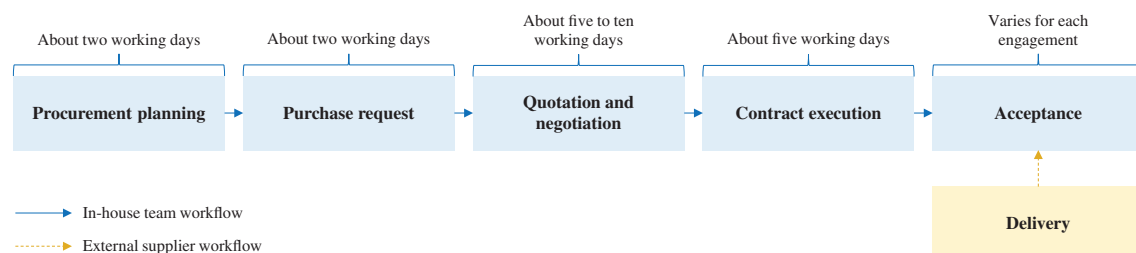
Transaction and Fund Flows

The flowchart set forth below illustrates the service flow and fund flow of our business model.



Operational Workflow

For our intelligent manufacturing software solutions and operations management software solutions, we may procure certain products or services from external suppliers. The flowchart set forth below illustrates the principal operational workflow involving procurement:



- Procurement Planning.** We evaluate the procurement plan after sales contract signing (typically about two working days).

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- **Purchase Request.** Our business unit submits purchase requests based on project needs (typically about two working days).
- **Quotation and Negotiation.** Our procurement team conducts price comparison and negotiation (typically about five to ten working days).
- **Contract Execution.** We sign procurement agreement with suppliers (typically about five working days).
- **Delivery and Acceptance.** Our supplier delivers materials and services, and we perform acceptance after the supplier has fulfilled its obligations. The timeline varies depending on the complexity and scope of each engagement.

To ensure efficient delivery and quality assurance, our operational workflow involves clearly defined roles between our in-house team and external suppliers. Each party undertakes specific responsibilities throughout the implementation process.

Our in-house team is generally responsible for overall project management, solution design, system integration, and post-deployment support. The role of suppliers depends on the specific type of solutions. Where suppliers are involved, their major responsibilities include:

- **Intelligent Manufacturing Software Solutions.** Suppliers may be responsible for hardware procurement, transportation, delivery and software installation.
- **Operations Management Software Solutions.** Suppliers may be responsible for providing ERP system licensing and technical support.

OUR SELECTED FINANCIAL AND OPERATING DATA

Our Operating Data

The following table sets forth key operating data as of/for the years indicated.

	As of/for the year ended December 31,		
	2023	2024	2025
Movement of customers ⁽¹⁾	141	255	261
Average customer value ⁽²⁾ (RMB'000) . . .	2,034	1,960	2,803
Tender success rate ⁽³⁾	37.0%	41.7%	46.1%
Number of projects delivered ⁽⁴⁾	358	565	562
Number of new projects awarded	409	467	551
Early termination/ cancellation of projects ⁽⁵⁾	4	5	3
Average customer acquisition cost ⁽⁶⁾ (RMB'000)	141	174	188
Number of backlog projects ⁽⁷⁾	320	287	336
Price range of major projects ⁽⁸⁾ (RMB in millions)	1.4 to 23.7	0.8 to 27.2	1.8 to 40.0
Selling expenses ratio ⁽⁹⁾	9.6%	7.2%	7.0%
Revenue generated per member of sales and marketing team ⁽¹⁰⁾ (RMB'000) . . .	7,966	11,104	12,833
Revenue per employee ⁽¹¹⁾ (RMB'000) . . .	411	579	708
Adjusted net profit per employee ⁽¹²⁾ (RMB'000)	37	91	94

(1) Movement of customers represents the total number of customers that generated recognized revenue during the current year. This is distinct from the accumulated customer figure, which is calculated based on the cumulative number of new business entities with which we have established business relationships.

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- (2) Average customer value equals our revenue of the business segment divided by our number of customers that contributed recognized revenue (movement of customers) in the relevant year.
- (3) Tender success rate equals the number of customers successfully awarded to us from projects acquired through public tendering divided by the total number of customers we submitted bids for under the public tendering method.
- (4) Number of projects delivered represents the number of projects passing inspection by the customers for which revenue was recognized in the current period.
- (5) The early termination or cancellation of our projects by customers was primarily due to changes in their business needs, as a result of which they chose not to proceed with or continue to perform the relevant contracts.
- (6) Average customer acquisition cost equals the total selling and marketing expenses divided by the number of new customers (new customers refer to customers awarded projects in the relevant year and multiple new projects awarded to the same customer were counted as one customer) for the current period.
- (7) Number of backlog projects refers to the total number of projects that we have not been delivered as of December 31 for each relevant year. The discrepancy between this number and the number of backlog projects in the immediate preceding year plus the number of new projects awarded minus the number of projects delivered minus the number of early termination/cancellation of projects in the current year is mainly due to us having entered into certain framework agreements and maintenance contracts with some of our customers, for which revenue is recognized over multiple years on an ongoing basis.
- (8) Price range of major projects represents the price range of projects that together account for about top 75% of our signed project amount in the respective period.
- (9) Selling expenses ratio refers to selling and marketing expenses divided by the recognized revenue in the relevant year.
- (10) Revenue generated per member of sales and marketing team refers to the recognized revenue divided by the average numbers of employees in the sales and marketing team (the average of the number of sales and marketing employees at the beginning and end of the current year) in the relevant year.
- (11) Revenue per employee refers to the recognized revenue divided by average numbers of all employees (the average of the number of employees at the beginning and end of the current year) in the relevant year.
- (12) Adjusted net profit per employee refers to the adjusted net profit divided by average numbers of all employees (the average of the number of employees at the beginning and end of the current year) in the relevant year.

During the Track Record Period, we achieved growth in the movement of customers and number of new projects awarded. On one hand, this can be attributed to our sustained investment in R&D and continuous product iteration, which have driven the ongoing maturation of our product and technology portfolio. Coupled with our services, this has enabled us to gradually accumulate customers and industry benchmark cases, thereby continuously enhancing our comprehensive competitiveness and brand influence in the field of advanced manufacturing. On the other hand, the Acquisitions have effectively complemented our product matrix and strengthened our technological foundation. Building on this, we have integrated sales channels and shared customer resources, achieving integrated “full-suite” sales, bundled sales, and cross-selling. This has further broadened our customer coverage, enhanced customer stickiness, and improved our tender success rate and average customer value.

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Major Projects

The table below sets forth details of the ten largest projects by revenue recognized during the Track Record Period.

	Contract sum (including VAT)	Revenue recognized in			Background of the end adopter	Place of implementation	Solutions sold	Duration between contract signing date and acceptance date (Months)
		2023	2024	2025				
	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)				
1. . . .	#	-	-	72,734	State-owned enterprise	Beijing, Lanzhou, Xi'an	Operations Management Software Solutions	on-going
2. . . .	48,160	-	22,717	22,728	State-owned enterprise	Several cities in China	Operations Management Software Solutions	15
3. . . .	42,000	-	38,114	-	State-owned enterprise	Qingdao	Intelligent Manufacturing Software Solutions	15
4. . . .	#	-	-	35,398	State-owned enterprise	Ningbo	Intelligent Manufacturing Software Solutions	on-going
5. . . .	#	-	-	26,184	State-owned enterprise	Guangzhou	Operations Management Software Solutions	on-going
6. . . .	29,199	-	-	25,840	Private company	Chengdu	Intelligent Manufacturing Software Solutions	11
7. . . .	28,700	27,075	-	-	State-owned enterprise	Shanghai	Intelligent Manufacturing Software Solutions	20
8. . . .	26,976	-	-	24,751	Private company	Chengdu	Intelligent Manufacturing Software Solutions	15
9. . . .	26,500	-	-	24,433	State-owned enterprise	Yixing	Intelligent Manufacturing Software Solutions	20
10. . . .	#	-	-	22,966	State-owned enterprise	Beijing	Operations Management Software Solutions	on-going

Indicates that the total contract amount for these projects is not fixed, as certain projects comprise multiple individual contract orders and not all contract orders were fully performed during the relevant year. Accordingly, the revenue expected to be recognized will be determined based on actual settlement.

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From time to time, we have undertaken certain projects that resulted in losses due to a combination of factors, including: (i) intense market competition, where we lowered contract prices to pursue strategic projects; (ii) unclear requirements during the pre-sales stage or insufficient clarity in on-site project management, leading to scope changes and extended timelines; (iii) insufficient IT staffing or limited experience on the customer side, requiring us to allocate additional resources for guidance and support, thereby increasing costs and prolonging project duration; and (iv) project suspension or termination initiated by customers, which prevented us from recovering the full contract amount. In 2023, 2024 and 2025, the amount of loss from our loss-making projects was RMB11.1 million, RMB3.5 million and RMB3.0 million, accounting for 3.9%, 0.7% and 0.4% of our total revenue during the same periods, respectively, reflecting a declining trend over the Track Record Period.

Our Financial Data

The table below sets forth our revenue breakdown by product type in absolute amounts and as percentages of our total revenues during the Track Record Period:

	For the year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Intelligent manufacturing software solutions	254,017	88.6	372,919	74.6	437,012	59.7
Operations management software solutions	29,215	10.2	101,134	20.2	294,484	40.3
Others ⁽¹⁾	3,540	1.2	25,639	5.2	—	—
Total	286,772	100.0	499,692	100.0	731,496	100.0

(1) Our other business primarily included the procurement, refurbishment and resale of semiconductor equipment (including lithography machines and etching machines).

During the Track Record Period, nearly all of our revenue were generated through our customized solutions.

The following table sets forth a breakdown of our revenue by geographical market, both in absolute amount and as a percentage of our total revenue, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
<i>(RMB in thousands, except for percentage)</i>						
Mainland China	265,161	92.5	474,729	95.0	719,329	98.4
Singapore	12,647	4.4	22,817	4.5	7,497	1.0
Malaysia	8,637	3.0	1,268	0.3	4,613	0.6
Others ⁽¹⁾	327	0.1	878	0.2	57	0.0
Total	286,772	100.0	499,692	100.0	731,496	100.0

(1) Our other geographical markets mainly included Poland, Serbia, France and Taiwan region of the PRC.

We recorded a relatively high revenue in Singapore in 2024, primarily due to a project with revenue of RMB8.0 million. We recorded a relatively low revenue in Singapore in 2025 because three key customers operating in the semiconductor industry in Singapore reduced their procurements because of their lower demands for intelligent manufacturing software solutions in

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2025. We recorded a relatively low revenue in Malaysia in 2024, primarily because a key customer operating in the semiconductor industry in Malaysia temporarily reduced its procurement. The key customer in Malaysia gradually recovered its procurement in 2025, which led to our higher revenue in Malaysia in 2025.

The following table sets forth a breakdown of our revenue by type of customers, both in absolute amount and as a percentage of our total revenue, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentage)</i>					
End adopters	257,940	89.9	457,059	91.5	662,256	90.5
General contractors	28,832	10.1	42,633	8.5	69,240	9.5
Total	286,772	100.0	499,692	100.0	731,496	100.0

Our revenue generated from customers operating in the semiconductor industry was approximately RMB217.0 million, RMB366.7 million and RMB415.4 million in 2023, 2024 and 2025, accounting for 75.7%, 73.4% and 56.8% of our total revenue in the same years, respectively.

The following table sets forth a breakdown of our gross profit and gross profit margin by geographical market for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentage)</i>					
Mainland China	114,642	43.2	182,712	38.5	254,021	35.3
Singapore	6,906	54.6	13,960	61.2	3,746	50.0
Malaysia	4,284	49.6	341	26.9	2,425	52.6
Others ⁽¹⁾	255	78.0	794	90.4	39	68.4
Total	126,087	44.0	197,807	39.6	260,231	35.6

(1) Our other geographical markets mainly included Poland, Serbia, France and Taiwan region of the PRC.

We recorded a relatively high gross profit margin in Singapore in 2024, primarily due to a project with revenue of RMB8.0 million and relatively high gross profit margin. Our gross profit margin was relatively low in Malaysia in 2024, primarily because a key customer operating in the semiconductor industry in Malaysia associated with relatively high gross profit margin temporarily reduced its procurement.

The following table sets forth a breakdown of our gross profit and gross profit margin by type of customers for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	Amount	%	Amount	%	Amount	%
	<i>(RMB in thousands, except for percentage)</i>					
End adopters	112,967	43.8	181,280	39.7	236,586	35.7
General contractors	13,120	45.5	16,527	38.8	23,645	34.1
Total	126,087	44.0	197,807	39.6	260,231	35.6

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INTELLIGENT MANUFACTURING SOFTWARE SOLUTIONS

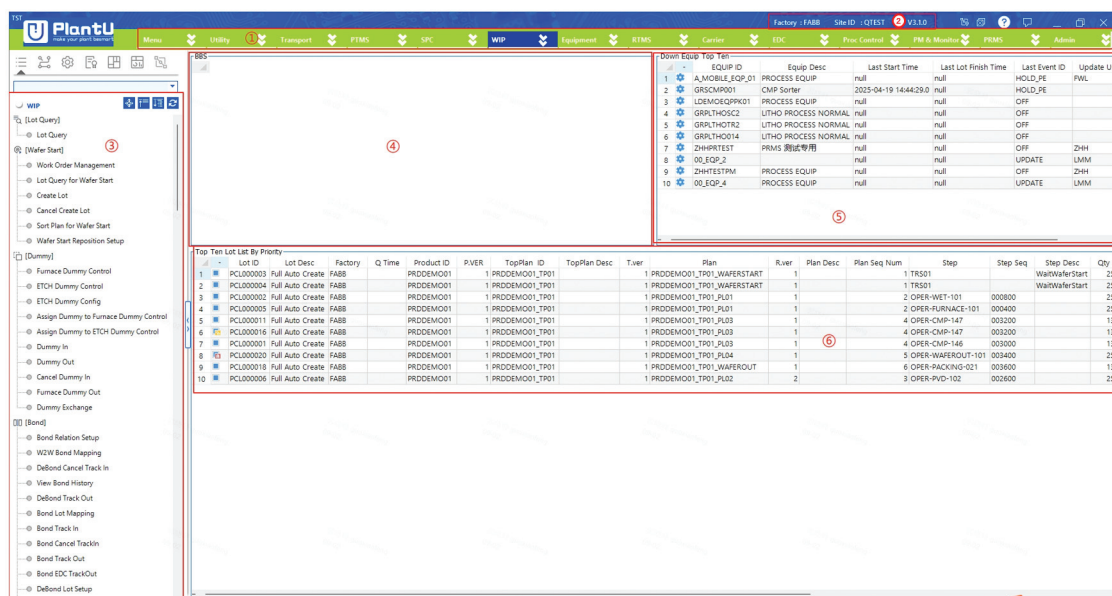
Manufacturing Execution System

PlantU Manufacturing Execution System (MES)

PlantU MES is our flagship software product for the semiconductor industry and other advanced industries. MES is the operational backbone of a semiconductor and high-end manufacturing facility. It is the central hub for managing, controlling and optimizing manufacturing execution and processes. PlantU MES is designed to optimize the entire production process by monitoring and streamlining the flow of materials throughout a manufacturing facility, thereby empowering customers to make informed and data-driven decisions across the facilities and address issues in real time.

PlantU MES supports fast ramp-up of new manufacturing plant (including wafer fabs, foundry, and back-end packaging and testing) plants, and silicon wafer manufacturing plants. PlantU MES is compliant with various international standards, including SEMI, MESA and ISA-95, making it ideal for adoption by semiconductor manufacturers while also being suitable for general industrial applications.

The following graphic illustrates the interface of PlantU MES as applied and displayed at a manufacturing facility:



- (1) Summary of functional interfaces serves as a navigation shortcut, enabling users to quickly access the corresponding interface for efficient operation.
- (2) Buttons that allow users to close all windows, access help documents, send messages and manage user permission groups.
- (3) Function list displays the available features associated with the selected module. By hovering the cursor over an icon, users can quickly understand and access its capabilities.
- (4) Electronic bulletin board displays important announcements and updates, showing the ten most recent posts to keep users informed of critical information.
- (5) Down equipment list provides a real-time overview of all currently offline equipment, enabling users to quickly identify and respond to system outages. The list displays the ten most recent downed devices.
- (6) High-priority lot list provides an at-a-glance view of all high-priority lots currently active in the factory, enabling users to monitor and respond to urgent production needs efficiently. The list displays the ten most recent lots.

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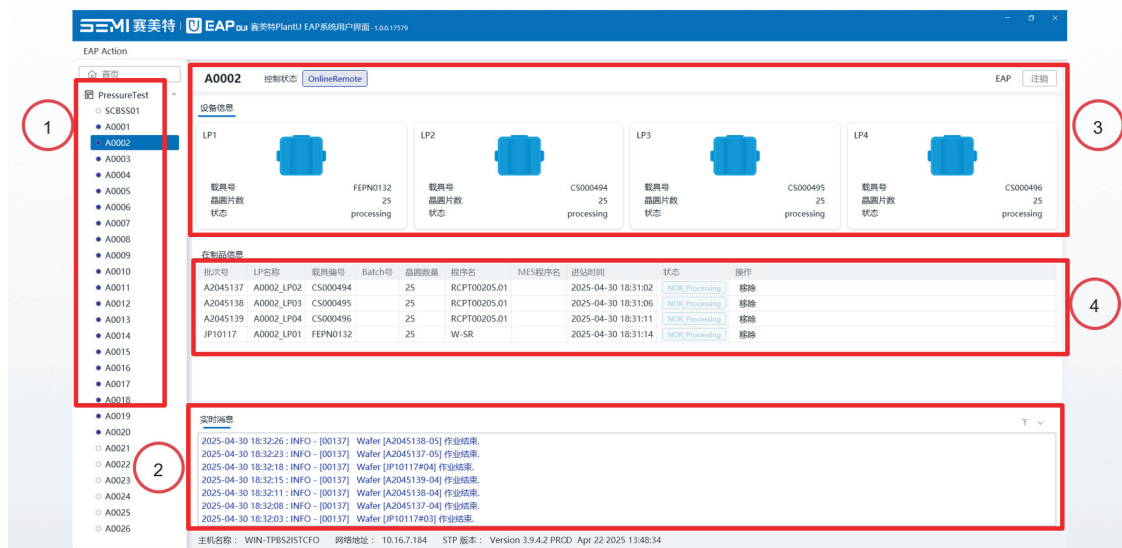
PlantU MES improves our customers’ manufacturing processes in the following aspects: (i) **24/7/365 Operations.** PlantU MES provides 24/7/365, uninterrupted and up-to-the-minute reporting of actual manufacturing operations. It efficiently handles large data volumes, ensures stable product quality and supports full automation, thereby guaranteeing continuous and reliable operations; (ii) **Optimized Sequencing.** PlantU MES achieves significant cycle time reductions by determining and implementing efficient production sequencing. PlantU MES also synchronizes production processes across the supply chain to optimize production execution and to ensure stable product quality; (iii) **Resource Allocation and Control.** PlantU MES manages all relevant resources for manufacturing operations. It also manages and tracks the movement and storage of raw materials, work-in-progress items and finished products, as well as the transfer between and within work centers. These capabilities can reduce manual value-added actions and improve resource utilization and minimize waste; (iv) **Real-time Production Tracking.** PlantU MES can track and trace the real-time status of production and disposition of work, including demonstration and documentation of compliance with regulatory and quality requirements. It enables forward and backward traceability of components and their use within each end product and provides comprehensive insights into the production process for accurate decision-making; (v) **Equipment and Workforce Performance.** PlantU MES monitors resource usage based on elapsed usage time and production quantities, ensuring maintenance requirements are met. It also tracks personnel training and certification, optimizing work assignments to enhance productivity; (vi) **Performance Analysis and Reporting.** Through various analytical tools and big data analysis, it enables accurate performance analysis, monitoring anomalies and performing predictive and preventive analysis. Real-time feedback also enables swift identification and resolution of manufacturing issues; and (vii) **Global Supply Chain Management.** PlantU MES facilitates global supply chain management by ensuring the efficient operation of manufacturing facilities across multiple locations.

Equipment Automation and Data Acquisition Software

PlantU Equipment Automation Program (EAP)

PlantU EAP is one of the cornerstone software products of our intelligent manufacturing software solutions. It serves as a bridge between MES (and other upstream systems) and manufacturing equipment, facilitating equipment information transmission, data acquisition and upload, process control, abnormalities capture and other interactions with upstream systems. PlantU EAP integrates equipment data to enable automation flow and sequence testing, run-time troubleshooting and diagnostics and centralized user maintenance. PlantU EAP helps customers achieve increased equipment utilization rate as well as reduced manual errors and scrap losses.

The following graphic illustrates the interface of PlantU EAP as applied and displayed in a manufacturing facility:



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- (1) Displaying the EAP list for the selected operation area with an overview of equipment status, allowing users to seamlessly switch between equipment to view their respective real-time operational details.
- (2) Displaying real-time EAP operation logs and enabling querying of historical log data.
- (3) Displaying equipment status information, load port status and carrier operation status.
- (4) Displaying work-in-progress item list for equipment operations, showing real-time batch content and status, and supporting deletion of work-in-progress data by batch ID or lot ID.

PlantU EAP improves our customers’ manufacturing processes in the following ways: (i) **Early Warning and Disaster Control**. PlantU EAP provides early warnings in case of abnormalities, thereby enabling the users to identify and address potential problems and avoid obstacles and subsequent production issues. In the event of emergencies or serious abnormalities, it has the capability to autonomously halt the relevant equipment or processes to manage the incident effectively; (ii) **Quality Improvement**. PlantU EAP supports other systems to improve product yield and quality. PlantU EAP can monitor quality metrics and ensure consistency of data and instructions, leading to better overall product quality; (iii) **Reduce Manual Steps**. Through implementing PlantU EAP, manufacturers can reduce manual operation steps through automation. This saves costs but also minimizes the risk of human error, leading to more reliable and accurate production outcomes; (iv) **Seamless Communication with Message Middleware**. PlantU EAP supports seamless communication with various message middleware, thereby promoting interoperability and flexibility with the existing systems of our customers; and (v) **Integrated Data Management and Analysis**. PlantU EAP compiles and distributes data collection records to the appropriate upstream systems for analysis and feeds process control information to downstream software. It integrates with other software products of our PlantU intelligent manufacturing software solutions, such as PlantU APC, to analyze equipment performance and identify hidden cycle time losses, enhancing overall efficiency and yield.

Other Software Products

We also offer other equipment automation and data acquisition software products that can operate independently or in complement with PlantU EAP. These software products include: (i) **PlantU Recipe Management System (RMS)**. PlantU RMS centralizes the management of production line equipment programs, standardizes the creation and review processes, compares program parameters and controls access to prevent unauthorized modifications or anomalies; (ii) **PlantU Alarm Management System (AMS)**. By collecting real-time alarm data from individual equipment and systems, PlantU AMS configures different handling methods such as machine shutdown, sending notifications, locking equipment and generating repair orders to reduce the risk of quality issues; (iii) **PlantU Robotic Process Automation (RPA)**. PlantU RPA is an advanced automation technology that allows software robots to automatically handle a large number of repetitive and rule-based workflow tasks, thereby reducing human errors, improving efficiency and lowering operational costs; and (iv) **PlantU Remote Control Management (RCM)**. Through remote centralized monitoring and control, PlantU RCM (a) increases workforce productivity, (b) shortens response times, (c) improves equipment utilization rates, (d) enhances the human-machine ratio, (e) reduces defective products, and (f) ultimately boosts the overall equipment effectiveness, enabling management across multiple manufacturing facilities.

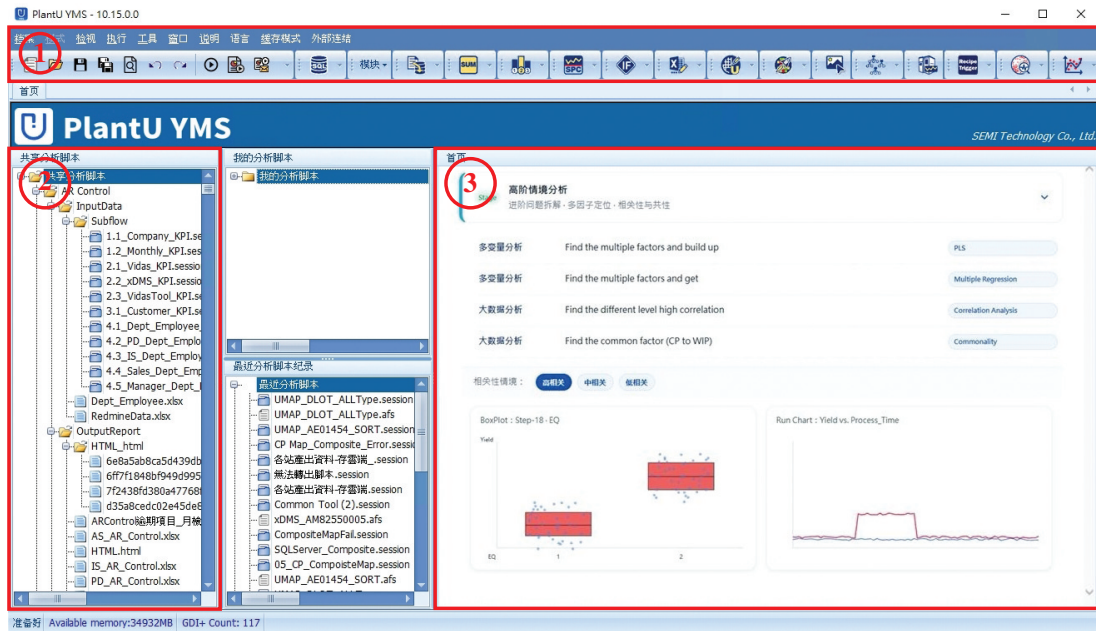
Quality Management Software

PlantU Yield Management System (YMS)

PlantU YMS is a data management and analysis system that is specifically designed to ensure rigorous control and provide efficient and accurate analysis of product quality. PlantU YMS combines statistical analysis, big data and AI to accurately analyze the root causes of yield issues. Leveraging AI algorithms, PlantU YMS intelligently identifies key factors impacting quality and streamlines root cause analysis by automatically classifying defect types. This automation enables richer, more comprehensive analytical insights, allowing teams to proactively prevent recurring issues and drive continuous yield improvement through data-informed decisions.

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The analytics interface, as shown, enables multivariate and big data analysis, allowing users to rapidly isolate root causes and explore correlations across complex datasets through advanced statistical and visualization techniques. The following graphic illustrates the interface of PlantU YMS as applied and displayed in a manufacturing facility:



- (1) Menu bar, function list, toolbar, and module list: It is equipped with navigation shortcuts to facilitate efficient access by operators to corresponding interface panels.
- (2) Public, private, and recent script lists: It displays all configured scripts currently available, which define the rules and logic for data analysis.
- (3) Data display windows linked to corresponding functions.

PlantU YMS improves our customers’ manufacturing processes in the following ways: (i) **Automated Root Cause Analysis.** By leveraging big data analytics, PlantU YMS can automatically analyze equipment and engineering parameters to identify the root cause of yield issues, effectively reducing the diffusion of abnormal quality; (ii) **AI-driven Defect Classification.** Utilizing AI and big data algorithms to identify equipment fault parameters and other factors affecting yield, PlantU YMS classifies defect types automatically, thereby providing a basis for further analysis; (iii) **Integrated Statistical Analysis.** Through incorporating statistical algorithms tailored for each production line at manufacturing facilities, PlantU YMS enables users to conduct statistical analysis and quickly detect data anomalies; and (iv) **Powerful and Flexible Data Processing.** With a powerful and flexible data processing function, PlantU YMS allows users to define data processing tasks through a simple drag-and-drop interface for efficient usability.

Other Software Products

We also offer other quality management software products that can operate independently or in complement with PlantU YMS. These software products include:

- **PlantU Statistical Process Control (SPC):** PlantU SPC is a software product used in manufacturing to systemically monitor and regulate production processes. Through collecting and analyzing real-time data at various stages of production and comparing the real-time data with required specifications based on configured rules, PlantU SPC can identify potential abnormalities, thereby allowing for timely corrective actions to be implemented. When specifications are exceeded, measures will be taken through MES, EAP and other external systems to eliminate abnormalities and restore process stability.

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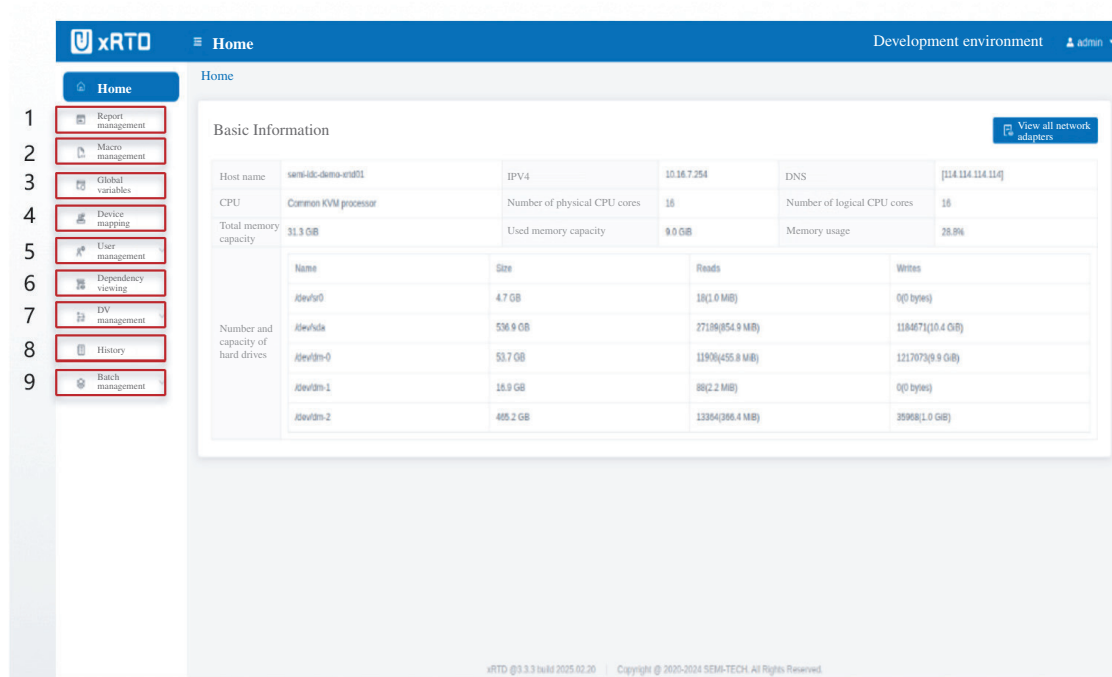
- **PlantU Defect Management System (DMS).** PlantU DMS is equipped with a powerful interactive interface for defect analysis and automated defect data processing. It improves defect correction rates and accelerates the investigation of defect causes. It also processes data generated by fault detection equipment and provides an enhanced defect analysis interface, thereby increasing the efficiency of defect analysis.
- **PlantU Fault Defect and Classification (FDC).** Through collecting equipment parameters, observing changes in these parameters and detecting any adverse trends in the equipment, PlantU FDC effectively prevents uncontrollable factors from impacting production and helps to prevent or reduce production scrap.
- **PlantU Advanced Process Control (APC).** Primarily through data mining and analysis on a large amount of real-time data and measurement data generated during the operation of the controlled object, PlantU APC establishes a system operation model and uses this model for real-time optimization and control of recipe parameters.

Production Schedule Planning Software

PlantU Real Time Dispatch (RTD)

PlantU RTD is a real-time dispatching and reporting system equipped with various dispatch rules, aiming to enhance the user’s decision-making capabilities and boost productivity throughout the entire manufacturing facilities. It combines real-time work-in-progress status, equipment and process conditions as well as bottleneck situations to provide the optimal production sequence. PlantU RTD seamlessly integrates with MES and other intelligent manufacturing software solutions and can function across all interconnected systems. PlantU RTD operates based on internationally and locally recognized optimization rules and parameters, while also offering extensive customization options. This flexibility allows our customers to input their own operating rules and priorities, thereby ensuring that the optimization process is tailored to meet their specific needs.

The following graphic illustrates the interface of PlantU RTD as applied and displayed in a manufacturing facility:



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- (1) Report management: This feature allows users to manage the list and grouping of rules, as well as edit the logic for different machine rules.
- (2) Macro management: Users can manage the abstract reusable logic parts within the rules.
- (3) Global variables: This feature manages the global variable properties within the rules, making it convenient to set multiple rules at once.
- (4) Machine mapping: This feature manages the mapping relationship between rules and machines, thereby facilitating the publishing and launching of rules.
- (5) User management: Users can manage system users and their role permissions.
- (6) Dependency viewing: This feature allows users to query the dependency relationships of various internal elements based on their associations.
- (7) Dynamic view management: After rules are published and launched, this feature manages dynamic views to accelerate query speeds.
- (8) History records: This feature records user operations within the system.
- (9) Batch management: This feature facilitates the batch upgrading of rules and the batch replacement of internal macros.

PlantU RTD improves our customers’ manufacturing processes in the following ways: (i) **Rapid Calculation of Dispatch Results.** PlantU RTD allows for rapid calculation of dispatch results through its pre-calculation and on-demand dispatching mechanism. This ensures that production schedules are optimized and downtime is minimized; (ii) **Enabling Fully Automated Production.** PlantU RTD supports fully automated production by integrating real-time dispatching capabilities with other high-end manufacturing systems. This allows for seamless coordination between various production stages, ensuring that tasks are executed steadily and automatically without manual intervention and reducing likelihood of human error; (iii) **Minimizing Production Bottlenecks.** To minimize production bottlenecks, PlantU RTD employs a sophisticated RTD system that dynamically adjusts to changing conditions on the facility floor. It identifies potential bottlenecks and reallocates resources in real-time to maintain a smooth production flow; and (iv) **Optimizing Raw Materials Usage.** PlantU RTD optimizes the use of raw materials through fully automated production planning, ensuring that production plans are precise and stable. This reduces waste and ensures that raw materials are used efficiently, contributing to cost savings and sustainable production practices.

Other Software Products

We also offer other production schedule planning software products that can operate independently or in complement with PlantU RTD. These software products include:

- **PlantU Advanced Planning and Scheduling (APS).** This software product is designed to address production planning and scheduling issues, including planning sorting problems and resource allocation challenges, on a real-time basis. It is capable of building specialized engines for various manufacturing fields and developing simulation models that incorporate numerous rules and constraints.
- **PlantU Workflow Automation (WFA).** This is a visual workflow development platform designed for IT operations personnel. It enables the rapid development of automated production business processes, supports message forwarding and human-machine interaction processes for multi-system integration and integrates access to mainstream databases.

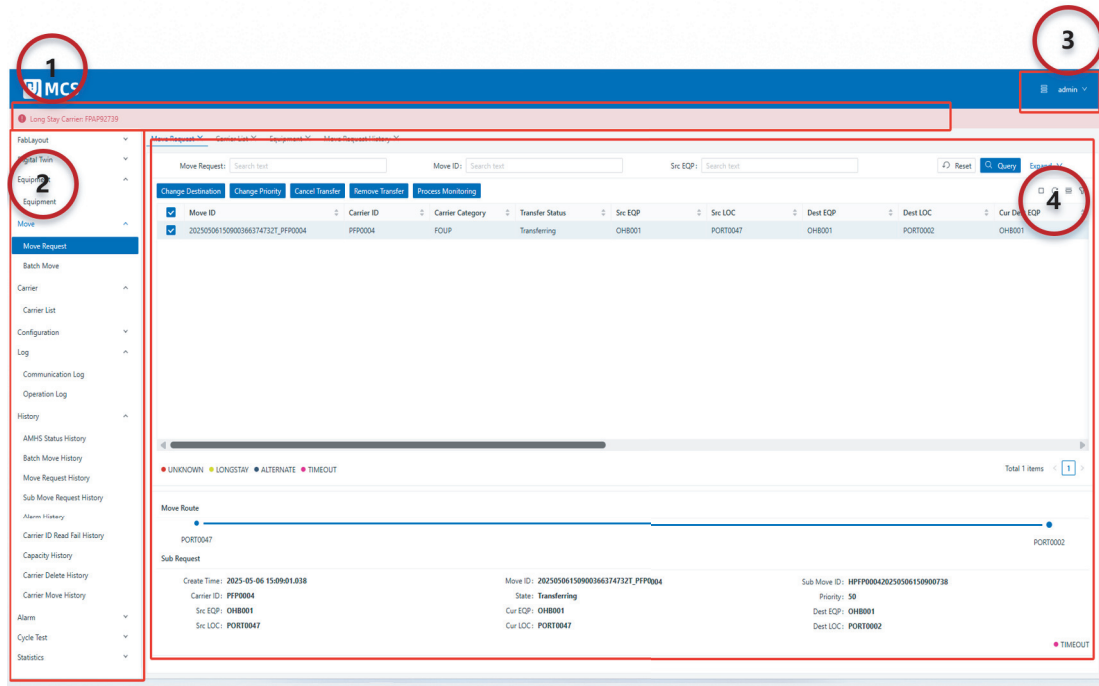
Production and Logistics Automation Software

PlantU Material Control System (MCS)

PlantU MCS is a system used in manufacturing for managing material transport paths. By standardizing communication and interaction with various types of transport equipment, PlantU MCS enables automated material transport between production lines and warehouses, between different warehouses and between different production lines. This streamlines production management and improves overall efficiency.

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The following graphic illustrates the interface of PlantU MCS as applied and displayed in a manufacturing facility:



- (1) This area displays alarm information from lower-level machines.
- (2) This area includes functional aspects such as facility layout, digital twin, equipment management, carrier management, configuration management, task management, log management, history record management, alarm management, cyclic transport test management and statistical analysis.
- (3) This area displays information about the logged-in user.
- (4) This area displays information about ongoing transport tasks. Users can change task priority, change destination, cancel tasks and delete tasks. The list shows the macroscopic tasks currently in progress. Selecting a task provides detailed insights into the associated microscopic tasks being executed.

PlantU MCS improves our customers’ manufacturing processes in the following ways: (i) **Pre-emptive Congestion Avoidance.** PlantU MCS can impose restrictions on areas with high transport flow. By doing so, it prevents congestion in these areas, ensuring smooth and efficient material transport throughout the manufacturing facility; (ii) **Load Balancing.** When PlantU MCS detects carrier congestion, it will automatically avoid routes with low transport capacity. By distributing the load evenly across multiple routes, it reduces transport time and prevents bottlenecks; (iii) **Avoiding High Concurrency Blockages.** PlantU MCS can specify the number of commands per batch move. This prevents high concurrency from causing blockages and ensures that other concurrent tasks are not affected; (iv) **Support for Customizing Optimal Paths.** PlantU MCS gives users the flexibility to disable certain paths and adjust routes to find the most suitable ones for their needs. This customization allows for more efficient and tailored transport solutions; (v) **Algorithm for Calculating Optimal Paths.** PlantU MCS uses past transport records to calculate the best transport routes. By analyzing historical data, it identifies the most efficient paths for material transport, thereby optimizing the overall process; and (vi) **Automatic Task Priority Adjustment.** If a task is not completed on time or cannot reach its destination, PlantU MCS can automatically adjust the task priority. This ensures that critical tasks are prioritized and completed promptly, thereby maintaining the smooth operation of the production line.

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General Tools and Middleware

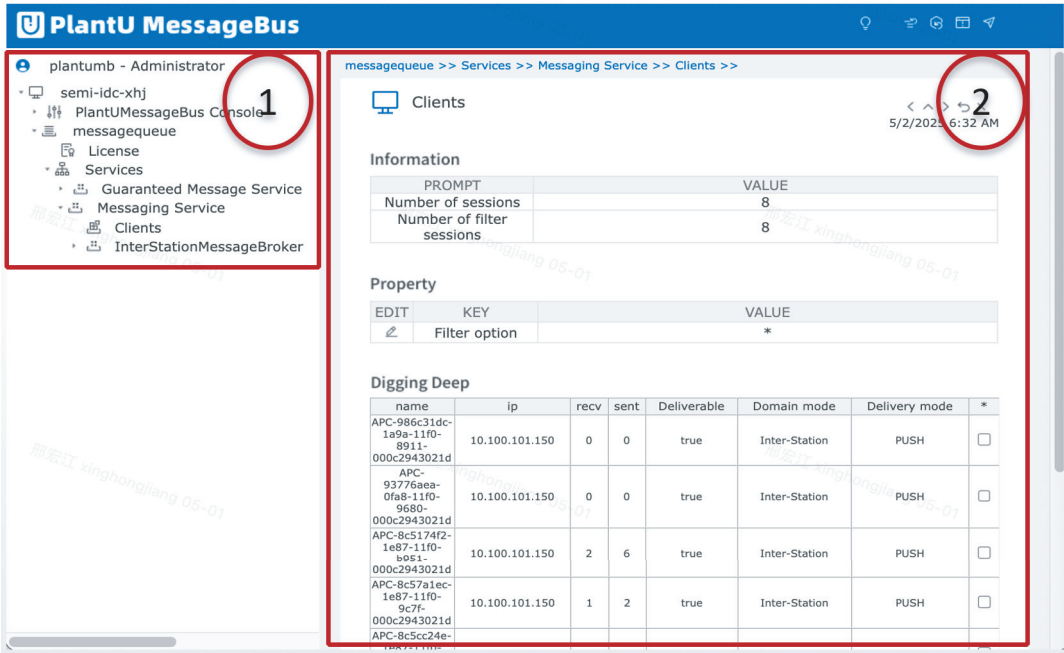
PlantU MessageBus

PlantU MessageBus is a sophisticated message queue and proxy server that facilitates shared data services across various software products through a standardized protocol, ensuring cross-platform and cross-language compatibility. As a pivotal component of internal communication within enterprise IT systems, it boasts features such as low coupling and reliable implementation, making it ideal for communication between distributed systems. PlantU MessageBus is the first message bus product designed for semiconductor industry with proprietary intellectual properties offered by domestic CIM system company in China, according to CIC.

The server supports message recoverability and essential data acquisition, and reduces the coupling degree of distributed systems to ensure reliable message distribution. It also enhances message processing speed to increase throughput. PlantU MessageBus maintains message integrity through mechanisms like persistent connection, transmission verification and release confirmation. It supports multiple communication channels simultaneously, enabling seamless integration across platforms and languages.

Key features of PlantU MessageBus include high availability cluster mode, fail-over protocol, multi-language support and flexible expansion via a plugin mechanism. These features enable high throughput, low latency message processing and efficient handling of large-scale data transmission. Additionally, PlantU MessageBus supports message tracking and monitoring for easy maintenance and troubleshooting, and offers flexible data storage strategies to meet diverse business needs.

The following graphic illustrates the interface of PlantU MessageBus as applied and displayed in a manufacturing facility:



(1) Console function menu:

- Dynamically routes messages to the appropriate queue or service based on channel names.
- Supports point-to-point, broadcast, and publish/subscribe models to ensure efficient message delivery and system decoupling.

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(2) Session status and message flow:

- a. Load balancing statistics: Distributes message load evenly across multiple service instances using polling and weighted strategies to prevent overload and enhance system throughput and reliability.
- b. Real-time monitoring: Provides visual monitoring of key metrics such as message backlog, received/sent counts, and timeouts. Combined with log tracing, it enables quick fault localization and ensures message path stability and observability.

PlantU Monitoring System and PlantU Report

PlantU Monitoring is a web standard modular software product that can run on multiple platforms. It does not require the installation of separate programs or plugins and can easily integrate various complex data and visualization components, thereby allowing users to view them anytime and anywhere with an internet connection.

PlantU Report is a system that supports multiple report creation modes, including traditional coding methods and online configuration templates. It allows for flexible combinations of different layouts and formats using grid and chart components. This feature reduces project development costs and maintenance difficulties while improving development efficiency.

PlantU Warehouse Management System (WMS)

We also offer PlantU Warehouse Management System (WMS) (倉儲管理系統) which can synchronize the “physical flow” and “information flow” of the products in our customers’ warehouse. By managing warehouse, inventory, location, and work-in-progress information in real-time, PlantU WMS enhances both management and manpower efficiency. It establishes streamlined logistics management and warehouse business processes, which help to shorten and improve lead times. Additionally, it optimizes loading space efficiency, enables first-in, first-out practices and ensures inventory accuracy through real-time inventory management.

Case Studies of Intelligent Manufacturing Software Solutions

Case Study 1: Deployment of PlantU MES to replace the existing MES provided by an internationally renowned CIM solution company without halting the production line

Client A specializes in the development, production and sales of insulated-gate bipolar transistor (“IGBT”) chips, which are widely used in transportation and new energy sectors. With the growth in demand for IGBT chips in China, the existing MES system of Client A, which was provided by an internationally renowned CIM solution company, can no longer meet Client A’s rapidly developing production volume needs which had become a bottleneck that limits its production capacity upgrades.

We built PlantU MES for Client A and executed a cutover from the legacy MES to the new PlantU MES system without halting the production line. During the cutover, the PlantU MES system ran in parallel with the legacy system to ensure that all existing functionalities and interfaces were taken over, ensuring data accuracy as well as smooth and stable operations. The solution further enhances production efficiency through refined management and strengthens data-driven decision-making capabilities. It streamlines data maintenance, accelerates response times and improves the operational convenience and management proficiency of Client A.

After implementing PlantU MES, their annual production capacity and yield rate improved. Looking ahead, we will continue to collaborate with Client A to explore applications such as AI quality inspection and digital twins.

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Case Study 2: Deployment of PlantU CIM solutions to enable advanced Chip on Wafer on Substrate (“CoWoS”) packaging

Client B specializes in advanced packaging technology for semiconductor research and manufacturing. As the market demand for CoWoS surges, Client B urgently needed a set of highly automated and traceable CIM solutions to support their complex processes, including multi-chip heterogeneous integration, high-precision bonding and wafer-level testing. Additionally, it must meet the stringent standards of the semiconductor industry for data integrity, real-time monitoring and intelligent analysis.

We provided PlantU CIM solutions, including, without limitation, MES, EAP, SPC, FDC, YMS, RMS, APC and DMS, designed to support the entire CoWoS process. Our solutions can enhance automation, reducing manual intervention and achieving full-process automation from wafer entry to packaging and testing. Process stability will be improved through the shortening alert response times and increase in CoWoS bonding yield. Quality analysis efficiency will be improved and the production process optimization cycle is expected to be reduced. Additionally, the monthly production capacity will be continuously increased through PlantU MES data support and equipment coordination. This marked the mature application of domestic CIM solutions in the high-end packaging field, providing a replicable technical solution for the intelligent upgrade of 2.5D/3D packaging processes in China.

Case Study 3: Deployment of CIM solutions to enable fully automated production of 12-inch wafers

Focusing on automotive-grade semiconductors, Client C develops key power devices like IGBT and SiC, which are crucial for motor control and battery management in new energy vehicles. Its industry chain spans across chip design, manufacturing and packaging. To meet this capacity requirement, they required a set of highly sophisticated and matured CIM solutions that can be quickly deployed.

To meet these requirements, we provided Client C with a set of comprehensive fully automated CIM solutions, encompassing MES, EAP, RMS, AMS, RCM, YMS, SPC, DMS, FDC, APC, RTD, Monitoring, Report, which have been customized for 12-inch wafer fabrication. These software products were integrated to ensure full manufacturing process control and data traceability, aiming to achieve an “lights-out” factory with fully automated dispatching handling and production capabilities. With rapid deployment capabilities, the factory became operational by the seventh month, and the full fleet of 100 units was successfully up and running by the tenth month.

Case Study 4: Deployment of PlantU MES, EAP and RMS to enable fully automated production of 12-inch wafers which is compatible with domestic databases

Client D’s product line encompasses image sensors, image signal processors, logic chips and other chips. To advance their manufacturing capabilities, Client D established a 12-inch fully-automated mass production factory.

To meet these requirements, we customized our PlantU MES, EAP and RMS for Client D, fully adapted to operate on their domestic database infrastructure. Our software products support large-scale wafer operations, allowing a single system to support two sets of configurations and enabling cross-facility business operations. Seamless integration was achieved with Client D’s existing domestic overhead cranes and MCS, demonstrating the high compatibility of our software solutions. Additionally, we achieved full automation of reticle management and wafer start automation, achieving automatic delivery and automatic dispatching.

OPERATIONS MANAGEMENT SOFTWARE SOLUTIONS

Our operations management software solutions are designed to optimize enterprise-level resource management and operational efficiency, primarily across finance, supply chain, asset management and human resources. While these solutions leverage mature third-party software packages, our contribution lies in delivering highly customized services that transform generic functionalities into workflows tailored to each customer’s unique requirements. This customization enhances overall operational efficiency and supports customers’ internal control and management requirements for large-scale enterprises.

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By embedding customer-specific processes into the solution, we establish long-term engagement with customers as a trusted service provider throughout the entire lifecycle of the third-party software. This enables us to generate recurring revenue streams from customization, technical support, maintenance, consulting and additional value-added modules.

In line with industry practice, customers typically do not purchase directly from third-party software developer directly, because such direct purchases may lead to implementation, localization and system integration challenges, including compatibility issues. By integrating these standardized operations management software products into our comprehensive solution, we are able to provide end-to-end implementation, localized services and ongoing customization and deliver customized solutions that meet industry needs.

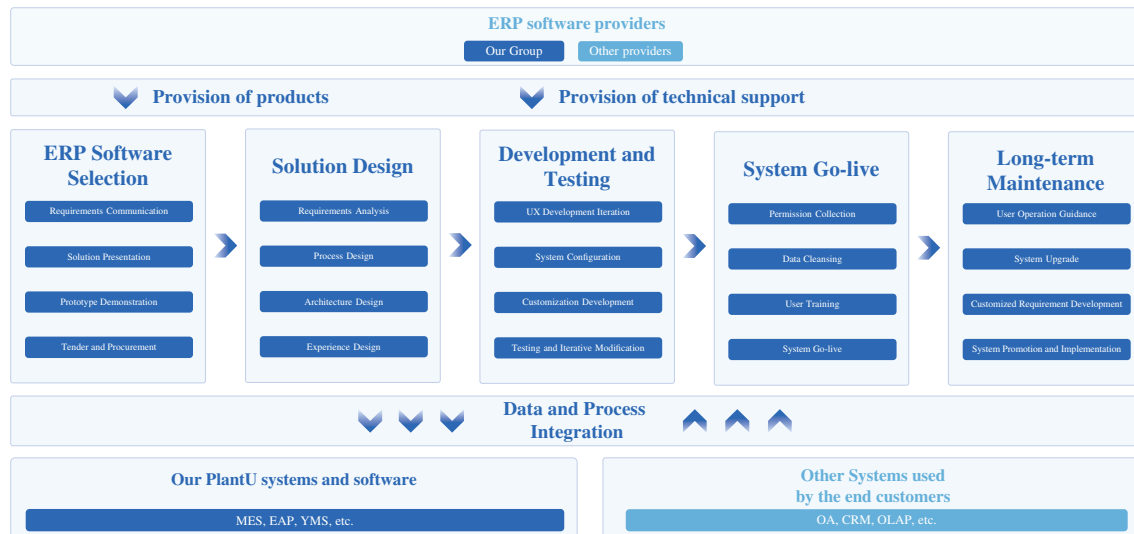
Enterprise Resource Planning (ERP)

We offer ERP system together with customized implementation services and/or technical services to customers across industry verticals, which mainly include SOEs in the semiconductors, electrification and chemical sector. ERP is a software system that helps companies streamline their core business processes — including finance and reporting, supply chain, order and project, production planning and human resources — with a unified view of activity and provides a single source of truth. Particularly for manufacturing companies, ERP enables them to (i) improve order management efficiency, (ii) manage asset utilization, (iii) control financial costs, and (iv) gain end-to-end inventory control by monitoring stock movements, pinpointing top and underperforming products and managing supply chain more efficiently.

ERP enhances our customers’ business process efficiency in the following ways: (i) **Finance and Reporting Management.** ERP enhances finance and reporting management by integrating core processes such as accounts payable and receivable, fixed assets, expenses and tax compliance into a unified platform. It provides finance teams with real-time access to accurate financial data. With a single source of financial truth, our customers can streamline operations, maintain regulatory compliance and manage risk more effectively, while gaining deeper insight into their overall financial performance; (ii) **Supply Chain Management.** ERP transforms supply chain management by unifying procurement, logistics and inventory into a single, streamlined process. It simplifies the source-to-pay cycle, enabling our customers to manage supplier qualification, sourcing and contract compliance with greater efficiency. By supporting compliant spending and informed supplier selection, ERP systems help improve profitability and reduce operational risk. Companies can manage direct materials, services and complex procurement more effectively, while gaining real-time insights into spend patterns and environmental impact; (iii) **Order and Project Management.** ERP streamlines order and project management by automating the entire sales cycle — from order entry to invoicing — while enhancing customer engagement and revenue generation. It provides full visibility into project financials. Project workflows are simplified through integrated processes for asset creation, cost tracking, capitalization and retirement. Real-time insights into project performance and billing ensure accurate revenue recognition and contract compliance. This unified approach supports efficient customer invoicing, strengthens financial control and improves overall project profitability; (iv) **Production Planning Management.** ERP simplifies production planning by integrating scheduling, budgeting and forecasting into a single platform. It allows teams to view critical plans and collaborate through shared goals and timelines. Budgets and forecasts can be quickly generated from project or financial plans. Real-time analytics provide insights at every stage, helping identify risks early and keep production aligned with financial and operational goals; and (v) **Human Resources Management.** With centralized data and streamlined workflows, ERP supports professional human resources management by automating and integrating key functions across the employee lifecycle, including recruitment, onboarding, performance evaluation and payroll. It enables human resources teams to manage talent strategically, ensuring alignment with organizational goals while maintaining compliance and operational efficiency.

We source our ERP system from third-party ERP system providers and resell to domestic customers with customization and maintenance services. The diagram set forth below illustrates our ERP system implementation workflow.

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PlantU Enterprise Asset Management (EAM)

PlantU EAM integrates core functionalities across power generation, operations, equipment, business management and safety domains, forming a comprehensive platform for full lifecycle asset management tailored to the power generation industry. It is fully compliant with domestic localization requirements, supports the information technology application innovation framework and aligns with power generation industrial standards. Equipped with an intelligent business engine, PlantU EAM enables smart work package preparation, document-based intelligent Q&A and digitalized maintenance outlines and operational procedures. It also features a configurable product framework supporting multi-user metadata management and customizable forms, workflows and templates, thereby enhancing adaptability to diverse enterprise needs.

PlantU EAM improves our customers’ business processes and compliance in the following ways: (i) **Core Production Management.** PlantU EAM manages debugging processes, including handover and work-order terminals, to ensure smooth transition to production. It controls isolation, manages chemical data and enforces operating limits to maintain safe and stable operations. It also tracks defects, supports major overhaul rehearsals and manages quality plans to strengthen work execution; (ii) **Asset Operations and Maintenance.** PlantU EAM manages the full life cycle of equipment, covering basic structure, system and component data and preventive maintenance, to improve asset reliability. It schedules regular tests and calibration to ensure accuracy and compliance. It also manages spare-parts lists to secure timely availability for maintenance tasks; (iii) **Safety and Compliance Control.** PlantU EAM manages radiological controlled areas, monitors personal dose and enforces industrial safety measures to protect workers. It tracks non-conformances and monitors radioactive sources to maintain compliance and traceability; and (iv) **Production Support Systems.** PlantU EAM implements an experience-feedback mechanism to capture and reuse operational insights. It manages chemicals and fire protection, schedules in-service inspections and controls tools and instruments to support safe and efficient production.

Other Software Products

We also offer other in-house add-on operations management software products that can operate in complement with our ERP and PlantU EAM systems. These software products include:

- **PlantU e-Robotic Process Automation (eRPA).** PlantU eRPA automates mouse and keyboard operations to simulate human actions, enabling seamless interaction with software systems. It eliminates repetitive manual task. Unlike PlantU RPA (which is manufacturing-focused), PlantU eRPA focuses on business and management scenarios such as automated tax filing, invoice issuance and invoice verification. The system features a self-controlled architecture supporting on-premises, cloud and hybrid deployment, compatibility with desktop and web applications, and extensibility through programming languages such as C# and Python. It ensures enterprise-grade security with encrypted data, private deployment and full audit trails and integrates an intelligent, plugin-based engine with machine learning and AI capabilities.

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- **PlantU Intelligent Document Processing (IDP).** PlantU IDP is an AI-driven solution designed to extract, classify and capture data from diverse document types, including emails, text files, PDFs and scanned images, enabling seamless downstream business processing. It features an AI engine with patented technologies and encrypted data transmission and storage to ensure security and compliance. It supports all document formats across multiple business scenarios, provides intelligent document governance with AI-based text generation, content validation and format checking, and offers enterprise-grade deployment with private network installation and full audit traceability.
- **PlantU Data Warehouse Management System (DWMS).** PlantU DWMS is a modern data warehouse management system designed to support enterprise digital transformation by integrating data across the organization. It combines data governance and development processes to create a comprehensive data asset foundation, enabling effective use of data for process monitoring, quality traceability, and self-service analysis. Additionally, it addresses business challenges through intelligent optimization techniques like root cause analysis and anomaly detection.
- **PlantU Cost Control Management System (CCMS).** PlantU CCMS is a software product for semiconductor manufacturers that integrates management systems, data visualization and computational power. It supports financial accounting, multi-dimensional analysis and cost optimization. It enables efficient querying and presentation of cost data, thereby ensuring accurate financial reporting. Its data visualization capabilities streamline metrics, unify communication and enhance operational efficiency. Additionally, it can handle a large volume of data, making it capable of meeting the demands from construction to capacity ramp-up stages.
- **PlantU Subcon Management System (SMS).** PlantU SMS is a comprehensive outsourcing lifecycle management system that integrates seamlessly with data of original equipment manufacturers to streamline every phase of the outsourcing process. It encompasses planning, work order management, process monitoring, inventory control and data analysis. By establishing a centralized price pool for outsourcing fees, PlantU SMS enhances cost analysis and boosts the efficiency of accounting and reconciliation. It also improves inventory precision through detailed tracking and ensures timely and accurate inventory data. The systematized handling of outsourcing work orders enables customers, while the ability to access timely and accurate process data enhances control and responsiveness to production anomalies.

OUR TECHNOLOGIES

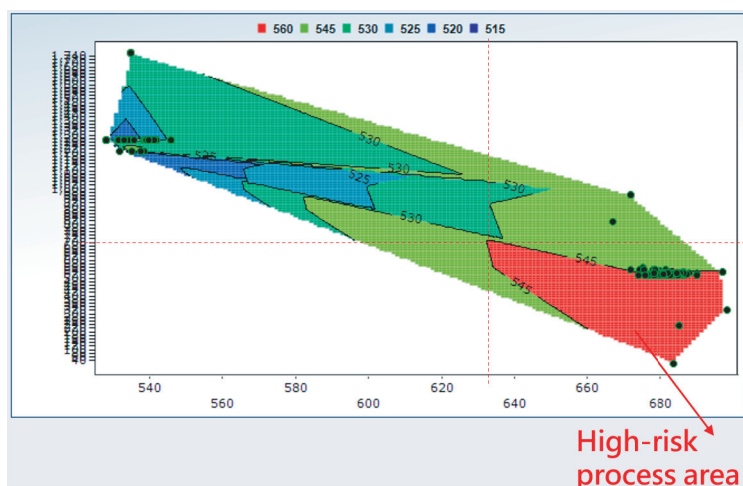
We believe that technological innovation has been and will continue to be the key driving force of our rapid growth. With our keen insights into customer pain points and extensive industry know-how accumulated over the years, we are committed to enhancing our technological and service capabilities through R&D. In particular, we believe that our capabilities in the following key areas are imperative to our success.

AI

Workflow automation and intelligentization is a major development area of advanced industries. Along the rapid advancement of AI recently, we have been leveraging AI technologies to enhance our intelligent industrial software solutions, especially those that have yet to reach full automation on its own. Examples of how we have integrated AI into our software products are as follows:

- **PlantU YMS.** PlantU YMS uses AI algorithm to intelligently identify key factors affecting quality and streamline root cause analysis by automatically classifying defect types and enabling richer, more comprehensive analytical data. Additionally, PlantU YMS leverages AI-driven decision trees to pinpoint key factors causing significant variability across more than a hundred parameters. Based on these insights, it conducts parameter sensitivity analysis to rapidly define optimal process windows, thereby enhancing precision and efficiency in manufacturing as shown in the diagram below.

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- **PlantU DMS.** PlantU DMS utilizes image recognition and classification technology to automatically categorize defect images by their causes, reducing the time required for manual classification and greatly enhancing the usability of defect photos.
- **PlantU APC.** PlantU APC harnesses the power of AI to fundamentally upgrade process control beyond the limitations of traditional APC software products. While conventional APC relies on fixed statistical metrics — such as mean, variance or gradient — for classification, PlantU APC uses AI models capable of learning directly from complex, high-volume data. These models, particularly artificial neural networks, can analyze multiple dimensions simultaneously, adapt to new patterns and continuously improve through training. This enables faster, more accurate and scalable classification of process anomalies, allowing PlantU APC to process smarter, more targeted control actions that evolve with the production environment, which is something traditional APC simply cannot match.
- **PlantU FDC.** PlantU FDC leverages models to train system baselines and enables the configuration of detection sensitivity thresholds during prediction. These thresholds serve as reference metrics for categorized alerts and intelligent decision-making. By enhancing conventional anomaly detection capabilities, the system reduces reliance on manual fault identification, minimizes false alarms and unnecessary line stoppages, and ultimately improves production yield, equipment utilization, and mean time to repair.
- **PlantU APS.** PlantU APS integrates AI-driven algorithms to transit the traditional rule-based scheduling methods toward an intelligent global optimization in production planning. The system provides end-to-end visibility and intelligent scheduling across all planning layers, from master planning at the corporate level, to factory-level production planning, and to real-time equipment-level scheduling. This approach improves on-time order fulfillment, reduces risks of overproduction and missed orders, and enhances overall operational efficiency.
- **PlantU RPA.** PlantU RPA leverages AI to automate non-standard production steps, reducing reliance on manual labor while boosting automation efficiency and increasing throughput. By utilizing AI-powered optical character recognition (OCR), it accurately identifies and extracts text from interfaces to enable cross-system data entry and parameter error proofing. Integrated with AI image algorithms, it automatically locates and precisely identifies key feature points. Through AI-based intelligent inspection models, it rapidly scans images, detects defects and anomalies, and provides real-time feedback. PlantU RPA offers a low-code, visual workflow configuration, delivering a highly flexible and scalable industrial-grade automation solution.

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Meanwhile, we have also integrated AI technology with our operations management software solutions. For instance, “AI + IDP” enables intelligent extraction and processing of diverse documents, enhancing governance and ensuring security and compliance through patented AI technologies and enterprise-grade deployment. We plan to integrate AI into our customer service operations to provide a better customer experience and streamline our processes. This integration will enable us to analyze and assign issues intelligently, and respond to customers promptly. We plan to incorporate AI into the following essential customer service processes: (i) **Intelligent Customer Service**. Initially, we will introduce an intelligent customer service system to automate the handling of preliminary inquiries and common questions. This will reduce customer wait times and provide 24/7 service. We send solutions and feedback to customers. This will ensure that customers receive prompt responses after their issues are resolved, thereby enhancing customer satisfaction; (ii) **Intelligent Issue Analysis and Assignment**. Next, we will implement an intelligent issue analysis and assignment system. This system will use AI technology to analyze the nature of customer issues and automatically assign them to the most suitable team or personnel for resolution; and (iii) **Intelligent Project Management**. Once issues are assigned, we will utilize intelligent project management tools to track and manage the resolution process. This will ensure that each issue is addressed promptly and effectively, thereby improving overall management efficiency.

We have identified five major directions for AI development: (i) **Yield Management**. Utilizing AI agents to assist engineers with 24/7 continuous inspection and analysis, enabling automatic defect monitoring, issue categorization and root cause analysis; (ii) **Efficiency Optimization**. Applying AI to optimize the planning and scheduling for factories to enhance the overall value of manufacturing; (iii) **Detection and Identification Capabilities**. Using AI to replace manual identification of image defects and machine signal anomalies, thereby increasing the value of digital labor, reducing dependence on a large workforce and speeding up issue detection; (iv) **Knowledge Base Enhancement**. Integrating large models and multimodal data from the knowledge base of manufacturing facilities to train AI engineers. We aim to equip these AI engineers with the ability to interact, respond, search and diagnose manufacturing issues, acting as assistants to reduce the heavy reliance on experienced human engineers; and (v) **Improving Internal Production Processes**. Exploring and utilizing AI to assist in software requirement design, code optimization, system testing, document writing and knowledge exploration, thereby improving the efficiency and quality of research, development and delivery.

IoT

Our intelligent manufacturing software solution leverages an IoT architecture encompassing data acquisition, real-time monitoring, analytics and system integration capabilities. Our IoT architecture enhances production intelligence and accelerates the digital and intelligent transformation of the semiconductor and other industries. The value of our IoT architecture in manufacturing scenarios is reflected across five key dimensions: (i) **Comprehensive Data Acquisition and Real-Time Monitoring**. By deploying sensors and RFID tags, our IoT architecture enables precise and real-time collection of critical production data, including product measurement parameters (such as wafer thickness and dimensions) and environmental conditions (such as temperature, pressure and vibration). Data is securely transmitted via EAP and MessageBus to MES, SPC, FDC and other systems, forming a closed-loop of “acquisition — transmission — monitoring — analysis” for full-process visibility and control; (ii) **Advanced Data Analytics and Intelligent Decision-Making**. Integrated with SPC, FDC and AI algorithms, our IoT architecture supports dynamic tracking of equipment parameters, anomaly detection and predictive risk identification. These capabilities facilitate process optimization, quality enhancement and efficiency improvement, while boosting equipment utilization, yield and throughput; (iii) **End-to-End Connectivity and Cross-System Integration**. Our IoT architecture connects production and logistics equipment (such as overhead cranes and other overhead transport systems) and integrates with MES and SPC. In the semiconductor industry, through the adoption of sensors that complies with the SEMI-E84 protocol, we enable seamless connectivity and link production, logistics and management data flows. In general manufacturing scenarios, our IoT architecture supports full data sharing and operational coordination; (iv) **Enhanced Transparency and Automation**. Real-time data collection and automated input via RFID or EAP interfaces reduce manual errors, improve data accuracy and support transparent and automated production management; and (v) **Customized Solutions for Complex Industrial Environments**. In the semiconductor industry, our EAP offers standardized integration across diverse industrial standards and protocols. In general manufacturing scenarios, we transplant proven practices to address legacy equipment challenges, enabling real-time data acquisition and control through flexible sensor and middleware deployment.

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Big Data Analytics

Big data analytics is a technology enabling the systematic, cost-effective exploitation, processing and analysis of data in high volume with a wide range of varieties. We have developed our PlantU YMS and PlantU DWMS based on our big data analytics technologies, which provide strong load and disaster-tolerance capabilities, aiming to guarantee the smooth business operations of customers with multiple operation sites and large volume of data. In particular, our PlantU DWMS is based on a cloud-native unified data lake and warehouse platform. It supports massive storage engines, real-time computing engines and high-performance analytical engines, all of which can be flexibly expanded on demand.

We have formulated sophisticated data models to streamline the data analytics process. As such, we can efficiently describe the structure, associations and constraints relevant to data, identify essential metrics and encode conventions into reusable rules, to provide guidance for future tasks. We also conduct data mining by discovering and exploiting patterns from massive information to gain insights into future trends and visualize data to provide guidance for the decision-making process of our customers. We convert data into graphics for display and allow interactive processing in such data display to help customers understand and analyze the data in an efficient way.

ACQUISITIONS DURING THE TRACK RECORD PERIOD

We acquired four companies (“**Acquisitions**”) during the Track Record Period, the financial results of which had been consolidated into the financial results of our Group for the Track Record Period. The following table sets forth a summary of the Acquisitions in relation to each target companies (each an “**Acquired Subsidiary**”). In July 2025, we also entered into an agreement with Beijing Guoxin Power Source Technology Development Co., Ltd. (北京國信動力源科技發展有限公司) at a consideration of approximately RMB32.0 million to acquire contractual rights, customer resources, and future business opportunities related to the ERP business of the acquired party, as well as personnel associated with the acquired business. See note 37 to Accountants’ Report in Appendix I to this document.

Acquired Subsidiary	When consolidated into our Group’s financial statements	Aggregate consideration (RMB in thousands)	Counterparties ⁽¹⁾	Principal software products/services
Hangzhou Guan Tian	February 2024	15,106	(a) Kunshan Kaige Venture Investments Co., Ltd.* (昆山凱歌創業投資有限公司) (b) Kunshan Guanqin Innovation Technology Co., Ltd.* (昆山冠勤創意科技有限公司)	RPA, RCM
Beijing Zhi Yang .	February 2024	12,000	(a) Mr. Ma Zhen (馬楨) (b) Shanghai Zhihao Xiaowei Enterprise Management Partnership Enterprise (Limited Partnership)* (上海智豪曉為企業管理合夥企業(有限合夥))	ERP implementation and technical consulting
Suzhou Vida. . . .	April 2024	39,800	(a) Mr. Lu Jucheng (盧聚成) (b) Mr. Zheng Anyou (鄭安佑) (c) Shanghai Saidawei Enterprise Management Partnership Enterprise (Limited Partnership)* (上海賽達威企業管理合夥企業(有限合夥))	YMS, DMS
Beijing Huiliu. . .	April 2025	30,000	(a) Shanghai Xihe Chuangzhi Enterprise Management Partnership Enterprise (Limited Partnership)* (上海曦合創智企業管理合夥企業(有限合夥))	EAM, eRPA, IDP

(1) To the best knowledge of our Directors, the counterparties to the Acquisitions were independent third parties to each other.

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The following table sets forth selected operating data for each Acquired Subsidiary during the Track Record Period, showing their respective contributions of customers and projects delivered following integration of the Acquired Subsidiary into our Group.

	As of/For the year ended December 31,		
	2023	2024	2025
Hangzhou Guan Tian			
Number of accumulated customers	–	14	17
Number of projects delivered	–	18	16
Beijing Zhi Yang			
Number of accumulated customers	–	39	59
Number of projects delivered	–	42	57
Suzhou Vida			
Number of accumulated customers	–	32	36
Number of projects delivered	–	36	30
Beijing Huiliu			
Number of accumulated customers	–	–	36
Number of projects delivered	–	–	30

Details of Each Acquisition

Hangzhou Guan Tian

Hangzhou Guan Tian, established in April 2019 in Hangzhou, was a high-tech company specializing in providing intelligent manufacturing process automation solutions. With remote control and automation technologies as its core, Hangzhou Guan Tian was committed to enhancing the level of automation in equipment management and production processes for manufacturing companies. Prior to the acquisition, Hangzhou Guan Tian’s self-developed RPA and RCM systems had been successfully deployed at scale in multiple advanced semiconductor manufacturing enterprises, demonstrating mature technical implementation and strong industry applicability.

The principal business of Hangzhou Guan Tian was similar to that of our Company in the following aspect:

- **Self-developed RPA and RCM.** Hangzhou Guan Tian’s self-developed RPA and RCM were key products for upgrading our intelligent manufacturing software solution.

We identified the acquisition opportunity through prior interactions of our core technical and sales personnel with Hangzhou Guan Tian’s team, during which its team and products were highly recognized. These interactions provided a reliable basis for evaluation and a clear pathway for engagement.

Based on in-depth considerations of the following commercial reasons, we decided to acquire Hangzhou Guan Tian: (i) to strengthen our R&D, implementation and technical consulting service talent for intelligent manufacturing software solutions, particularly in equipment automation and data acquisition, thereby enhancing our overall capabilities; and (ii) to enrich our intelligent manufacturing solution product portfolio by adding Hangzhou Guan Tian’s self-developed RPA and RCM, marking a significant step forward in the equipment automation and data acquisition sub-sector.

In October 2023, our Company entered into an equity interest transfer agreement with Kunshan Kaige Venture Investments Co., Ltd.* (昆山凱歌創業投資有限公司) (“**Kunshan Kaige**”), under which our Company shall acquired 12.5% equity interests in Hangzhou Guan Tian at a consideration of RMB3.5 million. On the same date, our Company entered into another equity interest transfer agreement with Kunshan Guanqin Innovation Technology Co., Ltd.* (昆山冠勤創意科技有限公司) (“**Kunshan Guanqin**”), under which our Company shall acquire 32.2% equity interests in Hangzhou Guan Tian at a consideration of approximately RMB5.6 million. The consideration of the aforementioned equity interest transfer agreements were fully settled in November and December 2023. Both Kunshan Kaige and Kunshan Guanqin were Independent Third

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Parties. In February 2024, the general meeting of Hangzhou Guan Tian passed a resolution increasing its registered capital by RMB6.0 million, which enlarged our Company’s shareholding in Hangzhou Guan Tian to 58.87%, and Hangzhou Guan Tian therefore became a non-wholly owned subsidiary of our Company, and its financial statements were therefore consolidated. The subscribed registered capital was fully paid up in March 2024. In May 2024, the registered capital of Hangzhou Guan Tian increased from RMB10,757,000 to RMB12,640,000 with the additional capital subscribed by Shanghai Saiguantian Enterprise Management Partnership (Limited Partnership)* (上海賽冠天企業管理合夥企業(有限合夥)), an Independent Third Party, which reduced our Company’s shareholding in Hangzhou Guan Tian to 50.10%.

Beijing Zhi Yang

Beijing Zhi Yang, established in January 2014, was a high-tech company specializing in the implementation, customized development, system maintenance and technical consulting services of ERP of a global leading intelligent industrial software solution provider, particularly for large conglomerate companies. The core team of Beijing Zhi Yang had over 15 years of ERP-related experience and possesses comprehensive capabilities in serving large conglomerate companies and handling system integration and implementation projects involving multiple business modules, long cycles and high complexity. Through continuous innovation in long-term client services, Beijing Zhi Yang has accumulated solid technical expertise. Prior to the acquisition, Beijing Zhi Yang had built a strong customer base in key industries such as electricity, chemicals and steel, and had long served central-level state-owned enterprises and large state-owned enterprises, earning a strong brand reputation and sustainable client relationships in the digital transformation of state-owned enterprises.

The principal business of Beijing Zhi Yang was similar to that of our Company in the following aspect:

- **ERP Implementation and Technical Consulting.** Beijing Zhi Yang provided software implementation and consulting services of ERP of a global leading intelligent industrial software solution provider, which aligned with our then strategy of developing operations management software solution.

We identified the acquisition opportunity through our engagement in competitive ERP projects for central state-owned enterprise clients, during which we evaluated Beijing Zhi Yang’s technical capabilities, service quality, business model and market competitiveness. We found strong relevance and synergy with our business and determined it to be a high-quality acquisition target.

Based on in-depth considerations of the following commercial reasons, we decided to acquire Beijing Zhi Yang: (i) to further expand our operations management software solution-related business, (ii) to supplement our talent pool with experienced sales, technical service and management professionals in the operations management software solution sector, thereby strengthening our capabilities in sales expansion and technical services for system integration and implementation involving multiple business modules, long cycles and high complexity, and (iii) to introduce large central state-owned enterprise clients and penetrate new sectors such as electricity and chemicals.

In October 2023, our Company entered into an equity interest transfer agreement with the original shareholders of Beijing Zhi Yang at a consideration of RMB12.0 million. The original shareholders of Beijing Zhi Yang were Mr. Ma Zhen (馬楨) and Shanghai Zhihao Xiaowei Enterprise Management Partnership Enterprise (Limited Partnership)* (上海智豪曉為企業管理合夥企業(有限合夥)) whose general partner was Mr. Ma Zhen. Both of the original shareholders of Beijing Zhi Yang were Independent Third Parties. Upon the completion in February 2024, Beijing Zhi Yang became a directly wholly owned subsidiary of our Company. The consideration of the equity interest transfer agreement was fully settled in February and July 2024, respectively.

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Suzhou Vida

Suzhou Vida, established in October 2019 in Suzhou, was a company dedicated to providing comprehensive quality control and yield improvement system solutions for advanced manufacturing industries. The core team of Suzhou Vida had over 25 years of R&D and industrialization experience in semiconductors, electronics and display panels, and possesses proprietary core technologies in YMS and DMS. Suzhou Vida was among the early adopters of AI technologies to achieve breakthroughs in intelligent quality data analysis and process optimization. Prior to the acquisition, its self-developed YMS and DMS systems had been widely applied by well-known semiconductor, panel and electronics manufacturers both domestically and internationally, establishing a solid customer base and strong brand influence.

The principal business of Suzhou Vida was similar to that of our Company in the following aspect:

- **Self-developed YMS and DMS.** Suzhou Vida’s self-developed YMS and DMS were key products for upgrading our intelligent manufacturing software solution.

We identified the acquisition opportunity through multiple prior project collaborations, during which we worked closely with Suzhou Vida to jointly provide services to clients in multi-module intelligent industrial software implementation and technical services. In addition, Suzhou Vida had previously served as a supplier to our Company, providing software licenses and implementation/technical services related to yield management. These engagements allowed us to conduct thorough and close evaluations of its technical capabilities, service quality and responsiveness. The cooperation validated strong complementarities in technology, products and service systems, with clear synergy potential, and its team capabilities and project outcomes were well recognized by end customers.

Based on in-depth considerations of the following commercial reasons, we decided to acquire Suzhou Vida: (i) to strengthen our R&D, implementation and technical consulting service talent for intelligent manufacturing software solutions, particularly in quality management, thereby enhancing our overall capabilities; and (ii) to enrich our intelligent manufacturing solution product portfolio by adding Suzhou Vida’s self-developed YMS and DMS, marking a significant step forward in the quality management sub-sector.

In March 2024, our Company, Mr. Lu Jucheng (盧聚成) and Mr. Zheng Anyou (鄭安佑) entered into an equity interest transfer agreement, under which our Company shall acquired 51% equity interests in Suzhou Vida at a consideration of RMB15.3 million. Such equity interest transfer was completed in April 2024, and Suzhou Vida became a non-wholly owned subsidiary of our Company and its financial statements were consolidated. The consideration was fully settled in April and June 2024, respectively. In June 2025, our Company and Shanghai Saidawei Enterprise Management Partnership Enterprise (Limited Partnership)* (上海賽達威企業管理合夥企業(有限合夥)) (whose general partner is Mr. Su Yinan (蘇怡男)) (“**Shanghai Saidawei**”) entered into an equity interest transfer agreement, under which our Company shall acquired the remaining 49% equity interest in Suzhou Vida at a consideration of RMB24.5 million. Such equity interest transfer was completed in August 2025, and the consideration has been fully settled in January 2026 as of the Latest Practicable Date, and Suzhou Vida became a directly wholly-owned subsidiary of our Company. All of Mr. Lu Jucheng, Mr. Zheng Anyou, Shanghai Saidawei and Mr. Su Yinan were Independent Third Parties.

Beijing Huiliu

Beijing Huiliu, established in 2018, was a high-tech enterprise specializing in providing operations management software solutions for the electricity and energy industry. The core team of Beijing Huiliu had nearly 20 years of experience in the electricity and energy sector and possessed deep expertise in energy digitalization and international business development. Beijing Huiliu maintained core technologies in nuclear power intelligent asset management, and its self-developed EAM system is fully adapted to the stringent requirements of high reliability and strong compliance in the nuclear power industry. Prior to the acquisition, Beijing Huiliu had self-developed EAM, eRPA and IDP, which had been widely adopted by major nuclear power companies in China, providing critical technological support for the digital transformation of the energy industry.

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The principal business of Beijing Huiliu was similar to that of our Company in the following aspect:

- **Self-developed EAM, eRPA and IDP.** Beijing Huiliu’s self-developed EAM, eRPA and IDP were key products for upgrading our operations management software solution.

We identified the acquisition opportunity through our engagement in competitive projects in the nuclear power sector while expanding our operations management solution business. During this process, we evaluated Beijing Huiliu’s technical capabilities, product and service quality, business model and market competitiveness, and determined it to be a high-quality acquisition target with strong relevance and synergy to our business.

Based on in-depth considerations of the following commercial reasons, we decided to acquire Beijing Huiliu: (i) to supplement our R&D, technical service and sales talent for operations management software solutions and expand the scale of our operations management solution business, (ii) to strengthen our operations management software product portfolio by adding EAM, eRPA and IDP, and (iii) to introduce major nuclear power clients and expand into the nuclear power sector.

In April 2025, our Company entered into an equity interest transfer agreement with Shanghai Xihe Chuangzhi Enterprise Management Partnership Enterprise (Limited Partnership)* (上海曦合創智企業管理合夥企業(有限合夥)) (“Shanghai Xihe”), whose general partner was Mr. Li Xinan (李熙南), under which our Company shall acquired 42.5% equity interest in Beijing Huiliu at a consideration of RMB25.0 million. With the approval from the general meeting of Beijing Huiliu, our Company subscribed to an additional registered capital of RMB0.5 million at a consideration of RMB5.0 million, increasing the registered capital of Beijing Huiliu from RMB 5.6 million to RMB 6.1 million, which enlarged our Company’s shareholding in Beijing Huiliu to 51%. Upon the completion of the equity interest transfer and the increase in Beijing Huiliu’s registered capital, Beijing Huiliu became a non-wholly owned subsidiary of our Company. Its financial statements were consolidated to Our Group in April 2025 and the consideration for the equity interest transfer agreement and the increased registered capital were fully settled and paid up in May and June 2025, respectively. Both Mr. Li Xinan and Shanghai Xihe were Independent Third Parties.

Integration and Synergies

As of the Latest Practicable Date, we have fully integrated the business of each Acquired Subsidiary into our Group and achieved synergies in the following aspects:

- **Product and Technology Integration.** Products of each Acquired Subsidiary have been incorporated into our intelligent industrial software solution portfolio, and their source codes are managed under our Group’s unified system. R&D functions of each Acquired Subsidiary have been consolidated under a centralized management framework, enabling unified planning of product and technology roadmaps and standardized development processes. In terms of technical integration, we have achieved harmonized coding standards, product and user interfaces, testing protocols and quality benchmarks.
- **Implementation, Technical Services, and Maintenance.** Implementation and technical services related to the products of each Acquired Subsidiary have been integrated into the corresponding departments of our Group under unified management. This ensures consistent standards and seamless integration across application, deployment, and technical service layers. We have also established a dedicated maintenance service division to provide systematic support, enhance customer experience, and ensure operational continuity.
- **Management Integration.** Core functions such as operations, human resources, finance, and IT of each Acquired Subsidiary have been incorporated into our Group’s governance framework, achieving centralized management of policies, processes, and resources, thereby improving strategic execution and operational efficiency. We have retained the core management of each Acquired Subsidiary to our Group.

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- **Customer and Sales Synergies.** Through the acquisitions, we share market channels and customer resources, effectively expanding our customer base. All the sales team of the Acquired Subsidiaries are centrally managed by us. This facilitates integrated sales, bundled offerings, and cross-selling opportunities, reducing new product introduction costs and increasing customer stickiness.
- **Financial Synergies.** Our Group provides sufficient funding support for the R&D and business expansion of products and technologies of each Acquired Subsidiary. The finance of all Acquired Subsidiaries are centrally managed by us.
- **Brand Synergies.** Our Group enjoys strong brand influence in advanced intelligent manufacturing sectors such as semiconductors, while each Acquired Subsidiary holds varying degrees of recognition in other industries. For instances, Beijing Zhi Yang is well recognized in ERP implementation and technical services for power and chemical industries. Suzhou Vida has high visibility in intelligent manufacturing yield management for semiconductors, electronics, and panels. Beijing Huiliu has accumulated strong expertise and reputation in enterprise management solutions for the nuclear power industry. The acquisitions have created a combined brand effect, leveraging complementary strengths and generating significant brand resonance enable us to further expand into more diversified downstream industries.

RESEARCH AND DEVELOPMENT

R&D and technological innovations are crucial to our business operations and development. We have invested significantly in R&D to promote expansion in our intelligent industrial software solutions and other solutions, and their use cases, as well as to optimize existing solution offerings. Our R&D initiatives will be guided by customers’ ever-evolving technical demands and demand for AI in their manufacturing processes, and depending on our technical capabilities, sensitivity of market needs and sensitivity of the relevant technologies, we will conduct our R&D projects independently, in collaboration with other entities or by commissioning third parties.

We plan to continue to enhance our technological capabilities through exploring into various areas with highly promising expansion potentials, while actively monitoring market trends to stay ahead of industry needs. Additionally, we are integrating AI modules into our data analytics software products to elevate processing power and analytical precision. To standardize our R&D project management, we have formulated the R&D Project Management Policy (研發項目管理制度) (“**R&D Policy**”) based on the integrated product development (集成產品開發) philosophy, which features market orientation, customer-driven approaches and cross-departmental collaboration.

Throughout the R&D process, we have implemented various internal efficiency management practices which have proven to be core elements in accelerating research progress and enhancing the accuracy of results. These practices include:

- **AI Tools.** We actively promote the application of AI tools and explore other possible AI technologies across the R&D process. Before the recent surge in popularity of AI applications, we have encouraged the use of AI development tools like GitHub Copilot and incorporated the usage of these tools into employee performance evaluations. Currently, our R&D teams are leveraging AI development tools to provide optimized code suggestions, reduce repetitive coding, optimize code refactoring, automatically generate comments, draft documentation and analyze logs. We are also piloting the use of a trustworthy AI assistant across our Company to support software development tasks.
- **Coding Standards.** We have established a set of comprehensive coding standards from the early stages of software development and strictly adhere to them throughout the development process. These standards include definitions for terminology, version rules and development standards for the server, client and database sides. These standards benefit R&D by promoting consistency, reducing errors and enhancing the efficiency and accuracy of the development process.

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- **Test Standardization.** We have established a unified testing organization responsible for all tests during the product development and implementation process. From the project design phase, our professional testers are involved in writing test cases and conducting various tests, including unit, integration, scenario and performance tests. Additionally, we have built an automated testing platform based on Python/Pytest, which is used for functional, scenario and performance testing, achieving approximately 80% test automation coverage for our major software products. At the project launch stage, all tests must be completed by our professional testers and receive sign-off approval before the project can be launched. These efforts benefit R&D by ensuring thorough and consistent testing, reducing errors and enhancing the efficiency and accuracy of the development process.

During the Track Record Period, our R&D expenses were RMB52.9 million, RMB60.1 million and RMB81.7 million in 2023, 2024 and 2025, respectively.

Our Technical Teams

Our R&D work is jointly undertaken by our various R&D divisions, each focusing on different technological areas. Under our technology center, we establish various R&D divisions, each responsible for (i) iterative development of the PlantU MES system platform, as well as interface development and system integration with various other products, (ii) iterative development of PlantU EAP, along with the development of related sub-products and middleware, and (iii) standardized development of back-end packaging and testing software products. Each of our business units has its own dedicated R&D team responsible for the development of corresponding products and technologies. In particular, we have established a dedicated AI technology support department to provide foundational AI technical support to all R&D and business units, promoting the implementation and application of AI technologies across different products. Additionally, we have set up a software engineering support department, which is responsible for: (i) formulating technical coding standards and managing source code, (ii) consolidating Continuous Integration/Continuous Delivery (CI/CD) development specifications and managing development requirements and issues, (iii) standardizing product testing and ensuring product quality, and (iv) unifying User Interface (UI) design and ensuring interface consistency. We have also established the Integrated Product Management Team (集成產品管理團隊) (“IPMT”), a cross-departmental decision committee which is responsible for the overall planning of products and technologies, as well as the approval, review, supervision and process management of various R&D projects.

To support these diverse activities, we have a growing technical team, consisted of 311 R&D personnel and 620 application personnel as of December 31, 2025, representing 27.7% and 55.3% of our total number of employees as of the same date, respectively. Our R&D staff have expertise that spans a wide range of technological and industrial areas and were involved in various processes of our R&D activities on a regular basis. With rich research, development and management experience, our technical team has developed an internal best practice.

Protection of Our R&D Outcomes

We have entered into legally-binding non-compete agreement (競業限制協議) with our key technological personnel and employees involved in our R&D activities. Furthermore, all employees are required to sign a confidential information and invention assignment agreement (保密信息及發明成果轉讓協議) as part of the standard form employment agreement, pursuant to which employees must keep all confidential information of our Group and/or any related party strictly confidential during and after the termination of their employment with us, and any intellectual property conceived and developed during their employment in the course of performing their duties thereunder or otherwise exploiting our facilities, equipment, technologies or system belongs to us.

We will systematically archive and store technical documents, code, data, patents, non-patented technologies, software copyrights and trade secrets generated during the R&D process in accordance with our internal confidentiality classification. See “—Data Privacy and Security—Policies and Procedures.” Upon completion of an R&D project, we will also promptly evaluate the innovation and protectability of the results, and proactively apply for patents, software copyrights and other forms of intellectual property for eligible technologies, software or products.

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Our R&D Process

Our R&D projects primarily originate from several key sources. These include strategic development decisions aligned with our long-term goals, comprehensive market research and analysis, customer demand assessments and competitive product evaluations. Additionally, projects are initiated based on research into technologies and comprehensive forecasts of product development prospects. New products, modules and features are developed, with continuous iterative upgrades conducted to meet these strategic and market-driven needs. This approach ensures that our offerings remain competitive and aligned with the latest technological advancements and market demands.

Additionally, our R&D teams collaborate closely with our sales and marketing team and our application team. For instance, our sales and marketing team or application team may communicate customer feedback and customization requests to our R&D teams. Our R&D teams will then evaluate these inputs to determine if specific product iterations or enhancements are warranted, thereby kicking off a potential R&D project.

Through the R&D process, our R&D personnel also gain valuable experiences and know-how on solution development that will further underpin our strong R&D capabilities. We approve R&D projects based on objective and scientific feasibility studies and risk analysis through a rigorous and systemic process. Key steps in our R&D process typically consist of:

- **Project Initiation and Approval.** An R&D project will be initiated by the relevant R&D project manager, who will prepare an initiation report (立項報告). The project must subsequently undergo preliminary review and approval by the relevant product technical teams. Afterwards, upon considering the initiation requests, the members of the IPMT Initiation Meeting (IPMT立項決策會) will vote on the project, and the project will only be approved if over two-thirds of the IPMT members voted in its favor.
- **Project Design, Development and Testing.** Product design involves defining software functions, architecture and user experience based on user needs and market analysis. Product development transforms the design plan into actual operational software through coding, module development and system integration. Product testing systematically verifies software functionality, performance and stability, ensuring it meets design and quality standards.
- **Industry Adaptation.** We will customize and optimize the new software product based on specific industry requirements and standards. Through this industry adaptation, the new software product will better integrate into the target market, enhancing competitiveness and user satisfaction.
- **Project Conclusion.** The conclusion of an R&D project will be initiated by the relevant R&D project manager, who will prepare a detailed conclusion report (結案報告). Upon considering the conclusion report and oral elaborations, the members of the IPMT will vote on the project conclusion. The project will only be considered concluded if more than two-thirds of the IPMT members vote in favor. If an R&D project cannot be closed through the standard process, we will promptly analyze the root cause and determine whether to terminate, extend or adjust the project objectives.
- **Continuous Optimization and Iteration.** Following the completion of a project, the R&D project manager evaluates the need for further iterations based on factors such as market dynamics, customer feedback, and the degree of product standardization. Based on this analysis, resources are strategically allocated across R&D initiatives, with priority given to those demonstrating stronger market potential. This approach ensures the optimization of operational efficiency and alignment with the organization’s broader strategic objectives.

The content, timeline and investment of approved R&D projects are generally expected to be adhered to, and any significant changes to the above will have to be recorded and/or submitted for approval, depending on its degree of significance. We have also implemented a monthly reporting system that R&D project managers are expected to submit a monthly R&D report to the Project

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Operations Department (項目運營部). This report should include the progress of the R&D project, the monthly R&D investment and any issues encountered along with the support needed. The Project Operations Department will analyze the monthly reports and subsequently report to the IPMT Decision Committee (IPMT決策委員會).

SALES AND MARKETING

We primarily sell our solutions directly to companies in the semiconductor industry and other industries, which are end adopters of our solutions. Our total number of customers has grown swiftly from 357 as of December 31, 2023 to 678 as of December 31, 2024, and further to 843 as of December 31, 2025. The number of new projects awarded increased from 409 as of December 31, 2023 to 551 as of December 31, 2025, with a CAGR of 16.1% from 2023 to 2025. This showcased increasing customer demand of our products and the effectiveness of our sales and marketing efforts.

Sales Agreements with Our Customers

We generally enter into sales agreements with our customers in respect of our intelligent industrial software solutions, which typically include the following salient terms:

- **Service Scope.** The agreement generally specifies the intelligent industrial software solutions, technical services and operation and maintenance services that we provide, including, without limitation, their types and quantities, software functions, technical standards and service and maintenance standards. The agreement will also typically lay out the obligations of all parties, work schedules, form of delivery and/or installation and testing, as applicable. We may also provide operation and maintenance services to customers after completing the relevant project and/or the expiration of the complimentary warranty period under a separate agreement with corresponding service fees. Our complimentary warranty period is usually one year after the completion of the project, although it may be longer in major, strategic or long-term customer projects.
- **Credit Term.** The typical credit terms vary from 30 to 180 days.
- **Ownership.** Ownership varies by agreement. We own and license our software; third-party software remains with suppliers; customized solutions may belong to customers; and hardware ownership transfers to customers upon completion.
- **Intellectual Property Rights.** We generally warrant that we hold the necessary intellectual property (“IP”) rights or licenses and provide indemnities for IP infringement claims. No such claims have been made as of the Latest Practicable Date. IP arising from customization may belong to customers, subject to agreement.
- **Confidentiality.** Unless required by laws or consented to by the other party, neither party shall disclose or misappropriate each other’s trade secrets or contractual terms.
- **Termination.** Where the agreement specifies a contract period, the period typically does not exceed 1.5 years. Termination terms vary by contracts and typically include uncured breaches or termination by mutual agreement.

In addition to direct sales to end adopters, to a lesser extent, we may also enter into integrated contracts with general contractors, which typically involve licensing of standardized software products and provision of system development services. General contractors are primarily industrial software companies that are usually engaged by end adopters to assist with various aspects of project implementation, such as offering the bulk of the solutions, managing development progress, engaging with suppliers and integrating the work products from different suppliers. In 2023, 2024 and 2025, the number of accumulated general contractors were 50, 75 and 104, respectively, and to the best knowledge of our Directors, those general contractors are Independent Third Parties.

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While some of our customers are general contractors, we do not operate under a distributorship model. These contractors are chosen by end adopters to carry out projects and are not engaged by us to expand sales channels. When we sign a sales agreement with a general contractor, we treat it as our customer, even if we deliver products or services directly to the end-user. General contractors do not resell our products or services and as such, we do not consider them distributors, and their involvement does not give rise to any material concerns about channel stuffing, cannibalization, or trade receivable recoverability. The agreements with general contractors typically include the following salient terms:

- **Service Scope.** The agreement typically specifies the end adopter, solutions procured, and services (including delivery and/or installation and testing, as applicable). We may also provide operation and maintenance services to customers after completing the relevant project and/or the expiration of the complimentary warranty period under a separate agreement.
- **Pricing, Payment and Service Delivery.** Pricing is scope-based. We typically provide software solutions with implementation and customization services.
- **Intellectual Property Rights.** We warrant necessary IP rights/licences and provide indemnities; IP from post-inspection customization typically belongs to end adopters.
- **Confidentiality.** Neither party may disclose or misuse the other’s trade secrets, unless required by law or consented.
- **Termination.** For events such as material uncured breaches, insolvency, force majeure, or circumstances materially affecting performance.

Our Sales Model

We offer two licensing options: factory-wide licensing with a fixed upfront fee, and per-equipment licensing based on the number of units added.

Intelligent Manufacturing Software Solutions

Our intelligent manufacturing software solutions typically include licenses, deployment, and maintenance services. Sales models vary by the products selected and are tailored to customers’ needs. For example, we can integrate third-party software and tailor our sales model to customers’ investment plans and operational lifecycle.

The table outlines the typical sales model for our intelligent manufacturing software solutions:

Principal product/service	Whether one-time or recurring sales	Whether standalone or bundled sales
Licenses with deployment or technical services, or standalone licenses	New production line construction or line upgrade projects typically involve a one-time license fee for perpetual use.	Our product offerings cover full lifecycle products, with bundled sales of proprietary products prioritized.
	Additional licensing fees may be charged if the number of licensed users is exceeded (if applicable).	Standalone sales available if customers require only specific products.
	We are exploring new models with annual license fees, for example, some YMS projects are charged annually.	Bundling with third-party products is available upon specific request.
Maintenance services	We typically charge annual service fees.	Typically sold alongside our licenses and deployment or technical services.

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Operation Management Software Solutions

Our operation management software solutions primarily include technical and maintenance services for ERP, and licenses, deployment and maintenance services. ERP is typically provided as a standalone product with technical and maintenance services for ERP on an annual basis. The license, deployment and maintenance services such as EAM follow a sales model similar to our intelligent manufacturing software solutions.

The table outlines the typical sales model for our operation management software solutions:

Principal product/service	Whether one-off or recurring sales	Whether standalone or bundled sales
Maintenance services for ERP	We typically charge annual service fees.	Typically offered on a standalone basis.
License authorization with implementation/technical services, or standalone license authorization . . .	New production line construction or line upgrade projects typically involve a one-time license fee for perpetual use. Additional fees may be charged if the number of licensed users is exceeded (if applicable), and for deployment or technical services. We also provide an annual subscription model, as exemplified by our eRPA product, where a small proportion is sold on a yearly subscription basis.	We are also exploring opportunities to bundle them with our intelligent manufacturing and other operational management software solutions. Our product offerings cover full lifecycle products, with bundled sales of proprietary products prioritized. Standalone sales available if customers require only specific products.
Maintenance services for other operational management software solutions	We typically charge annual service fees.	Typically sold alongside our licenses and deployment or technical services.

Pricing and Fee Model

The fee for the provision of our PlantU series intelligent industrial software solutions is typically determined based on project complexity, amount of work required and manpower involved, software products supplied and customization requests raised by our customers, service period, extent of services required, among others. For ERP systems licensed from third-party suppliers, the annual license fee payable by our customers is calculated by applying a markup to our own licensing costs, as specified in individual contracts.

The specific pricing of our solutions under each agreement is determined by the service scope and the underlying solutions involved with each customer. For both our intelligent manufacturing software solutions and operations management software solutions, we typically offer two pricing models: (i) a pure licensing model under which customers pay annual license fees in exchange for the use of off-the-shelf products, or (ii) a project-based model combining licensing with implementation and customization services, where we design and offer integrated solutions based on the customized specifications of customers and assign selected technical personnel to provide onsite services to customers. In certain cases, the two delivery forms may be combined within a single contract. Our customers are usually required to make payments in installments upon milestones in accordance with the billing cycle as designated in the agreement. We also offer operation and maintenance services to our customers under a separate agreement.

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For the provision of customized solutions and services, depending on individual agreement negotiations, the payment milestones may include contract signing (typically 30% of the contract price), finalization of blueprints (typically 30% of the contract price), implementation, customer’s inspection and final acceptance of our solutions (typically 30% of the contract price) and the lapse of the complimentary warranty period (typically 10% of the contract price). For the provision of standard software products, where our PlantU series software products are involved, the payment milestones may include contract signing (typically 50% of the contract price), final acceptance of our solutions (typically 50% of the contract price) and the lapse of the complimentary warranty period. Where different delivery forms are combined into a single contract, the pricing for each component will typically be itemized in the agreement. In line with industry practice, we typically permit customers to retain 10% of the contract price until the conclusion of the complimentary warranty period. However, for major, strategic or long-term customer projects, a higher retention percentage may be applied.

For our technical services, they normally include designing and providing tailored intelligent industrial software solutions, conducting training and addressing other customized needs of the clients. We usually charge based on the number of personnel involved and their working hours, rather than on a fixed fee, with a capped fee typically specified in the relevant agreement.

We usually charge our customers an annual fee for our operation and maintenance services, generally calculated at approximately 15% to 22% of the license fee.

We believe it is crucial to provide our solutions and services at competitive prices. We conduct market research and take into consideration the pricing level of similar services or products in our prior projects and in the industry in determining our pricing.

Sales and Marketing Team

As of December 31, 2025, we had an experienced sales and marketing team of 66 members with different specialties, who work closely with our R&D team to propose customized solutions to our potential customers. Our sales and marketing team consists of a centralized department focusing on the semiconductor sector and individual sub-teams within each business unit that concentrate on specific product offerings. As of December 31, 2025, the revenue generated per member of our sales and marketing team exceeds RMB12.8 million, demonstrating the remarkable efficiency and effectiveness of our team.

In particular, we have nine regional sales centers with localized sales teams in select cities, namely, Shanghai, Suzhou, Beijing, Shenzhen, Hangzhou, Chengdu and Xiamen in Mainland China, Singapore and Penang in Malaysia, to stay close to our customers and to better capture customer demands. We have established a sales network with specialized sales and marketing staff to conduct on-site sales activities for local customers across multiple regions domestically and globally. Our specialized sales efforts also allow us to accumulate industry and regional insights, enabling us to continuously improve and enrich our offerings.

Marketing and Branding

We typically establish our relationship with customers through standalone software products or integrated solutions for a specific use case, from which we create value for the adopters of our intelligent industrial software solutions. We have aligned our technological development around these objectives to meet our customer’s continuous evolving needs. By applying our industry know-how to new and upgraded solutions, we have reinforced our role as existing customers’ long-term trusted provider that assists them in addressing new challenges in their digitalization and automation progress. With our word-of-mouth reputation and proven track record, we can replicate our success through acquiring new customers in the same industry sector, as well as developing similar solutions to acquire customers from other industry sectors.

In addition to cross-selling and word-of-mouth referrals, we promote our solutions through various other channels. We frequently invite customers in the semiconductor industry and other industries to seminars to showcase our new product directions and roadmaps, thereby keeping them informed about our latest advancements. Through participating in industry exhibitions like

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SEMICON China, the world’s largest semiconductor industry platform, we are able to showcase our competitive solutions and communicate directly with potential customers and other industry participants. We believe we are well positioned to increase our visibility in the industry and grow our market share in the future.

Customer Support

We believe a dedicated customer support is key to nurturing a long-term relationship with our customers. After signing customer contracts, our sales and marketing team will gradually hand the client project over to our application team, which provides post-sale technical transfer, system implementation and technical support services. Our delivery center plays a key role in this project execution stage. It is responsible for two major functions: (i) the development of standardized templates for delivery, which are tailored based on the application scenarios and production line management requirements of customers in specific segments of the semiconductor industry, with the dual objectives to minimize our workload on customization and to shorten our delivery cycles; and (ii) the on-site solution deployment and implementation based on the standardized templates, which are then customized according to specific customer requirements, ensuring timely and quality delivery within project budget.

Afterwards, our maintenance department will provide continuous maintenance services throughout the complimentary warranty period, which typically spans around one year but may be extended through a separate operation and maintenance services agreement. While customer support scope varies by customer and project, we generally provide three main categories of support as part of our standard offerings: (i) product-related support: bug fixes for the core functionalities and customized components of our software, software patches and upgrades, among others; (ii) technical support: regular online and/or onsite system inspections, mobile, email and/or online support channels, emergency online and/or onsite support, remote consultations, and expert consultations, among others; and (iii) trainings: for operating and R&D personnel.

In particular, for our key customers, we typically assign dedicated customer service personnel who will, in turn, work closely with our application and R&D teams to provide targeted technical support. The precise scope of services and the relevant fees will be set out in individual operation and maintenance services contracts. We also conduct regular customer visits to optimize our performance and seek cross-selling and up-selling opportunities based on key customers’ evolving needs.

Due to the nature of the intelligent industrial software solutions we provided to our customers, product return is not applicable to our business. During the Track Record Period and up to the Latest Practicable Date, we had successfully maintained a good record with no material complaints attributed to product quality.

CUSTOMERS AND SUPPLIERS

Customers

We have developed and offered our solutions to companies across various industries. This diverse base comprises private enterprises and SOEs, enabling us to cater to a broad spectrum of recurring customers who rely on our tailored solutions and high standards of service. Our customers during the Track Record Period are primarily based in Mainland China.

The majority of our customers are the end adopters of our solutions while some others are general contractors engaged by end adopters. End adopters engage these general contractors to assist with various aspects of project implementation. See “—Sales and Marketing—Sales Agreements with Our Customers.” Given our technical superiority in certain fields and/or our industry reputation, end adopters may sometimes designate us as the supplier of selected software products and services, despite that another company has been selected as the general contractor. The aforesaid procurement process through general contractors by end adopters is in line with the industry norm.

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Revenue generated from our top five customers in each period during the Track Record Period accounted for 36.2%, 28.6% and 27.6% of our total revenue in 2023, 2024 and 2025, respectively, and revenue generated from our largest customer in each period during the Track Record Period accounted for 11.5%, 10.8% and 10.1% of our total revenue in the same periods, respectively. The following table sets forth certain information of our top five customers in each period during the Track Record Period.

Customer	Principal business	Registered Capital ⁽¹⁾	Products or services sold	Transaction amount	Percentage of total revenue	Credit term	Payment method	Year of commencement of business relationship
		(RMB in thousands)		(RMB in thousands)	(%)	(days)		
<i>For the year ended December 31, 2023</i>								
Customer A	5G communication equipment, smartphones, cloud computing services, enterprise network solutions and semiconductor chip design	41,041,132	Intelligent manufacturing software solutions	33,025.0	11.5	60	Bank transfer	2020
Customer B	Electricity generation and supply (thermal power, hydropower, wind power, solar energy), coal development and sales, technology-industrial financial services, and integrated energy solutions	37,000,000	Operations management software solutions	22,613.2	7.9	30	Bank transfer	2023
Customer C	R&D, production, and foundry services for analog circuits, power devices, micro controller units and other chips	21,198,060	Intelligent manufacturing software solutions	19,177.3	6.7	10~30	Bank transfer	2022
Customer D	Design and development of high-voltage MOSFET, IGBT, power integrated circuit and wafer foundry services	10,814,000	Intelligent manufacturing software solutions	17,108.2	6.0	5~180	Bank transfer	2022
Customer E	Advanced process wafer foundry services, development and commercialization of specialized semiconductor technologies	14,680,000	Intelligent manufacturing software solutions and operations management software solutions	11,895.7	4.1	15~30	Bank transfer	2019

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Customer	Principal business	Registered Capital ⁽¹⁾	Products or services sold	Transaction amount	Percentage of total revenue	Credit term	Payment method	Year of commencement of business relationship
		(RMB in thousands)		(RMB in thousands)	(%)	(days)		
<i>For the year ended December 31, 2024</i>								
Customer E . . .	Advanced process wafer foundry services, development and commercialization of specialized semiconductor technologies	14,680,000	Intelligent manufacturing software solutions and operations management software solutions	53,904.2	10.8	15~30	Bank transfer	2019
Customer F . . .	R&D, production and sales of large-diameter semiconductor silicon wafers	36,083	Intelligent manufacturing software solutions	27,546.9	5.5	30	Bank transfer	2019
Customer B . . .	Electricity generation and supply (thermal power, hydropower, wind power, solar energy), coal development and sales, technology-industrial financial services, and integrated energy solutions	37,000,000	Operations management software solutions	22,717.0	4.5	30	Bank transfer	2023
Customer G . . .	Refurbishment and resale of semiconductor equipment	2,000	Hardware products	21,000.0	4.2	300 ⁽²⁾	Bank transfer	2023
Customer H . . .	Production of semiconductor silicon wafers (such as 12-inch polished wafers, epitaxial wafers) and development of advanced process technologies	96,700	Intelligent manufacturing software solutions	17,949.1	3.6	7~10	Bank transfer	2024
<i>For the year ended December 31, 2025</i>								
Customer I . . .	Oil and gas exploration and development, new energy, refining sales, new materials, support and services, capital and finance businesses	333,333	Operations management software solutions	73,718	10.1	45	Bank transfer	2025
Customer J . . .	New energy, general aviation, leisure tourism and industrial investment	4,000,000	Intelligent manufacturing software solutions	35,398	4.8	90	Bank transfer	2025
Customer K . . .	Provision of electrical system solutions in the transportation and energy sectors	1,357,948	Intelligent manufacturing software solutions and Operations management software solutions	35,358	4.8	30 ~ 60	Bank acceptance bill and Commercial Acceptance Bill	2019

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Customer	Principal business	Registered Capital ⁽¹⁾	Products or services sold	Transaction amount	Percentage of total revenue	Credit term	Payment method	Year of commencement of business relationship
		<i>(RMB in thousands)</i>		<i>(RMB in thousands)</i>	<i>(%)</i>	<i>(days)</i>		
Customer L . .	Provision of consulting and implementation services for Extended-ERP business	10,000	Operations management software solutions	30,919	4.2	10	Bank transfer	2025
Customer M . .	Digital intelligence system development, electronic information manufacturing, semiconductor material manufacturing and industrial investment	10,599,264	Operations management software solutions	26,184	3.7	45	Letter of Credit	2025

(1) The registered capital amount is based on figures to the best of our knowledge as of December 31, 2025.

(2) Customer G was granted a relatively extended credit term during the period compared to typical customers due to the high-value nature of the semiconductor equipment purchased, while considering its strong reputation, proven track record, and the strategic value they might bring to our business development.

As of the Latest Practicable Date, none of our Directors, their close associates or any Shareholders which, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our top five customers in each year during the Track Record Period.

While we aim to be a cross-industry intelligent industrial software solutions provider, a majority of our top five customers in each period during the Track Record Period were Chinese front-end semiconductor companies, and a large number of our current intelligent industrial software solutions are tailored for the semiconductor industry, as CIM is particularly crucial in semiconductor fabrication. We also have been diversifying our customer base in terms of solution offerings and industrial sectors, aiming to acquire more customers and decrease the risks of customer concentration. See “Business—Our Competitive Strengths—Customer Network and Industry Benchmark Use Cases.”

Going forward, we also plan to further penetrate into other industries beyond semiconductor industries where we have accumulated experience and resources. We also plan to explore business opportunities with existing customers’ newly established subsidiaries and branch offices, as well as other corporate customers for our ERP system in Mainland China and in other markets, such as Singapore, Malaysia and Hong Kong.

Suppliers

Our suppliers primarily include (i) licensors of software products included in our solution offerings and for our daily business operations, such as our ERP as well as other computer operating systems, database software, development tools, software components and network security systems; (ii) providers of source code; (iii) providers of hardware; and (iv) human resources technical services provider. During the Track Record Period, most of our major suppliers are from Mainland China, and other major suppliers are from Japan, the Republic of Korea and the United Kingdom.

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Purchase from our top five suppliers in each period during the Track Record Period accounted for 82.1%, 52.1% and 49.1% of our total purchases in 2023, 2024 and 2025, respectively, and purchase from our largest supplier in each period during the Track Record Period accounted for 36.7%, 19.7% and 16.4% of our total purchases in the same periods, respectively. The following table sets forth certain information of our top five suppliers in each period during the Track Record Period.

Supplier ⁽¹⁾	Principal business	Products or services procured	Transaction amount (RMB in thousands)	Percentage of total purchases (%)	Credit term (days)	Payment method	Year of commencement of business relationship
<i>For the year ended December 31, 2023</i>							
Supplier A . . .	Provision of semiconductor equipment	Semiconductor equipment	44,579.5	36.7	In advance	Bank transfer	2023
Supplier B . . .	Provision of data center infrastructure solutions, IT equipment power/environment solutions, and system integration solutions	Software and customized development services	30,509.0	25.1	5	Bank transfer	2023
Supplier C . . .	Provision of ERP software	ERP software licenses and support services	16,655.0	13.7	365 ⁽²⁾	Bank transfer	2018 ⁽³⁾
Supplier D . . .	Provision of semiconductor equipment	Semiconductor equipment	3,992.7	3.3	In advance	Bank transfer	2023
Supplier E . . .	Supply of machinery, electronic equipment and others	Semiconductor equipment	3,982.3	3.3	5~10	Bank transfer	2023
<i>For the year ended December 31, 2024</i>							
Supplier F . . .	Provision of software source code	Source code and exclusive sales rights	33,484.3	19.7	15	Bank transfer	2024
Supplier G . . .	Provision of software source code	Source code and exclusive sales rights	19,257.7	11.3	15	Bank transfer	2024
Supplier C . . .	Provision of ERP software	ERP software licenses and support services	17,885.1	10.5	365 ⁽²⁾	Bank transfer	2018 ⁽³⁾
Supplier H . . .	Hardware equipment related business	Equipment procurement (ion implanters)	9,065.3	5.3	On demand	Bank transfer	2023
Supplier I . . .	Business digitalization solutions and services, specializing in the ERP domain	Human resources technical services	8,768.3	5.3	15	Bank transfer	2023

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Supplier ⁽¹⁾	Principal business	Products or services procured	Transaction amount (RMB in thousands)	Percentage of total purchases (%)	Credit term (days)	Payment method	Year of commencement of business relationship
<i>For the year ended December 31, 2025</i>							
Supplier J . . .	Provision of enterprises with digital marketing solutions and data intelligence services through big data and artificial intelligence technologies	Human resources technical services	47,114	16.4	3	Banker's acceptance and bank transfer	2025
Supplier K . . .	Provision of implementation, optimization, and technical services for the human resources module of ERP systems	Human resources technical services	30,114	10.5	10	Letter of Credit	2025
Supplier L . . .	Procurement, sales, R&D and Renovation of semiconductor equipments	Semiconductor equipment	24,336	8.5	30	Letter of Credit	2025
Supplier M . . .	R&D and production of machine vision, intelligent manufacturing solutions, industrial automation equipment	Hardware equipment	23,128	8.0	2	Bank transfer	2025
Supplier C . . .	Provision of ERP software	ERP software licenses and support services	16,396	5.7	365 ⁽²⁾	Bank transfer	2018 ⁽³⁾

- (1) The transaction amounts of each of our top five suppliers and its branches or subsidiaries are combined on a group basis.
- (2) Supplier C was granted a relatively extended credit term during the period compared to certain other suppliers due to the longer implementation cycle of projects involving ERP software. The credit term was aligned with the end adopter's annual payment schedule.
- (3) 2018 is the year that Supplier C commenced business relationship with Shanghai Foreverwin, which was acquired by us in 2022.

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To the best of our knowledge, all of our top five suppliers in each period during the Track Record Period were Independent Third Parties. As of the Latest Practicable Date, save for Supplier L (an associate of our Group in which Bai Sai Fund, a Management Shareholder, holds approximately 20% equity interests), none of our Directors, their close associates or any Shareholders which, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our top five suppliers in each period during the Track Record Period. See note 19 to Accountants’ Report in Appendix I and “Relationship With Our Controlling Shareholders” in this document for details.

The salient terms of our agreements with suppliers for the provision of hardware are set forth as follows:

- **Deliverables.** The agreement generally specifies the hardware that we purchase. The suppliers shall deliver the hardware in accordance with either the relevant specifications in its manufacturer’s manual or our specifications, whichever is higher. The suppliers shall also provide free installation, maintenance and technical support services.
- **Delivery and Acceptance.** The suppliers shall deliver the hardware to our designated place and are responsible for relevant fees and insurance, as applicable. The delivery shall occur within 30 days after the execution of the agreement or within the period that the parties otherwise agree in writing. We may opt for either a one-time delivery or deliveries in batches. For batch deliveries, the agreement will outline the schedule and specific deliverables for each batch.
- **Payment.** We typically pay our suppliers: (i) a lump sum payment within 15 days after the execution of the agreement; (ii) installment payments with one-time delivery, split into two installments — one within five business days post-agreement execution and the other within five business days after delivery and acceptance inspection; or (iii) installment payments with delivery in batches, where each installment is paid within a stipulated period after each batch delivery.
- **Termination.** The agreement may be terminated under circumstances such as uncured breaches or force majeure events. Either party may be required to pay penalty for breach of contract.

The salient terms of our agreements with suppliers for the provision of human resources technical services are set forth as follows:

- **Deliverables.** The agreement generally specifies the services that we purchase. The suppliers shall also provide free installation, maintenance and technical support services in accordance with the agreement or the manufacturer’s specifications.
- **Delivery and Acceptance.** The suppliers shall deliver the services to our designated place and are responsible for relevant fees and insurance, as applicable.
- **Payment.** We typically settle service fees on a monthly basis. Each month during the service period, we will provide suppliers with the service time and attendance records of their personnel, along with the corresponding monthly service fee. Suppliers shall issue an invoice for the specified amount, and we will remit payment for the previous month’s service fee within ten business days of receiving the invoice.
- **Termination.** The agreement may be terminated under circumstances such as uncured breaches or force majeure events. Either party may be required to pay penalty for breach of contract.

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The salient terms of our software and/or source code license agreements with suppliers are set forth as follows:

- **Deliverables.** The agreement generally specifies the software and/or source code that we license. The suppliers shall deliver the software and/or source code as original and genuine in accordance with either the relevant specifications in its manufacturer’s manual or our specifications, whichever is higher. The suppliers may also provide free installation, maintenance and technical support services for one to five years.
- **Delivery and Acceptance.** The suppliers shall deliver the services to our designated place and are responsible for relevant fees and insurance, as applicable.
- **Intellectual Property.** The agreement may also provide that we have the exclusive, perpetual licensing rights for the software and its source code applications within China. We typically obtain the right to (i) sublicense or re-authorized our clients to use the software, that means the client’s equipment may utilize the relevant software systems of our Group; (ii) copy, correct errors, or redevelop the licensed materials; and (iii) include the licensed software and source code in our software and hardware products.
- **Payment.** The agreement typically sets out a fixed fee for the software and/or source code. Depending on individual agreement negotiations, we typically pay our suppliers in two to four installments upon milestones as designated in the agreement, which may include contract signing, completion of delivery, verification of the software and source codes by us, or other agreed-upon benchmarks.
- **Termination.** The agreement may be terminated under circumstances such as uncured breaches, failure of the software or source code to pass our validation test, or failure to deliver the software or source code. Either party may be required to pay penalty for breach of contract.

In addition, we have enacted supply management policy and procedures to maintain effective control of our suppliers and the quality, costs and delivery process of our supplies. We adopt a rigorous supplier selection process to evaluate their background information, business qualifications, supply capabilities, quality management, and after-sales service abilities, among others. See “—Quality Control—Software, Hardware and Services Procurement.”

Our procurement department purchases from eligible suppliers in accordance with our procurement plans and procedures. We also regularly evaluate the performance of our suppliers to ensure their continuing compliance with our standards, taking into consideration the nature of supplies involved, multifaceted quality performance metrics, R&D and technical support capabilities and their commercial terms with us. Additionally, our procurement department actively seeks and reserves multiple brand supply resources for these products. This proactive approach ensures a stable and reliable supply chain, mitigating any risks associated with supply shortages or delays. As of the Latest Practicable Date, we were not aware of any material fluctuations of the price of our supplies as we manage price volatility through the competitive bidding and negotiation process.

Overlapping Customer and Supplier

During the Track Record Period, to the best knowledge of our Directors, Customer A, one of our five largest customers in 2023, was also our supplier. Customer A primarily purchased intelligent manufacturing software solutions from us due to our advanced technologies and strong market reputation and provided server services to us. In 2023, 2024 and 2025, the revenue generated from Customer A amounted to RMB33.0 million, RMB11.3 million and RMB0.3 million, representing 11.5%, 2.3% and less than 0.1% of our total revenue, while our purchases from Customer A amounted to nil, nil and RMB0.01 million, accounting for nil, nil and less than 0.1% of our total purchases, respectively.

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The terms of our purchases from and sales to such overlapping customer and supplier were negotiated separately, and such purchases and sales were neither inter-connected nor inter-conditional. The general terms with the overlapping customer and supplier were comparable to those with other suppliers and customers. According to CIC, it is common for upstream and downstream enterprises in our industry to transact with each other as both suppliers and customers. Accordingly, our Directors are of the view that all purchases from and sales to such overlapping customer and supplier were conducted in the ordinary course of business, on normal commercial terms, based on our genuine business needs and on an arm’s length basis. Save as disclosed above, to the best of our knowledge, none of our five largest customers in each year or period during the Track Record Period was a supplier of us or vice versa.

LOGISTICS AND INVENTORY MANAGEMENT

Logistics

We do not engage third-party logistics service providers for product fulfillment and delivery services. Requisite hardware components to implement our intelligent industrial software solutions are typically directly delivered by the hardware components vendors to the venue specified by our customers. As our intelligent industrial software solutions may be customized to meet the customers’ requirements and delivered on a project-specific basis, we conduct the installation process for our software products and hardware components (if any) on-site. We are sometimes required to engage third-party logistics service providers to distribute certain components from us to our customers during the Track Record Period. To the best of our knowledge and belief, all of these logistics service providers are Independent Third Parties.

Inventory Management

Our inventories mainly include purchased hardware and components, goods and contract fulfillment cost. Our inventories amounted to RMB159.1 million, RMB101.8 million and RMB76.8 million as of December 31, 2023, 2024 and 2025, respectively. We adopt a strict inventory control policy in place to control the inbound and outbound of inventory items and monitor our stock levels and minimize obsolete inventory, while keeping the inventory of hardware components at a level necessary to fulfill customers’ orders from time to time. We do not engage any third-party warehouse service providers as we source our hardware components specifically for each project and assembly of such hardware components is conducted on site. Substantially all hardware-related inventory is ordered directly from suppliers based on individual customer specifications and delivered straight to the customer’s designated site.

QUALITY CONTROL

We are committed to maintaining the highest level of quality in our solutions and services. We have designed and implemented a quality management system that provides the framework for continuous improvement of our intelligent industrial software solutions and services, and we closely monitor the implementation of our quality management procedures and measures. We have obtained the ISO9001 certification for our quality management systems, ISO14001 for our environment protection management system, and ISO45001 for our employment health and safety management system in 2024.

Software, Hardware and Services Procurement

We procure software licenses, hardware components, human resource technical services and other outsourcing services from external suppliers. Under our Procurement Management Policy (採購管理制度), all procurement decisions have to be made in accordance with these seven guiding principles: (i) “5R” Procurement Principle. Implement procurement according to the principles of right price, right quality, right quantity, right time and right place to maximize procurement efficiency. (ii) Fairness and Transparency Principle. The procurement process should be conducted based on the principles of openness, fairness, transparency and non-discrimination to ensure the fairness and transparency of the procurement process. (iii) Risk Management Principle. Procurement risks should be assessed, and corresponding risk management measures should be formulated to ensure the safety and smoothness of the procurement process. (iv) Compliance Principle. Strict adherence to relevant laws, regulations and standards is required to ensure the

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legality and standardization of the procurement process. (v) Cost Control Principle. Cost control strategies should be developed, and procurement costs should be evaluated and monitored to achieve cost control objectives. (vi) Quality Control Principle. Quality control standards should be established, and suppliers should undergo strict quality evaluation and monitoring to ensure that the procured products and services meet our requirements and standards. And (vii) Long-term Cooperation Principle. Emphasis should be placed on long-term cooperation with suppliers, establishing good partnership relationships to reduce procurement risks and costs.

Suppliers are selected through a comprehensive evaluation process. New suppliers must provide the required background information, and their business qualifications, supply capabilities, quality management, and after-sales service abilities are thoroughly assessed. We will also conduct regular adjustments and appraisals of suppliers to ensure their quality. These rigorous processes ensure that the quality of supplier is enhanced, meeting our projects’ stringent quality requirements. See “—Customers and Suppliers—Suppliers.”

Installation and Maintenance

We typically offer software installation and testing as part of our standard software license contract. As our software products and hardware components (if any) are delivered to project sites for assembly, we typically conduct our testing on site before project handover to our customers. Given the highly customized nature of our projects, we do not have a one-size-fits-all quality control policy, but rather rely on the expertise of our team and stringent Procurement Management Policy to ensure quality. Our customers typically provide a written acceptance form upon satisfactory testing results, which signifies the completion of the delivery process. We typically offer a complimentary one-year warranty on our software products, which is extendable upon the payment of an annual maintenance fee. Our maintenance department provides product-related support, technical support and trainings to our customers. See “—Sales and Marketing—Customer Support.” During the Track Record Period and up to the Latest Practicable Date, we had successfully maintained a good record with no material complaints attributed to product quality.

DATA PRIVACY AND SECURITY

We view data privacy and security of vital importance to our brand and reputation, and our customers’ confidence in our offerings. We adhere to this view in the following manner:

Data Collection

As a leading provider of intelligent industrial software solutions, upon obtaining proper prior consent, we may have access to certain operational data of our customers when we conduct on-site solution deployment or maintenance for customers, such as those data relating to manufacturing and operations in the semiconductor industry and other industries, as well as our customers’ contact details. We may also have access to certain personal data relating to trace, upon obtaining proper prior consent, for our solutions that assist customers in security and emergency management. However, access limitations are in place such that only selected personnel relevant to the project are authorized to access such data for service purpose. Customer operational data collection is strictly confined to importing by our on-site personnel via the customer’s internal network and does not require uploading to the cloud. We do not access, use or disclose customer operational data unless per relevant customers’ authorization or otherwise required by laws or regulations.

In addition, our sales personnel collect certain customer data, typically during the early stages of customer relationship development, upon consent. Such data include contact details, contract information, and information on business opportunities. Such data are stored in our internal customer relationship management system managed by our operations department. Access to such data is strictly confined to operations and sales personnel responsible for the specific customer’s orders.

For the purpose of product development, we collect source codes from a variety of data sources, including our internal R&D source codes, source codes procured from third parties, and open-source codes that can be used commercially. Such source codes are accessible by our R&D personnel, with internal monitoring software installed to strictly regulate information sharing. Open-source codes are subject to the respective developer’s ownership rights.

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We also have access to certain employee personal data, including basic personal information collected with consent upon employee onboarding and personal data relating to staff location. Such personal data are mainly stored on our human resources system managed by our human resources department. Access to such personal data is strictly confined to designated human resources personnel, with system logs monitoring any unauthorized access attempts.

Data Storage and Deletion

The personal information and data processed in our daily business operations are all stored within the PRC. The data collected and generated within the territory of the PRC will not be stored or transmitted to overseas locations, organizations, or individuals. During the Track Record Period and up to the Latest Practicable Date, we were not involved in any cross-border transfer of personal data, and we were not aware of any material non-compliance, administrative penalties, pending or threatened litigation or disputes in relation to data privacy and cyber security laws and regulations in jurisdictions where we operate.

We retain customer and employee personal data only for the shortest period necessary to achieve the intended purposes. We are typically required to delete customer operational data upon leaving our customers’ sites for on-site solution deployment or maintenance. In addition, such data generally can no longer be accessed or processed once our on-site personnel leaves our customers’ local environment. We will also permanently delete employees’ personal data upon their departure.

Policies and Procedures

We have designed and implemented a series of policies and procedures covering every aspect of our day-to-day business operations to protect customer data where we have formulated the comprehensive Semi-Tech Group Data Security Management Policy (賽美特集團數據安全管理制 度) (“**Data Policy**”). Furthermore, we enter into confidentiality agreements and/or employment agreements with confidentiality provisions with our employees. We have established a multi-step process to ensure our employees avoid unauthorized acts that may harm our IT systems and infrastructure, and comply with applicable data protection and privacy laws. These steps include a dedicated section in our employee handbook covering intellectual property, confidentiality and non-compete restrictions, as well as regular updates on IT policies and best practices. To ensure data security and governance, we classified data into four levels of confidentiality. All data, information, and documents must be labeled with their confidentiality level, which will be determined by the department that generates the document based on the actual situation.

Preventive Measures

We employ a variety of technical measures to prevent and detect risks and vulnerabilities regarding data privacy and security. We have incorporated the a secured digital office platform that integrates identity authentication, virtual private network connection, risk detection, and access control functions, into all aspects of our internal IT system. The system is installed in all Company computers, and our employees are generally not permitted to use their personal computer to conduct any work-related activities, thereby ensuring that all work-related data and communications are monitored by the system. All work-related documents must be transmitted internally using our email or internal communication system. Our email system must be used for sending files that meet confidentiality requirements to external customers, suppliers, partners, and the use of cloud drives, WeChat, USB drives or other tools to send work-related files to customers is strictly forbidden. The use of various cloud drives on work computers and/or uploading confidential Company files to cloud drives for storage are prohibited. If there is a need to use such other methods, an email application must be submitted to the Data Security Committee (數據安全委員會), and execution is only permitted after approval and recording.

As a software company, we prioritize the security and confidentiality of our source code above all else. In addition to standard IT security protocols mentioned above, all our source code is stored in a private GitLab repository, which is meticulously maintained by our IT team. Our R&D teams are required to upload all source code to GitLab. GitLab provides comprehensive management capabilities, allowing each R&D team to access only their own team’s codes. Furthermore, we

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implement automated system log monitoring to track activities of our IT administrators, thereby ensuring that no unauthorized access from the administrator end occurs. This multi-layered approach safeguards our intellectual properties and trade secrets, as well as maintains the integrity of our development processes.

Through the implementation of these policies and advanced security systems, we have established a data security firewall between our internal network and the Internet. This firewall ensures that all data and information are protected as they circulate within the internal network. Any data that needs to be transmitted externally must comply with the requirements under the Data Policy, undergo a thorough review process and be properly recorded.

In September 2024, we engaged a registered third party certification organization to conduct an information security management audit over our information security management activities related to computer application software development, operations and maintenance. According to its report, we have implemented appropriate and effective information asset risk assessment and mitigation measures, and we obtained the ISO20000 (information technology service management systems certification) and ISO27001 (information security management systems certification) international standard certifications. We obtained the CMMI5 (software capability maturity level five) international standard certification in 2025.

Personnel and Organization

To ensure the security of our data, establish a comprehensive data security system and maintain data security policies, we have formed a Data Security Committee to (i) promulgate and implement data security policies, (ii) monitor and assess data security risks, (iii) enhance data security awareness among all employees, and (iv) respond to and handle data security incidents.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any data or personal information leakage or loss, infringement of data or personal information, or information security incident, which could materially and adversely affect our business operations. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any litigation or dispute related to data security and personal information protection, nor had we been subject to or involved in any investigation or penalty by relevant competent regulatory authorities in this regard, that had a material adverse effect on our business, results of operations or financial condition.

Our PRC Legal Advisors are of the view that, during the Track Record Period and up to the Latest Practicable Date, we had not recorded any leakage of data, breaches of confidential business information, or violations of cybersecurity, data protection and privacy laws, rules and regulations by any competent regulatory authorities, which could materially and adversely affect our business operations.

COMPETITION

China’s advanced-industry intelligent manufacturing software companies market is relatively fragmented. We face competition from software companies of different sizes and business modes. Moreover, the industry competition may continue to intensify along with the evolving technologies and customer needs, as well as the changing market landscape in terms of the types and number of competitors and degree of market adoption. We primarily compete on the bases of prompt R&D and application of advanced technologies, industry acumen, customer insights, range of solution offerings, brand recognition, and service capacity and quality, among others. We believe that we are well-positioned to compete effectively based on the foregoing factors.

However, some of our competitors, especially international ones, may have greater brand recognition, longer corporate operating history, more advanced technical capabilities and broader established customer base than us. See “Risk Factors—Risks Relating to Our Business and Industry—If we fail to compete effectively, our business, results of operations and financial condition could be materially and adversely affected” and “Industry Overview.”

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LICENSES, PERMITS AND APPROVALS

Our PRC Legal Advisors have advised us that, during the Track Record Period and up to the Latest Practicable Date, we had obtained all material requisite licenses, permits and approvals necessary to conduct our operations from the relevant government authorities in Mainland China, and such licenses, permits and approvals remained in full effect. We are required to renew such licenses, permits, approvals and certificates from time to time. We do not expect any material legal obstacles in obtaining such renewals as long as the relevant documents are submitted as required by the relevant government authorities.

The following table sets forth details of the material licenses, permits and approvals we hold for our operation in Mainland China up to the Latest Practicable Date:

No.	Holder	License/permit/approval	Issuing authority	Grant date	Expiration date
1. . .	Our company	Registration Certificate of Customs Declaration Entity of PRC (中華人民共和國海關報關單位註冊登記證書)	Shanghai Customs of PRC (中華人民共和國上海海關)	July 23, 2018	Remains effective indefinitely
2. . .	Our company	CMMI-DEV 3	CMMI Partner	September 19, 2025	September 19, 2028
3. . .	Semi-Tech Technology	CMMI V3.0 Development Maturity Level 5	Premium CMMI Partner	July 12, 2025	July 12, 2028
4. . .	Semi-Tech Technology	CMMI Development Domain Maturity Level 3	CMMI Partner	July 5, 2024	July 5, 2027
5. . .	Our company	Permit for the Discharge of Urban Sewage into Drainage Networks (城鎮污水排入排水管网許可證)	Shanghai Minhang District Water Authority (上海市閔行區水務局)	June 20, 2025	October 30, 2026
6. . .	Beijing Huiliu	CMMI-DEV V2.0 MATURITY LEVEL 3	CMMI Partner	February 2, 2024	February 2, 2027
7. . .	Beijing Zhi Yang	CMMI-DEV 3	CMMI Partner	February 20, 2025	February 20, 2028

Intellectual property rights are fundamental to our business, and we devote significant time and resources to their development and protection. We rely on a combination of contractual restrictions, confidentiality procedures, and intellectual property registration to establish and protect our proprietary technologies. We have dedicated taskforce to curate and implement our intellectual property strategies, evaluate our intellectual property status, coordinate related internal trainings, and protect against risks relating to our intellectual properties.

As of December 31, 2025, we had 43 trademarks, 49 invention patents, eight utility model patents, 386 computer software copyrights and ten copyrighted works registered in Mainland China. As of the Latest Practicable Date, we had 67 and one patent applications pending approval in Mainland China and the United States, respectively. As of the Latest Practicable Date, we had not been subject to any material dispute or claims for infringement upon third parties’ trademarks, licenses, and other intellectual property rights in Mainland China. See “Statutory and General Information—Further Information about Our Business—Intellectual Property Rights” in Appendix VI to this document.

During the Track Record Period and up to the Latest Practicable Date, we had not identified breaches of our intellectual property rights which, viewed alone or in the aggregate, had a material impact on our business, results of operations or financial condition, nor had we had any material dispute or legal proceeding concerning intellectual property rights with third parties.

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EMPLOYEES

The following table shows the numbers and percentages of our full-time employees by function as of December 31, 2025.

Function/department	Number of employees	% of total employees
Technical		
• Application	620	55.3
• R&D	311	27.7
	931	83.0
Management	125	11.1
Sales and Marketing	66	5.9
Total	1,122	100.0

We believe that our employees are valuable assets that contribute to the success of our Group. We recruit our employees based on a number of factors such as their industry experience, their educational background, and our vacancy needs. We generally pay our employees a fixed salary and other allowances based on their respective positions and in accordance with the relevant laws internal policies, in addition to year-end variable and discretionary performance bonuses.

We also enter into individual employment contracts with our employees based on a standard form covering matters such as employment term, wages, employee benefits, employment scope and grounds for termination. In addition, we generally enter into standard legally-binding confidentiality and non-compete agreements with our employees. As required under PRC laws and regulations, we participate in and make contributions to social insurance, including pension, medical, maternity, work-related injury and unemployment, and housing provident fund. Our Directors also confirm that, during the Track Record Period and up to the Latest Practicable Date, we had not received any fines, penalties, warnings, or administrative actions against us by any local authorities in relation to our employees and any relevant local labor laws or regulations which could materially and adversely affect our business operation.

During the Track Record Period, we did not make adequate social insurances and housing provident fund contributions for certain employees. As advised by our PRC Legal Advisors, under the premise that there have been no significant changes in the policies on social insurance contributions and enforcement and supervision requirements by the relevant government authorities, and no material complaints from employees, the likelihood that we would be required by relevant authorities to make a centralized supplementary payment for any historical shortfalls for social insurance and housing provident fund contributions and/or be subject to material administrative penalties due to failure to make full contributions is remote. In addition, during the Track Record Period, we engaged third-party human resource agencies to make social insurance and housing provident fund contributions for certain employees. Our PRC Legal Advisors are of the view that our arrangement of paying social insurance and housing fund contributions for some employees through third-party human resources service agencies will not have a material adverse impact on our business operations. See “—Risk Management and Internal Control—Internal Control” and “Risk Factors—Risks Relating to Our Business and Industry—We face certain legal and regulatory risks relating to labor-related laws and regulations, which may adversely affect our business and our results of operations.”

In respect of our failure to make full contributions and use of third-party service providers for payment of contributions to social insurance and housing provident fund contributions, we have reviewed our practice and adopted or plan to adopt the following measures to comply with the regulatory requirements:

- we are in the process of communicating with our employees with a view to seek their understanding and cooperation in complying with the applicable payment base, which may require additional contributions from our employees;

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- we plan to gradually reduce the number of employees for whom social insurance and housing provident funds contributions are processed through third-party agents. Ultimately, all contributions will be made directly by us without involving any third-party agents;
- we plan to adjust the payment base gradually for all employees’ social insurance and housing provident funds contributions as soon as practical upon the request of the competent authority in compliance with the applicable laws and regulations and with the employees’ cooperation; and
- we will make contributions for our employees in a manner as requested as soon as practicable once we receive any notification from the relevant government authorities requiring us to make contributions for the shortfall amounts or to amend our policies or practices in this regard, so that we will not be subject to any administrative punishment from the relevant government authorities due to the failure to make such contributions in time.

As of the Latest Practicable Date and up to the Latest Practicable Date, our employees were not represented by any labor union. We believe that we maintain a good working relationship with our employees during the Track Record Period and up to the Latest Practicable Date. As of the Latest Practicable Date and up to the Latest Practicable Date, our employees had not negotiated their terms of employment through any labor union or by way of collective bargaining agreements. Our employees undergo regular trainings to enhance their technical skills, knowledge of industry quality standards, occupational health and safety standards, and applicable laws and regulations. We believe that we have maintained good working relationships with our employees. During the Track Record Period and up to the Latest Practicable Date, we did not experience any major labor disputes, work stoppages, or labor strikes that led to disruptions in our operations.

INSURANCE

We consider our insurance coverage to be adequate in accordance with the commercial practices in our industry. In line with general market practice, we do not maintain any business interruption insurance or product liability insurance, which are not mandatory under PRC laws. We do not maintain any insurance policies covering damages to our information technology systems. During the Track Record Period and up to the Latest Practicable Date, we did not make any material insurance claims in relation to our business.

PROPERTIES

Our R&D center is located in Shanghai, China. We own and lease properties in Mainland China and overseas. As of December 31, 2025, none of the properties leased or owned by us had a carrying amount of 15% or more of our consolidated total assets. According to Chapter 5 of the Hong Kong Listing Rules and section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report.

Mainland China

As of the Latest Practicable Date, we had rights to use one parcel of land with a total area of approximately 16,059.1 sq.m. in Shanghai, China and we obtained the title certificates of the aforesaid parcel of land in Shanghai, China. As of the Latest Practicable Date, we commenced and were still at the early stage of the construction of building on the aforesaid parcel of land, which will primarily be used as our R&D center. See “Future Plans and Use of [REDACTED].”

As of the Latest Practicable Date, we entered into property assignment agreements for acquisition of three properties with a total gross floor area of approximately 3,586.5 sq.m. in Suzhou, and we were still in the process of obtaining the title certificates for the afore-said three properties in Suzhou.

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As of the Latest Practicable Date, we leased 12 properties in Mainland China, which are used as office spaces, from Independent Third Parties, with an aggregated GFA of approximately 5,373.6 sq.m. In addition, we may from time to time lease other properties as staff dormitories for application personnel working on projects outside their usual place of work. We intend to renew the other leases or negotiate new lease terms when they expire. We did not experience any material difficulties in negotiating a renewal of our leases with our landlords during the Track Record Period and up to the Latest Practicable Date.

Landlords for two of our leased properties in Mainland China have not provided us with valid title certificates or relevant authorization documents evidencing their rights to lease the properties to us. Consequently, if any of these leases are terminated as a result of challenges by third parties, we may not be able to continue to use such properties. If we are not able to continue to own or lease these properties due to any of the issues mentioned above, we may need to seek alternative properties and relocate. We believe that there are alternative premises available at reasonable market rents in the relevant regions if we have to relocate, and we do not anticipate such relocation to have any material adverse effect on our business operations and financial condition. See “Risk Factors—Risks Relating to Our Business and Industry—We currently operate our business mainly through leased properties which exposes us to risks in relation to unpredictable increases in rental and relocation costs. In addition, our leased properties may potentially be contested by third parties or government bodies causing our operations to be disrupted” for further details of the related risk.

Pursuant to the applicable laws and regulations in Mainland China, property lease contracts must be registered with the relevant local branches of the PRC Ministry of Housing and Urban Development. As of the Latest Practicable Date, we had not completed lease registration of 12 properties we leased in Mainland China, primarily due to the landlords’ failure to provide valid title certificates or the difficulty of procuring the relevant landlords’ cooperation to register such leases. Our PRC Legal Advisors have advised us that the lack of registration for the lease contracts will not affect the validity of such lease contracts under PRC law, and have also advised us that the competent housing authorities may order us to register the lease agreement in a prescribed period of time and a maximum penalty of RMB10,000 may be imposed for each non-registered lease agreement if we fail to complete the registration within the prescribed timeframe. As of the Latest Practicable Date, we were not subject to any penalties arising from the non-registration of lease agreements in Mainland China, and we have not received any notice from relevant authorities in relation to the non-registration of the lease agreements. We believe that there is a sufficient supply of properties in Mainland China, and thus we do not rely on existing leases in Mainland China for our business operations.

Overseas

Additionally, we have leased four properties located in Hong Kong, Japan, Singapore and Malaysia, respectively, all of which are primarily used as offices. Our management are of the view that such tenancy agreements are entered into in accordance with the local legal requirements and are valid and binding.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time be subject to various legal or administrative claims and proceedings arising from the ordinary course of business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management’s time and attention. See “Risk Factors—Risks Relating To Our Business and Industry—We may be involved in litigation, legal or contractual disputes, governmental investigations or administrative proceedings, which may divert our management’s attention and adversely affect our business, results of operations and financial condition.”

During the Track Record Period and up to the Latest Practicable Date, there were no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition, or results of operations.

Legal Compliance

Our Directors confirm that, as advised by our Legal Advisors, our Group has complied with all material applicable laws and regulations in Mainland China and overseas, and there was no non-compliance incident that materially and adversely affected our business, financial position, or results of operations during the Track Record Period and up to the Latest Practicable Date.

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AWARDS AND RECOGNITION

During the Track Record Period and up to the Latest Practicable Date, we received awards and recognition in respect of our business achievements, significant ones of which are set forth below:

Award/Recognition	Award year	Awarding institution/Authority
State-Level Technologically Advanced “Little Giant” Enterprise (國家級專精特新“小巨人”企業)	2023	Ministry of Industry and Information Technology (工業和信息化部)
Shanghai Municipal Little Giant of Technology (Training) Enterprise (上海市科技小巨人(培育)企業)	2023	Shanghai Municipal Economy and Information Technology Commission (上海市經濟和信息化委員會) and Shanghai Municipality Science and Technology Commission (上海市科學技術委員會)
Shanghai Municipal Innovative Small and Medium-sized Enterprise (上海市創新型中小企業)	2023	Shanghai Municipal Economy and Information Technology Commission (上海市經濟和信息化委員會)
2024 Shanghai Municipal Key Service Unicorn (Potential) Enterprise (2024年上海市重點服務獨角獸(潛力)企業)	2024	Shanghai Small and Medium-sized Enterprises Development Service Center (上海市中小企業發展服務中心)
Top 100 High-Growth Enterprises in Shanghai in 2024 (上海市2024高成長百家企業)	2024	Shanghai Municipal Economy and Information Technology Commission (上海市經濟和信息化委員會)
2024 Semiconductor Manufacturing Technology Innovation TOP20 (2024半導體製造技術創新TOP20)	2024	Committee of World Innovators Meet 2024 (WIM2024組委會)
National High and New Technology Enterprise (國家級高新技術企業)	2024	Office of the Leading Group for the National High and New Technology Enterprise Certification Management (全國高新技術企業認定管理工作領導小組辦公室)
Top 100 High-Growth Enterprises in Shanghai in the Software and Information Technology Services Industry in 2024 (2024上海軟件和信息技術服務業高成長百家企業)	2024	Shanghai Municipal Economy and Information Technology Commission (上海市經濟和信息化委員會)
Shanghai High and New Technology Enterprise Certificate (上海市高新技術企業證書)	2024	Shanghai Municipal Bureau of Finance (上海市財政局), Shanghai Municipality Science and Technology Commission (上海市科學技術委員會) and Shanghai Municipal Tax Service of the State Taxation Administration (國家稅務總局上海市稅務局)
Hurun Global Gazelle Enterprise (胡潤全球瞪羚企業)	2024	Hurun Research Institute (胡潤研究院)
Social Responsibility Award (社會責任獎)	2025	Shanghai Federation of Industry and Commerce Industrial Products Service Chamber (上海市工商聯工業品服務商會)
Shanghai Municipal Minhang District Enterprise Technology Center (上海市閔行區企業技術中心)	2025	Minhang District Economic Commission (閔行區經濟委員會)
Software Enterprise Certificate (軟件企業證書)	2025	China Software Industry Association (中國軟件行業協會)
Shanghai Municipal Enterprise Technology Center (上海市企業技術中心)	2025	Shanghai Municipal Economy and Information Technology Commission (上海市經濟和信息化委員會)

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ENVIRONMENT, SOCIAL AND GOVERNANCE (“ESG”) MATTERS

We consider environmental sustainability, corporate social responsibility and governance as part of our core growth philosophy that will be pivotal to our ability to create sustainable value for our Shareholders.

Environment

Overview

We believe that responsible environmental management is a pathway to achieving economic and environmental coexistence. We have consistently demonstrated our commitment to this principle by adhering to relevant laws and regulations while developing internal environmental management protocols. Due to the nature of our business, we do not operate any manufacturing facilities and are not subject to significant environmental risks. During the Track Record Period and up to the Latest Practicable Date, our operations did not generate any environmental pollutants regulated by applicable environmental protection laws and regulations. We have complied with environmental regulatory requirements, covering sewage, noise, waste classification and resource consumption in all material aspects. We have not been subject to any material administrative penalties for violations of environmental laws and regulations and is not classified as a high-pollution enterprise.

Commitments and Initiatives

Although we are not subject to material environmental or climate-related risks, we are dedicated to put in efforts towards environmental protection through implementing a number of policies to reduce energy, water and paper consumption. As such, we implemented the following measures in the course of our business operations: (i) we encourage our employees to save water at washroom and tea room; (ii) we encourage our employees to practice “paperless working” by using digital working means as much as possible; (iii) we keep indoor air-conditioning temperature at 25°C during summer; (iv) we purchase and use energy-saving equipment such as LED lightbulbs in all offices; (v) our administrative staffs perform regular check in our office daily and turn off lights for unused conference rooms or working areas; and (vi) we post reminders or memos to our employees in appropriate office settings to encourage employees to act environmental-responsibly.

We keep track of our energy consumption as a mean to evaluate the effectiveness of our environmental protection measures. We will continue to monitor our energy consumption to re-evaluate the efficiency of electricity and water consumptions in our operations.

Furthermore, our operational activities met environmental standards, supported by a certified environmental management system under the ISO 14001 framework. Moving forward, we will further enhance our environmental management systems by setting science-based goals and ensuring their effective implementation. This will strengthen our environmental performance and support sustainable development.

Environmental Metrics

During the Track Record Period, we have assessed our environmental performance by understanding the environmental footprint, and the most significant consumption is the use of electricity, water and paper.

The table below sets forth our electricity, water and paper consumption for the periods indicated:

Indicator	Unit	For the year ended December 31,		
		2023	2024	2025
Energy consumption	MWh	229.4 ⁽¹⁾	321.2 ⁽¹⁾	455.9 ⁽¹⁾
Water consumption	Tons	1,002.7	1,076.7	1,561.4 ⁽²⁾
Paper consumption	Tons	2.1	1.9	2.7

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- (1) The increase in energy consumption was mainly attributable to the acquisition and establishment of subsidiaries during the Track Record Period.
- (2) The increase in water consumption in 2025 was mainly attributable to (i) the renovation of our self-owned office property in Suzhou; and (ii) our expansion of operational scale resulting from the growth in our employee headcount and the area of our office premises.

The table below sets forth our total greenhouse gas (“GHG”) emissions for the periods indicated:

GHG emissions ⁽¹⁾	Unit	For the year ended December 31,		
		2023	2024	2025
Scope 1	<i>Ton carbon dioxide equivalent (“tCO₂e”)</i>	3.4	6.2	9.1
Scope 2	<i>tCO₂e</i>	123.1	172.4	244.6
Scope 3	<i>tCO₂e</i>	833.5	855.7	906.1
Total GHG emissions	<i>tCO₂e</i>	960.0	1,034.3	1,159.9

- (1) The calculation of GHG emissions was made reference to The Greenhouse Gas Protocol — A Corporate Accounting and Reporting Standard (Revised Edition) published by the World Business Council for Sustainable Development and the World Resources Institute. As we engage in the business of providing intelligent industrial software solutions but not industrial manufacturing, our Scope 1 (Direct) emissions are minimal. Scope 2 (Energy Indirect) emissions cover GHG emissions of indirect energy resulted from purchased electricity consumed by our operations, specifically arising from electricity used by our network and data infrastructure hosted by third party suppliers. Scope 3 (Other Indirect) emissions cover GHG emissions of indirect emissions in our Group’s value chain, specifically arising from daily commute and business travels by our employees.

We believe our business operation achieved an average level of environmental performance compared to other companies in our industry. Taking into account factors such as geographical differences, industry specifics and company scale, we selected three major peers with a similar business model for comparison, all of which are listed on the Main Board of the Hong Kong Stock Exchange. Accordingly, we consider their disclosed information to be an appropriate benchmark for assessing our environmental performance. According to their annual reports for 2024, their energy consumption per million RMB of revenue and water consumption per million RMB of revenue ranged from 0.6 to 2.4 MWh and 1.5 to 16.4 tons, respectively. We achieved 0.6 MWh and 2.2 tons for the same indicators in 2024, respectively. Our major peers’ total GHG emissions per million RMB of revenue ranged from 0.7 to 2.9 tCO₂e in 2024, while our total GHG emissions per million RMB of revenue amounted to 2.1 tCO₂e in 2024.

Environmental Targets

Based on our historical environmental metrics and expansion plans, we aim to reduce each of our energy consumption intensity, water consumption intensity, and operational GHG emissions intensity by 5% by 2030 as compared to our 2025 levels.

The sources of GHG emissions in our business operations mainly include (i) energy consumption for daily office operations and for supporting the IT infrastructure hosted by third-party service providers, which require continuous operation and cooling due to the business nature of the Group, and (ii) employees’ business travel, particularly those involved in on-site solution deployment or maintenance for customers. We have always been committed to reducing GHG emissions in our business operations. For example, we have encouraged our employees to use public transportation and new energy vehicles.

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In addition, our planned initiatives to achieve the targets include establishing additional delivery centers and employing application personnel locally. We expect that this can reduce our GHG emissions by reducing the number of employee business trips. We will also continue to raise our employees’ energy conservation awareness and consistently implement existing measures throughout our business operations. See “—Commitments and Initiatives.”

Corporate Social Responsibility

Charitable Causes and Rural Revitalization Efforts

We are committed to advancing social welfare through charitable giving and rural revitalization. As of the Latest Practicable Date, we donated RMB100,000 to the Minhang District branch of the Shanghai Charity Foundation (上海市慈善基金會閔行區代表處) to support local public welfare initiatives. As of the Latest Practicable Date, we contributed RMB5.0 million to the Ningxiang No. 1 High School Education Foundation (寧鄉一中教育基金會) in Hunan Province to support the construction of a comprehensive teaching building. Additionally, we entered into a village-enterprise partnership with Heyuan Village (何元村) in Shidian County, Yunnan Province, providing RMB50,000 to fund a rural lighting project. We have been recognized with a Social Responsibility Award (社會責任獎) by the Shanghai Federation of Industry and Commerce Industrial Products Service Chamber (上海市工商聯工業品服務商會).

University-enterprise Collaboration

We actively foster partnerships with academic institutions through donations, research collaborations and graduate recruitment. We have also partnered with Tsinghua University on a national key R&D initiative under the 14th Five-Year Plan, aimed at overcoming core technical challenges in human-machine interaction, industrial software and hybrid intelligent computing platforms. We also signed a technology development agreement with a renowned university in Mainland China to co-develop advanced algorithms for semiconductor manufacturing and data analysis. We also signed a donation agreement with the Qinghai University Education Foundation (青海省青海大學教育基金會) to support research and student entrepreneurship. We have paid RMB4.25 million as of the Latest Practicable Date.

Employee Safety, Welfare and Development

We strictly comply with China’s labor laws and prioritize employee well-being and career advancement.

We are committed to abiding by all applicable regulatory requirements, preventing and reducing hazards and risks that may harm the health of our employees, and ensuring the health and safety of our employees and surrounding communities. Strictly complying with the Law of the People’s Republic of China on Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》) and other applicable laws and regulations, we have continuously strengthened the occupational health protection of employees and systematically sorted out the occupational health management system documents. We have attained ISO 45001 certification. We have established a comprehensive management system that continuously optimizes employees’ work experience by addressing health risks associated with the digital office environment. In addition, we provide our employees with annual health check-ups, psychological counseling resources, and healthy lifestyle promotion activities to foster a positive and sustainable work atmosphere, supporting employees in maintaining their physical and mental health while working efficiently.

We have implemented a comprehensive suite of internal policies including an employee handbook, job rotation system, project bonus scheme, performance evaluation framework, patent incentive policy and onboarding training program to foster employee development. We support work-life balance through family visit benefits for traveling staff, team-building activities and recreational subsidies. Additional benefits include dormitory accommodations, meal and travel allowances and annual health checkups.

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Employee Diversity and Equality

We uphold a culture of equality, diversity, innovation and zero tolerance for discrimination, fostering a transparent and trusting environment that values honesty and inclusiveness. We comply with the Labor Law of the PRC (《中華人民共和國勞動法》), the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), Law of the PRC on the Protection of Rights and Interests of Women (《中華人民共和國婦女權益保障法》) and other laws and regulations in all material aspects, and have formulated internal policies to standardize employment practices and procedures including the recruitment and hiring, onboarding and offboarding, to specify the contents of labor contracts and regulations on employment management, and to clarify the rights of employees regarding their working hours, rest and leave, to ensure the implementation of the equal employment mechanism. For example, we have clarified the legal rights and interests of female employees regarding rest and vacation in our internal policies. We have also established channels for employees to provide feedback.

Business Ethics

We require all our employees and our suppliers to adhere strictly to the business ethics. Specifically, we have implemented a set of policies to ensure our operations comply with applicable anti-bribery and anti-corruption regulations in jurisdictions where we operate. The policies explain potential bribery and corruption conduct and our anti-bribery and anti-corruption measures. Improper payments prohibited by the policy include bribes, kickbacks, excessive gifts or facilitation payment, or any other payment made or offered to obtain an undue business advantage. Our legal department is responsible for investigating the reported incidents and taking appropriate measures as necessary. We conduct background checks before hiring any third party and ensure that the hiring procedure is implemented fully in accordance with the anti-bribery and anti-corruption policies. We also have regular training for employees regarding anti-bribery and anti-corruption policies to facilitate better implementation.

Local Economic Development

We are committed to supporting local economic development by actively creating employment opportunities within the communities where we operate. Over the past few years, we have consistently contributed to the local workforce by hiring where our offices and branches are located. This approach not only strengthens our ties with the community but also enhances our understanding of local needs and dynamics. We remain dedicated to fostering inclusive growth and building long-term value through local engagement.

Commitment to Innovation and Technological Advancement

We view R&D and technological innovation as essential to our long-term development and corporate responsibility. Our sustained investment in R&D not only drives business growth but also supports the broader community by advancing intelligent industrial software solutions that respond to evolving industry needs. Guided by our structured R&D Policy, we ensure efficient, collaborative and market-oriented innovation that enhances our competitiveness while contributing to sustainable industrial progress.

Responsible Data Governance and Privacy Protection

We are committed to safeguarding data privacy and upholding the trust of our stakeholders through a comprehensive data governance framework. Guided by our Data Policy, we implement strict protocols across all operations, including data classification, employee confidentiality obligations, and secure IT infrastructure. Our Data Security Committee oversees policy enforcement, risk monitoring, and incident response. Through technical safeguards, internal access controls and centralized source code management, we ensure the integrity and confidentiality of sensitive information. Our adherence to international standards — CMMI5 (software capability maturity level five), ISO20000 (information technology service management systems certification) and ISO27001 (information security management systems certification) — reflects our dedication to responsible digital practices and the protection of customer, employee and partner data.

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Governance

Corporate Governance Framework

We have established a comprehensive corporate governance framework in accordance with the requirements of the Company Law of the PRC (《中華人民共和國公司法》), Securities Law of the PRC (《中華人民共和國證券法》) and other applicable laws, regulations and regulatory guidelines. This framework comprises Shareholders’ meeting, Board of Directors, Board committees and independent Directors. Together, these bodies form a clearly defined and well-coordinated system of authority, decision-making, oversight and execution. We have adopted our Articles of Association and a suite of governance policies to ensure the standardized and effective operation of our corporate governance structure.

Since our conversion into a joint stock limited company and till the end of the Track Record Period, we have convened 32 general meetings of Shareholders, 36 Board meetings, 23 meetings of Board sub-committees, and four meetings of independent Directors.

Shareholders’ Meeting System

Since our conversion into a joint stock limited company, the general meeting of Shareholders has operated in strict compliance with relevant laws, regulations and the Articles of Association. It has effectively resolved key matters such as the election of Directors, formulation and amendment of the Articles of Association and other core governance policies, approval of related-party transactions, external investments and strategic business decisions.

Board of Directors System

In accordance with the Company Law of the PRC (《中華人民共和國公司法》) and our Articles of Association, we have established a Board of Directors and formulated the Rules of Procedure for the Board (董事會議事規則) to standardize the deliberation and decision-making processes. Our Board is elected by the general meeting of Shareholders and is accountable. Our Board consists of nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors. Directors serve a term of three years and may be re-elected upon expiration of their term, except that Independent Directors may serve no more than two consecutive terms. We have adopted a Board diversity policy. The Nomination Committee considers candidates’ experience, professional background, culture and education. As of the Latest Practicable Date, our Board includes three female Directors. Throughout the Track Record Period and up to the Latest Practicable Date, our Board has operated in a compliant and effective manner, fulfilling its responsibilities in accordance with the Articles of Association and the Rules of Procedure. Regular and ad hoc Board meetings have been convened as required and necessary.

Our Board has the collective and overall responsibility for establishing, adopting and reviewing our ESG vision, policy and target, and evaluating, determining and addressing our ESG-related risks. Our Board may engage independent third parties to evaluate the ESG risks and review our existing strategy, target and internal controls. Necessary improvement will then be made to mitigate the risks. Our Board also directs our dialogue with stakeholders regarding ESG matters. Our management presents and communicates the key highlights of ESG-related matters to our Board periodically. We are currently not subject to significant health, safety, environmental or climate-related risks. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any fines or other penalties due to non-compliance with health, safety or environmental regulations. During the Track Record Period and up to the Latest Practicable Date, we had not incurred material capital expenditures or compliance costs related to ESG. We also do not anticipate to incur material capital expenditures or compliance costs related to climate in the foreseeable future.

Board Committees System

We have established four Board committees: the Strategy Committee, Audit Committee, Nomination Committee and Remuneration and Appraisal Committee. These committees are responsible for advising on corporate strategy, audit matters, senior management appointments and compensation and performance evaluation, respectively. Each committee operates under its own

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charter and provides professional insights and recommendations to our Board. During the Track Record Period and up to the Latest Practicable Date, the committees reviewed matters including financial performance, strategic initiatives, compensation plans and personnel appointments, contributing to more effective and professional Board decision-making. Their establishment and operation have enhanced the efficiency, scientific rigor and oversight capacity of our Board, further strengthening our corporate governance framework.

Independent Director System

Our Board currently includes three independent Directors. We have implemented the Working Rules for Independent Directors (獨立董事工作制度), which clearly define their qualifications, appointment process, term of office, rights and responsibilities, and procedures for expressing independent opinions. Since their appointment, our independent Directors have actively participated in corporate governance in accordance with the Company Law of the PRC (《中華人民共和國公司法》), Securities Law of the PRC (《中華人民共和國證券法》), Articles of Association and internal policies. They have contributed their expertise in finance, law and strategic planning in safeguarding the interests of all shareholders and supporting the continuous improvement of our governance practices.

Equity Incentives and Talent Retention

To further strengthen our corporate governance framework and align employee interests with long-term strategic goals, we have implemented equity incentive schemes during the Track Record Period. These initiatives are designed to establish a balanced system of motivation and accountability for mid-level and core employees, while attracting and retaining high-caliber talent across management, R&D, operations, marketing and production. By fostering a culture of shared success, these programs enhance our market competitiveness and support our sustainable development. See “Statutory and General Information—Further Information about our Directors and Substantial Shareholders—Equity Incentive Schemes.”

RISK MANAGEMENT AND INTERNAL CONTROL

Internal Control

We have designated responsible personnel to monitor the ongoing compliance by us with the relevant PRC laws and regulations that govern our business operations and oversee the implementation of necessary measures. In addition, we plan to provide our Directors, senior management and relevant employees with continuing training programs and/or updates regarding the relevant PRC laws and regulations on a regular basis with a view to proactively identify any concern and issue relating to any potential non-compliance.

We have adopted internal rules and policies governing various aspects of our business operations and management, including information system, physical assets, procurement, sales and marketing, financial reporting and human resources. For example, we have designed and implemented a series of internal control policies and procedures relating to our information system, such as encryption and authorization procedures, and data security practice guidelines for our employees. See “—Data Privacy and Security.” In addition, we have established internal control policies covering various aspects of human resource management such as recruiting, training, work ethics and legal compliance. Furthermore, we have adopted a set of policies and procedures in connection with our financial reporting management, such as maintenance of chart of accounts, budget management procedures and monthly financial close procedures. In particular, segregation of duties is established for the preparation of financial reports, requiring that the approver be different from the preparer. For example, after the finance department completes the preparation of monthly financial reports, these reports will be submitted to the chief financial officer and relevant management for review through email. The authorized management personnel will reply as evidence of approval after confirming the accuracy of the reports.

We have also taken the following internal control rectification regarding social insurances and housing provident fund contributions: (i) We have enhanced our human resources policies, which explicitly require social insurance and housing provident fund contributions to be made in full in accordance with applicable local requirements; (ii) We have designated our human resources

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department to review and monitor the reporting and contributions of social insurance and housing provident fund on a regular basis to ensure that we have made these payments for our employees in compliance with the applicable laws and regulations or in a manner as required by the relevant government authorities. The designated human resources personnel shall prepare the written records of the relevant payments on a monthly basis and submit the same to the heads of our human resources and finance departments for review; (iii) We will keep abreast of latest developments in PRC laws and regulations in relation to social insurance and housing provident funds; (iv) We will strengthen legal compliance training to our employees to increase their awareness of the relevant PRC laws and regulations and encourage their cooperation in making payments for social insurance and housing provident funds; and (v) We will consult our PRC legal counsel on a regular basis for advice on relevant PRC laws and regulations to keep us abreast of relevant regulatory developments.

We have appointed Somerley Capital Limited as our external compliance advisor with effect from the date of the [REDACTED] to advise on ongoing compliance with the Listing Rules and other applicable securities laws and regulations in Hong Kong.

Risk Management

We are exposed to various risks in the operations of our business and we believe that risk management is important to our success. Key operational risks faced by us include, among others, our ability to respond to technological changes, competition in the relevant industries, our ability to retain and grow our customer base and usage, our ability to enhance or upgrade our existing intelligent industrial software solutions and introduce new ones, and our ability to successfully expand to and develop market recognition in various industry sectors. See “Risk Factors.” In addition, we also face numerous market risks, such as credit risk, liquidity risk, interest rate risk and currency risk that arise in the ordinary course of our business. See “Financial Information—Qualitative and Quantitative Disclosure about Market Risks.”

We have implemented various policies and procedures to ensure effective risk management at each aspect of our operations, including administration of daily operations, data security, financial reporting procedures, and compliance with applicable laws and regulations. Our Board oversees and manages the overall risks associated with our operations. We have established an Audit Committee to review and supervise the financial reporting process and internal control system of our Group. See “Directors and Senior Management—The Special Committees of the Board—Audit Committee” for the qualifications and experience of these committee members as well as a detailed description of the responsibility of our Audit Committee.