
BUSINESS

OVERVIEW

We are a leading provider of digital and intelligent manufacturing solutions for manufacturing enterprises. Our digital and intelligent manufacturing solutions comprise a comprehensive portfolio of digital and intelligent software products, integrated digital and intelligent software and hardware solutions, and digital and intelligent technology services. We deliver such products and services across key functional areas throughout the operational value chain of manufacturing enterprises, including research and design, digital management, production control and AI-enabled Internet of Things (“AIoT”).

We have built an early presence in the market and developed deep insight into the digitalization and intelligentization trends of the manufacturing sector. Leveraging over four decades of industry experience and continuous product innovation, we have progressively evolved our capabilities to offer digital and intelligent manufacturing solutions covering the key business flow of manufacturing enterprises, enabling our customers to advance their digital and intelligent transformation and enhance operational efficiency.

According to Frost & Sullivan, in 2025, we were one of the few providers among leading participants in Asia’s digital and intelligent manufacturing solution market capable of delivering integrated solutions that covering the key functional areas throughout the business flow of manufacturing enterprises. In terms of revenue in 2025, we were the largest domestic provider in China’s digital and intelligent manufacturing solution market and ranked fifth among all providers in the same market with a market share of 1.4%. In the same year, in terms of revenue, we ranked eighth among all providers in Asia’s digital and intelligent manufacturing solution market and ranked first among Asia-headquartered providers in this market, with a market share of 0.9%.

We identify customer needs through in-depth operational diagnostics, deliver tailored solutions through system deployment and integration, and provide continuous technical support and management refinement to ensure effective implementation and value realization. We further drive operational optimization through ongoing engagement, performance evaluation and iterative upgrades, forming a closed-loop model that enhances customer retention and lifetime value. See “— Our Business Model.”

Our products and services comprise:

- **Digital and intelligent software products.** Our digital and intelligent software products are self-developed software designed to enhance operational efficiency, production management and intelligent decision-making in key functional areas throughout the business flow of manufacturing enterprises, covering (i) research and design, (ii) digital management, (iii) production control and (iv) AIoT. Depending on customers’ specific requirements, such software products can be sold individually, or together with integrated digital and intelligent software and hardware solutions as a bundled offering under a digital and intelligent manufacturing solution. As of December 31, 2025, we had over 85 digital and intelligent software products on sale. See “— Our Digital and Intelligent Software Product Portfolio” for details on our software products.
- **Integrated digital and intelligent software and hardware solutions.** Our integrated digital and intelligent software and hardware solutions comprise third-party software and hardware products that we selectively source, integrate and configure into cohesive, integrated solutions. Such solutions complement and extend the functionality of our digital and intelligent software products across key functional areas throughout the business flow of manufacturing enterprises. Together with our digital and intelligent software, such solutions enable us to fulfill customers’ specific requirements in a holistic manner.
- **Digital and intelligent technology services.** Our digital and intelligent technology services are closely integrated with, and support the operation of, our digital and intelligent software products and our integrated digital and intelligent software and hardware solutions. Together, these offerings form a complete digital and intelligent manufacturing solution. Our digital and

BUSINESS

intelligent technology services are designed to facilitate the effective deployment, stable operation and continuous optimization of our digital and intelligent manufacturing solutions in our customers’ operations. These services primarily include:

- (i) Enablement services, which comprise (a) the implementation and deployment services for delivering solutions into customers’ operational environments, which primarily include the configuration, customization, integration and testing of our digital and intelligent software products and/or third-party software and hardware products included in our integrated digital and intelligent software and hardware solutions, and the rollout, environment setup and go-live of such solutions in customers’ operational environments to meet their specific requirements; and (b) advisory and enablement services, which are typically provided following, or in conjunction with the later stages of, the implementation and deployment services. We typically provide guidance on system utilization and system enhancement and process optimization, to help customers maximize the value of deployed systems and achieve continuous operational improvement. Further, we leverage our accumulated service experience to provide advisory services that support the continuous improvement of customers’ operations and workflows;
- (ii) Technical support and maintenance services, which are provided to ensure stable and efficient system operation of our implemented and deployed digital and intelligent software products and integrated digital and intelligent software and hardware solutions. Such services primarily include system consultation, fault diagnosis, bug fixes and version upgrades, delivered through dedicated support channels such as hotline, online consultation and remote assistance. These services are offered in addition to the standard warranty and maintenance service of our digital and intelligent software products and integrated digital and intelligent software and hardware solutions; and
- (iii) Custom development services, which primarily involve enhancing and extending the functionalities of customers’ existing systems to address customer-specific requirements, including the development and integration of non-standardized, customized functional modules on an as-needed basis, as well as modifying customers’ existing systems to ensure compatibility and interoperability with our software products.

Complementing the above services, we offer modular support and value-added services, including version upgrades, module integration and iterative system enhancements, as well as targeted diagnostics for complex technical and performance issues. Upon request, customers may also access our knowledge base and AI-powered self-service tools to facilitate efficient problem resolution and support ongoing capability development.

See “— Our Products and Services.”

Based on our products and services, our digital and intelligent manufacturing solutions cover key functional areas throughout the business flow of manufacturing enterprises:

- **Research and design:** we provide lifecycle R&D management solutions covering product introduction, growth, maturity and retirement, which are further enhanced by advanced technologies such as AI and big data. Anchored by core software products including Product Lifecycle Management (PLM) Platform and PLM Platform for Process Industries, our solutions enable integrated, data-driven management across the entire product lifecycle.
- **Digital management:** we offer enterprise management systems tailored to organizations of different sizes and development stages. Anchored by core software products including Enterprise Resource Planning (ERP), Business Process Management (BPM) and Business Intelligence (BI), our solutions enable integrated business and financial management, process optimization and data-driven decision-making.

BUSINESS

- **Production control:** we deliver solutions that optimize manufacturing operations and enable intelligent production management. Anchored by core software products including Manufacturing Execution Systems (MES), Advanced Planning and Scheduling (APS), Warehouse Management Systems (WMS) and Quality Management Systems (QMS), our solutions support integrated planning, shop-floor execution, quality control and intelligent logistics coordination.
- **AIoT:** we integrate artificial intelligence (“AI”) and Internet of Things (“IoT”) technologies to develop AI-enabled IoT solutions that address the growing demand for workshop automation and process intelligence. Through real-time connectivity and data collection across industrial equipment and production systems, combined with AI-driven analytics and decision-making, we enable equipment networking, real-time data utilization and intelligent operational control, including centralized equipment monitoring, predictive maintenance, process optimization and automated decision-making across production workflows. Anchored by core software products including AIoT Command Center, AIoT Tianshu Controllers and Device Cloud, these solutions enable coordinated equipment connectivity, data integration and intelligent control across manufacturing environments.

We have identified a growing demand for intelligent upgrades driven by evolving operational requirements and the increasing adoption of AI technologies across the manufacturing sector. In response, we have strategically invested in the development of our proprietary AI capabilities and, in 2022, established the Athena Digital Intelligence Platform, which has been progressively developed and integrated into our digital and intelligent manufacturing solutions. Leveraging this platform, we are enhancing the intelligence and adaptability of our existing products while creating a strong foundation for our future AI-driven product development. By supporting modular application development and seamless integration with our products and services, the platform enhances the capabilities of our existing products and services with features such as real-time data monitoring, automated task orchestration and intelligent strategy generation, thereby improving enterprises’ operational efficiency, responsiveness and decision quality and enabling a transition from manual, workflow-driven processes to intelligent, adaptive operating models. In addition, the platform enables enterprises to efficiently build and deploy intelligent applications, optimize business processes and achieve continuous operational improvement. The Athena Digital Intelligence Platform serves as the core of our AI strategy and underpins our continuous product innovation and service optimization. See “— Our AI Layout — Athena Digital Intelligence Platform.”

Our Financial Performance

We have achieved a sustained growth trajectory during the Track Record Period. Our revenue increased steadily from RMB2,227.7 million in 2023 to RMB2,330.7 million in 2024 and further to RMB2,433.1 million in 2025 at a compound annual growth rate of 4.5%. Our net profit increased from RMB155.1 million in 2023 to RMB158.4 million in 2024 and further to RMB174.1 million in 2025, representing a compound annual growth rate of 5.9%.

Our sustained focus on innovation and execution has driven solid financial performance throughout the Track Record Period. According to Frost & Sullivan, we were one of the few leading digital and intelligent manufacturing solution providers in China to record sustained profitability from 2023 to 2025.

OUR STRENGTHS

Leading Position in the Digital and Intelligent Manufacturing Solution Market

We are a provider of digital and intelligent manufacturing solutions for manufacturing enterprises. With our keen insight into digitalization and intelligentization trends in the manufacturing sector, we established an early presence in the market and, through over four decades of dedicated industry focus, have developed into both a pioneer and a market leader. According to Frost & Sullivan, in terms of revenue in 2025, we were the largest China-based provider in China’s digital and intelligent manufacturing solution market and ranked fifth among all providers in the same market. In the same year, in terms of revenue, we ranked eighth among all providers in Asia’s digital and intelligent manufacturing solution market and ranked first among Asia-headquartered providers in this market.

BUSINESS

We have strategically expanded into the Southeast Asian market and were among the first to establish an operational presence in key manufacturing hubs, including Vietnam and Thailand. We have also built localized professional service teams to effectively address regional customer needs and deliver digital and intelligent manufacturing solutions with efficiency. According to Frost & Sullivan, the market size of the digital and intelligent manufacturing solution market in Asia is expected to increase from USD37.0 billion in 2025 to USD56.3 billion in 2030, representing a compound annual growth rate of 8.6%.

In addition, according to Frost & Sullivan, the rapid advancement of AI, is emerging as a key driver of growth in the global digital and intelligent transformation and intelligent manufacturing solutions market. AI is fundamentally transforming enterprise digital and intelligent operations, accelerating the shift toward higher levels of automation and intelligence across business processes. Leveraging our proprietary AI capabilities and our Athena Digital Intelligence Platform, we are well positioned to capture these opportunities. According to the Frost & Sullivan, the deep integration of industry-specific know-how and software capabilities constitutes a key source of sustainable competitive advantage the digital and intelligent manufacturing solution industry. Supported by our technological expertise, comprehensive product portfolio and proven capabilities in scenario-based application, we are closely aligned with AI-driven industry trends and continue to strengthen our market position.

Strong Product Innovation Capability

Our product innovation capabilities form the cornerstone of our sustained growth. We remain firmly committed to continuous product innovation and iterative upgrades. We combine advanced technology development capabilities with extensive experience across key functional areas throughout the business flow of manufacturing enterprises to build a comprehensive portfolio of products and services. According to Frost & Sullivan, we are one of the few providers possessing the most comprehensive portfolio of proprietary products and the broadest coverage of functional areas throughout the business flow of manufacturing enterprises. As of December 31, 2025, we had over 85 digital and intelligent software products on sale. During the Track Record Period, our digital and intelligent manufacturing solution had been deployed by over 24,000 enterprises across their digitalization and intelligentization journeys, spanning more than 80 industry segments, including equipment manufacturing, automotive components, electronics and semiconductors. According to Frost & Sullivan, we are among the few service providers capable of addressing the digital and intelligent manufacturing needs of enterprises of all sizes, from large and medium-sized enterprises to small and micro enterprises, across a wide range of industries and functional areas throughout the business flow of manufacturing enterprises. See “— Our Digital and Intelligent Software Product Portfolio” for a detailed description of our representative digital and intelligent software products.

We continuously integrate real-world operational scenarios with specific customer requirements, enabling us to address differentiated customer needs through ongoing product enhancement and optimization. For example, in our ERP product line, we have, leveraging over four decades of industry experience, built a comprehensive ERP product matrix covering ultra-large, large, medium and small enterprises, effectively addressing core management requirements across enterprises of varying scales.

Our strong product capabilities provide robust technological support for our customers’ digital and intelligent manufacturing, while our broad customer base and extensive scenario-based experience continuously drive product iteration and optimization. This virtuous cycle reinforces our market position and supports our continued leadership in the digital and intelligent manufacturing solution market. According to Frost & Sullivan, we rank first among China-based providers in China in terms of market share in this market as of December 31, 2025.

Value-Oriented Service-Based Business Model

Our business model features value-oriented services, through which we continue to drive innovation and transformation in digital and intelligent manufacturing solutions. Under this model, in addition to our products and services, we provide an integrated suite of value-driven services, supported by the deep integration of management expertise and information technology capabilities, enabling a closed-loop value delivery process from strategy formulation and issue identification to diagnostics and solution planning. See “— Our Business Model.”

BUSINESS

Our business model is customer-centric and focused on value delivery. Unlike the traditional approach of combining software products with billable man-hours for installation, we place value realization at the core in our delivery of digital and intelligent manufacturing solutions, and our products and services represent standardized carriers of such value. This approach transforms the traditional “software sales” model into a “value co-creation” model, our delivery process shifts from focusing on tool deployment and functional implementation to addressing underlying management challenges and delivering measurable business outcomes. Beginning with the diagnosis of customers’ operational pain points, we provide a tailored solution design, system implementation and continuous optimization, with a focus on key operational objectives such as improving production efficiency, reducing inventory and shortening delivery cycles. Our deliverables are assessed based on quantifiable performance indicators rather than solely on system deployment milestones. In addition, we provide proactive services, providing recommendations for enhancements to existing solutions or additional solution deployments, to help customers consolidate management improvements and maximize the value of system utilization.

We further standardize and modularize certain of our value-oriented services, such as advisory services that support the continuous improvement of customers’ operations and workflows, into clearly defined, priceable and replicable offering just like products, enabling them to be independent commercialize and generate standalone revenue streams as part of our enablement services. This enhances cost transparency and predictability for customers while improving our internal resource allocation efficiency.

Leveraging our proven capabilities in scenario-based application and our ability to deliver measurable customer value, many of our products and services have become benchmark practices in the digital and intelligent manufacturing solution market. During the Track Record Period, revenue generated from existing customers accounted for 74.4%, 73.7% and 75.5% of our total revenue in 2023, 2024 and 2025, respectively. We believe this differentiated business model provides a solid foundation for our sustainable long-term growth.

Proprietary Technology Platform — Athena Digital Intelligence Platform

In response to the rapid advancement of AI in the digital era, we have strategically advanced our capabilities in applying AI technologies within manufacturing environments. Leveraging our deep industry expertise and accumulated data assets and based on our proprietary AI capabilities, we have launched our proprietary Athena Digital Intelligence Platform in 2022. The platform establishes a comprehensive AI-enabled technology foundation and serves as the core of our AI strategy, as well as a key enabler of our continuous product innovation and service enhancement. We expect the Athena Digital Intelligence Platform to function as the underlying digital and intelligence infrastructure of our digital and intelligent manufacturing solutions, providing reliable, flexible and scalable technological support for our customers.

The Athena Digital Intelligence Platform enables real-time data process and integration across equipment, shop floors, processes, materials and various enterprise systems at the manufacturers’ end, consolidating previously fragmented data into a unified architecture and effectively eliminating data silos. The platform currently supports high-throughput data processing at a scale of millions of records per second, enabling real-time visibility and supporting data-driven decision-making. Building on this capability, the platform also provides a comprehensive environment for the development and deployment of intelligent applications, supporting coordinated execution across multiple intelligent modules and multi-modal interaction, and enabling scalable customization of intelligent solutions. See “— Our AI Layout — Athena Digital Intelligence Platform.”

With its advanced architecture, strong capabilities in real-world application deployment and broad industry adaptability, the Athena Digital Intelligence Platform has received multiple industry recognitions, including the German iF Design Award, the Red Dot Design Award, the Gold Winner of the U.S. MUSE Design Awards and has been designated as a “Shanghai Manufacturing Internet Benchmark Platform.” These recognitions demonstrate the platform’s technological sophistication and practical applicability, and provide a solid foundation for further development and commercialization.

BUSINESS

Global Sales and Service Capabilities

We have developed a comprehensive and highly localized sales and service network with broad geographic coverage, guided by a customer-centric approach and our deep understanding of digital and intelligent manufacturing services. We operate approximately 40 service outlets across Chinese Mainland and collaborate with our regional offices in Taiwan, Thailand and Vietnam to form an integrated operating network characterized by localized service delivery and cross-regional coordination. This enables us to effectively serve customers across multiple regions and industry segments and respond efficiently to their long-term and customized requirements.

In Southeast Asia, including Vietnam and Thailand, we have established highly localized teams, with local employees accounting for over 80% of our workforce in these markets as of December 31, 2025. During the Track Record Period, we had served approximately 500 customers in Southeast Asia, accumulating extensive experience in international operations and product and services delivery. We have developed a number of benchmark cases for multinational customers, addressing key requirements such as cross-border financial and tax compliance, global supply chain coordination and the deployment of enterprise IT architecture across multiple jurisdictions. Supported by our localized professional teams, we deliver products and services tailored to local market conditions, enabling customers to operate efficiently on a global scale.

We pursue differentiated growth strategies tailored to the characteristics of each regional market. To address customers’ diverse deployment requirements, we collaborate with industry partners to deliver localized and integrated solutions. In Taiwan, in response to labor shortages, we have collaborated with leading AI infrastructure partners, including a Taiwan-listed market leader in NAND flash controllers and NAND storage solutions, to jointly launch an AI-enabled integrated digital and intelligent software and hardware solution built on our Athena Digital Intelligence Platform. This solution is designed to meet local customers’ dual transformation needs across application software and IT infrastructure. In Vietnam, we have achieved rapid business growth through partnerships with leading local enterprises by delivering digital and intelligent manufacturing solutions tailored to local customer’s needs. In Thailand and Malaysia, we focus on industries such as automotive components, electronics and semiconductors, leveraging our digital and intelligent manufacturing solutions to drive scalable business expansion.

Experienced Management Team and Strong Talent Pool

We have an experienced management team with complementary expertise and a global strategic perspective, which forms the foundation of our long-standing focus on digital and intelligent manufacturing and supports our continued industry leadership. Our management team plays a critical role in the formulation and effective execution of our medium- to long-term strategies. Members of our core management team bring diverse and complementary experience across key areas, including technology development, product innovation, international business expansion, financing and strategic investment, enabling efficient decision-making and execution and supporting our sustained growth.

Through years of delivering digital and intelligent manufacturing solutions, we have cultivated a large and highly skilled talent pool with deep technical capabilities and extensive industry experience. Our professionals have expertise across a wide range of industries, including semiconductors, electronics, automotive components, equipment manufacturing and consumer retail, as well as across key business functions such as research and development management, corporate governance, financial management, production and manufacturing, supply chain management, marketing, quality management, human resources and equipment management. We have established well-defined talent development and training programs, as well as competitive incentive mechanisms, which enable us to attract, retain and develop high-caliber talent. This strong talent foundation supports our continued technological innovation, product development and business expansion.

BUSINESS

OUR STRATEGIES

Continuing to Upgrade the Athena Digital Intelligence Platform

We will maintain a sustained and disciplined level of investment in research and development. We will continue to advance our proprietary Athena Digital Intelligence Platform, enhancing its architecture, performance and adaptability across diverse manufacturing scenarios, and further deepening the integration of advanced AI models into real-world industrial applications. Through these efforts, we seek to develop the Athena Digital Intelligence Platform into a more flexible, intelligent and scalable digital and intelligence infrastructure.

We will continue to enhance the development of the two core layers of the Athena Digital Intelligence Platform, namely the intelligent data layer and the intelligent service layer. In particular, we aim to enhance the platform’s ability to capture and analyze operational data dynamically, enabling automated task orchestration and efficient execution of high-frequency business processes. At the same time, we will further develop intelligent service-oriented capabilities that combine enterprise knowledge with advanced AI technologies to support scenario-based decision-making and operational optimization. The continued enhancement of these two layers is expected to progressively extend into vertical applications across our key industries, including semiconductors, equipment manufacturing, automotive components and electronics, forming a scalable and commercially deployable product portfolio.

The Athena Digital Intelligence Platform serves not only as the digital and intelligent infrastructure for our existing products and services, but also supports the development of new products and service offerings. We continue to advance the digital and intelligent operating environment within the platform to establish an “enterprise intelligent operating space,” a collaborative digital and intelligent environment designed for enterprise customers that enables realtime mirroring of key physical entities across manufacture processes. Within this environment, enterprise employees, intelligent equipment and AI agents can collaborate seamlessly to drive, analyze and enhance productivity in the real physical world. We will charge customers based on the value delivered to them. Through these efforts, we aim to elevate the strategic value of our products and services to customers by enabling data-driven management and continuous optimization of enterprise productivity.

Building on the Athena Digital Intelligence Platform, we will further align technological advancement with business model innovation, continuously transitioning from traditional software delivery to a more platform-based and value-oriented model. This will enable our solutions to evolve from standalone functional systems to integrated, intelligent and collaborative operating platforms, thereby strengthening our technological differentiation and reinforcing our long-term competitive positioning.

Strengthening Product Development Collaboration and Building an Integrated Development Environment

We will strengthen collaboration with external developers, developer communities and collaboration partners to establish an open and scalable integrated development environment. On the Athena Digital Intelligence Platform, we have been developing Digi IDE, an integrated development environment that enables developers to conduct one-stop application development for various types of applications within a unified environment. We will continue to support the efficient development of applications compatible with different systems and hardware configurations, thereby facilitating the broader adoption of intelligent capabilities across enterprise application scenarios.

Leveraging our technological capabilities and established customer base, we will further deepen cooperation with independent software developers, manufacturing enterprises, and upstream and downstream supply chain participants. Through the integration of internal and external resources, including technical enablement, channel collaboration and implementation feedback, we aim to enhance the scalability and commercialization potential of the Athena Digital Intelligence Platform, and foster a more dynamic and sustainable digital and intelligent manufacturing network.

BUSINESS

Further Upgrading and Expanding Our Product Portfolio with AI Capabilities and Expanding AI-Enabled Applications

We will continue to refine and expand our comprehensive product portfolio, guided by evolving customer needs and industry trends. By strengthening our research and development capabilities and deepening our service-oriented delivery model, we will accelerate product innovation, functional enhancement and user experience optimization, and further enhance our product offerings across diverse manufacturing scenarios.

We will focus on both enhancing AI capabilities at the product level and expanding AI-enabled applications at the industry level. At the product level, we will embed AI capabilities into existing software products, while at the same time, leverage the intelligent technologies and data capabilities of the Athena Digital Intelligence Platform to progressively transform our offerings from rule-based process execution tools into intelligent systems capable of autonomous operational awareness, intelligent collaboration and data-driven decision support. This transformation is designed to enable deeper integration with customers’ existing operational workflows and facilitate closed-loop process intelligence without requiring fundamental changes to their underlying business architecture. At the industry level, we will continue to develop application-specific AI-enabled solutions tailored to core business scenarios across our target industries, embedding domain expertise and accumulated operational knowledge into our product offerings to enhance execution efficiency and decision-making quality for our customers.

In addition, we will further develop data-driven intelligent applications targeting key operational priorities and business processes, enabling customers to enhance end-to-end coordination, responsiveness and operational efficiency. Through continuous product iteration and portfolio expansion of AI-enabled applications, we will strengthen our ability to deliver integrated solutions across the business flow, improve customer satisfaction and retention, and reinforce our competitive advantages in both product capability and market coverage. Meanwhile, we will further enhance the integration of various functionalities within the intelligent service layer of the Athena Digital Intelligence Platform, so as to eliminate the traditional fragmented system architecture and enable enterprise users and AI agents on the platform to directly access and utilize such functions based on their operational needs.

Deepening Global Expansion to Capture Global Market Opportunities

We will continue to advance our globalization strategy by strengthening our presence in key manufacturing hubs and enhancing our capabilities to serve customers across multiple regions. We will prioritize high-growth markets, particularly in Southeast Asia, including Vietnam, Thailand and Malaysia, while selectively exploring opportunities in other international markets with strong manufacturing demand.

We will continue to implement our strategy of localized operations supported by global coordination by expanding and enhancing our local professional service teams, increasing local talent representation and developing solutions tailored to regional market requirements. In overseas markets, we intend to actively expand our customer base among local manufacturing enterprises by replicating our proven product, service and operational models. We plan to expand our presence among local manufacturing enterprises by leveraging our proven products, localized delivery capabilities and partnerships with regional industry players, while also capturing opportunities arising from the overseas expansion of our existing manufacturer customers by providing integrated services, including cross-border supply chain coordination, global IT infrastructure deployment and multinational financial and tax management. In the domestic market, we will focus on deepening customer value by continuously expanding engagement with existing customers. By supporting ongoing management refinement, system enhancement and process optimization, we aim to drive sustained operational improvements, strengthen customer stickiness and unlock greater lifetime value.

BUSINESS

Pursuing Strategic Partnerships and Acquisitions to Enhance Capabilities

We will seek to pursue strategic partnerships and selective acquisitions globally, guided by the principles of complementarity and synergy. Our strategy is anchored in building out and strengthening our existing business segments in response to the ongoing digital and intelligent transformation of the manufacturing industry. Building on our established product and service offerings, we will prioritize partners or targets that can (i) strengthen our capabilities in providing digital and intelligent manufacturing solutions and (ii) further enhance the performance and functionalities of our Athena Digital Intelligence Platform. In particular, we will focus on target companies with differentiated technology, competitive products, established customer bases, vertical industry expertise or international channel resources, with a view to enhancing our technology stack, expanding our product and service offerings, and extending our reach along the digital and intelligent manufacturing solution industry value chain.

Through strategic collaboration and disciplined integration, we aim to achieve technology integration, enhancing our overall competitiveness and supporting our long-term growth in the digital and intelligent manufacturing solution market.

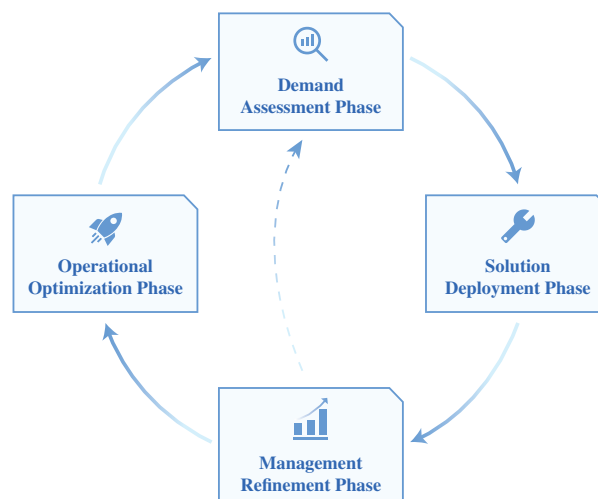
Optimizing Organizational Structure and Strengthening Talent Development

To support our platform-driven, intelligent and global development strategy, we will continue to optimize our organizational structure and management systems, enhancing agility, specialization and operational efficiency. We will strengthen coordination across key functions, including research and development, product management, delivery and international operations, to improve execution efficiency and global operational capabilities.

We will also continue to implement a comprehensive talent strategy, recognizing talent as a core driver of our long-term growth. We aim to attract highly skilled professionals globally, including research and development specialists, AI experts, industry professionals and international management talent, while further enhancing our internal talent development, professional certification and career progression systems. Through competitive compensation structures and long-term incentive mechanisms, we aim to retain key personnel and build a professional workforce with deep technical expertise, industry experience and a global perspective, providing sustained support for innovation, product development and international expansion.

OUR BUSINESS MODEL

We adopt a business model under which we identify and address specific needs arising from targeted application scenarios and deliver digital and intelligent manufacturing solutions designed to facilitate our customers’ digital and intelligent transformation.



BUSINESS

Our business model operates across four phases: demand assessment, solution deployment, management refinement and operational optimization. Together, these phases form a lifecycle engagement model spanning customer acquisition through to repeat purchase and ongoing customer retention:

- **Demand Assessment Phase:** At the customer acquisition stage, we systematically assess customers’ management challenges and identify their operational needs, leveraging our extensive industry experience and expertise in digitalization and intelligentization, together with our comprehensive portfolio of digital and intelligent software products. We engage closely with customers to evaluate their existing management and operational frameworks, conduct in-depth operational diagnostics, and identify key pain points across key functional areas throughout the customer’s business flow. Based on such analysis, we collaborate with customers to determine appropriate solution pathways and formulate tailored implementation plans with clearly defined improvement objectives and execution roadmaps. Our solution proposals are typically built on our digital and intelligent software products and, where applicable, integrated digital and intelligent software and hardware solutions. Upon customer acceptance of the solution proposals, we proceed to the solution deployment phase.
- **Solution Deployment Phase:** We implement and deploy our products and services in accordance with our solution proposal, ensuring alignment with customers’ specific business scenarios and management requirements. Such process typically includes configuration of the customer’s existing system, system application training and customization of the products to be deployed, in order to integrate the relevant products and services into existing operational workflows. Through the comprehensive deployment services, we enable deep integration between our solutions and customers’ day-to-day operations, effectively addressing identified management issues and delivering tangible and measurable improvements in operational efficiency and management effectiveness.
- **Management Refinement Phase:** Following the deployment of our products and services, we provide ongoing technical support and maintenance services, including system configuration and optimization support, issue troubleshooting and root cause analysis, bug fixes and version upgrades, to ensure the stable and continuous performance of the deployed products and services. After our products and services have delivered initial results, we maintain continuous engagement with customers to provide advices on refinement of the results, which in turn feeds back into our demand assessment phase, forming a continuous service cycle. Such an approach not only enables us to consistently align customers’ operational frameworks with their evolving business needs and to enhance the overall effectiveness of solution deployment outcomes, but also allows us to promptly identify customer requirements for the ongoing, multi-dimensional refinement of outcomes across their manufacturing operations and capture opportunities for further solution deployment.
- **Operational Optimization Phase:** For our existing customers, we offer to conduct periodic reviews of their operational and management systems. Based on the customer’s management metrics, compared with industry benchmarks and evolving requirements, we assess the effectiveness of prior digitalization and intelligentization initiatives and identify emerging operational challenges for the customers. Based on such observations, we provide recommendations for enhancements to existing solutions or additional solution deployments, which may lead to new solution deployment cycles. Through this iterative engagement model, we deepen long-term customer relationships and expand customer lifetime value, while helping customers strengthen their management capabilities and achieve sustained operational excellence, thereby creating mutual and enduring value. During the Track Record Period, revenue generated from existing customers accounted for 74.4%, 73.7% and 75.5% of our total revenue.

Under such model, our products and services can be categorized into (i) the provision of digital and intelligent software products, (ii) integrated digital and intelligent software and hardware solutions, and (iii) digital and intelligent technology services. Our digital and intelligent technology services are closely integrated with, and support the operation of, our digital and intelligent software products and our integrated digital and intelligent software and hardware solutions. Together, these offerings form a complete digital and intelligent manufacturing solution. Our digital and intelligent technology services are designed to facilitate the effective deployment, stable operation and continuous optimization of our digital and intelligent manufacturing solutions in our customers’ operations. During the Track Record Period, our digital and intelligent manufacturing solutions served over 24,000 customers.

BUSINESS

Our Products and Services

The following table sets forth our revenue breakdown by product and service in absolute amounts and as percentages of our total revenue for the years indicated:

	Year Ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Digital and Intelligent Software Products	583,205	26.2	662,353	28.4	701,613	28.8
Integrated Digital and Intelligent Software and Hardware Solutions	492,374	22.1	554,607	23.8	571,065	23.5
Digital and Intelligent Technology Services	1,152,161	51.7	1,113,713	47.8	1,160,399	47.7
Total	2,227,740	100.0	2,330,673	100.0	2,433,077	100.0

We provide our products and service across the key functional areas throughout the business flow of manufacturing enterprises, covering (i) research and design, (ii) digital management, (iii) production control and (iv) AIoT. The following table sets forth a breakdown of our revenue by key functional areas throughout the business flow of manufacturing enterprises, in both absolute amounts and as percentages of our total revenue, for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Research and Design	122,924	5.5	151,605	6.5	161,481	6.6
Digital Management	1,206,703	54.2	1,189,489	51.0	1,219,563	50.1
Production Control	333,909	15.0	334,471	14.4	396,044	16.3
AIoT	516,821	23.2	630,712	27.1	648,231	26.6
Others ⁽¹⁾	47,383	2.1	24,396	1.0	7,758	0.4
Total	2,227,740	100.0	2,330,673	100.0	2,433,077	100.0

Note:

(1) Others primarily comprise ancillary products and services provided to customers other than manufacturing enterprises.

Digital and Intelligent Software Products

Our digital and intelligent software products are self-developed software designed to enhance operational efficiency, production management and intelligent decision-making in key functional areas throughout the business flow of manufacturing enterprises, covering (i) research and design, (ii) digital management, (iii) production control and (iv) AIoT. Depending on customers' specific requirements, such software products can be sold individually, or together with integrated digital and intelligent software and hardware solutions as a bundled offering under a digital and intelligent manufacturing solution. As of December 31, 2025, we had over 85 digital and intelligent software products on sale. See “— Our Digital and Intelligent Software Product Portfolio” for details on our software products.

BUSINESS

Integrated Digital and Intelligent Software and Hardware Solutions

Our integrated digital and intelligent software and hardware solutions comprise third-party software and hardware products that we selectively source, integrate and configure into cohesive, integrated solutions. Such solutions complement and extend the functionality of our digital and intelligent software products across key functional areas throughout the business flow of manufacturing enterprises. Together with our digital and intelligent software, such solutions enable us to fulfill customers’ specific requirements in a holistic manner. By incorporating carefully selected third-party products alongside our self-developed software products, we enhance overall system capabilities and achieve seamless compatibility and interoperability within customers’ complex operational environments.

Third-party software products primarily comprise technology platform software that supports the operation of our medium- to large-scale digital and intelligent software products, including application development platforms, database systems, reporting systems and warehouse control systems. Such software primarily supplements and enhances our digital management and production control software products, as well as, in certain cases, our research and design and AIoT, by enabling data management, analytics, visualization and the control and coordination of automated equipment.

Third-party hardware products primarily include automated guided vehicles (AGV) and automated storage and retrieval systems, which are procured to meet customers’ operational needs in material handling, warehousing and inventory management. These hardware products primarily supplement our production control, digital management and AIoT by enabling the integration of software-driven control with physical operational processes.

Digital and Intelligent Technology Services

Leveraging over four decades of industry experience and a comprehensive portfolio of products, we provide digital and intelligent technology services that help customers maximize the value of their digitalization and intelligentization initiatives. Our digital and intelligent technology services are anchored in a problem-to-value methodology, through which we translate customers’ operational challenges into actionable roadmaps and deliver measurable business outcomes. Leveraging proven industry best practices, we offer expert guidance on selecting the most appropriate products and on how to apply them effectively to achieve intended business outcomes. Following alignment on implementation targets, we generate revenue primarily from the provision of the following services:

- (i) enablement services, which comprise (a) the implementation and deployment services for delivering solutions into customers’ operational environments, which primarily include the configuration, customization, integration and testing of our digital and intelligent software products and/or third-party software and hardware products included in our integrated digital and intelligent software and hardware solutions, and the rollout, environment setup and go-live of such solutions in customers’ operational environments to meet their specific requirements; and (b) advisory services, which are typically provided following, or in conjunction with the later stages of, the implementation and deployment services. We typically provide guidance on system utilization and system enhancement and process optimization, to help customers maximize the value of deployed systems and achieve continuous operational improvement. Further, we leverage our accumulated service experience to provide advisory services that support the continuous improvement of customers’ operations and workflows.
- (ii) technical support and maintenance services, which are provided to ensure stable and efficient system operation of our implemented and deployed digital and intelligent software products and integrated digital and intelligent software and hardware solutions. Such services primarily include system consultation, fault diagnosis, bug fixes and version upgrades, delivered through dedicated support channels such as hotline, online consultation and remote assistance. These services are offered in addition to the standard warranty and maintenance service of our digital and intelligent software products and integrated digital and intelligent software and hardware solutions; and

BUSINESS

- (iii) Custom development services, which primarily involve enhancing and extending the functionalities of customers’ existing systems to address customer-specific requirements, including the development and integration of non-standardized, customized functional modules on an as-needed basis, as well as modifying customers’ existing systems to ensure compatibility and interoperability with our software products.

Complementing the above services, we offer modular support and value-added services, including version upgrades, module integration and iterative system enhancements, as well as targeted diagnostics for complex technical and performance issues. Upon request, customers may also access our knowledge base and AI-powered self-service tools to facilitate efficient problem resolution and support ongoing capability development. See “— Our AI Layout — Athena Digital Intelligence Platform.”

Separately, we are engaged by customers to provide monitoring and maintenance services, under which we conduct real-time monitoring of system operations and provide risk alerting and data security protection. We also perform periodic system operation checks and performance optimization and implement structured data backup protocols to ensure system stability, operational continuity and data integrity.

Based on customers’ specific requirements, in a digital and intelligent manufacturing solution, customers may elect to procure any combination of the above products and services based on their operational needs. For digital and intelligent technology services, customers may elect to manage such services internally, engage third-party service providers, or engage us, depending on their operational preferences and internal capabilities.

See “Financial Information — Results of Operations – Revenue” for details of our revenue recognition policies in respect of the foregoing categories.

Case Study — Demonstration of our Business Model in Practice

Demand Assessment Phase. Prior to our engagement in 2021, Hainar Hydraulics (Zhejiang) Co., Ltd. (“**Hainar Hydraulics**”) (浙江海納液壓有限公司), a manufacturer of hydraulic components targeted to an international market, faced several key operational challenges: (i) heavy reliance on personal experience in production; (ii) substantial volume of paper-based records rather than digitized data; (iii) disorganized inventory management and production scheduling; (iv) entirely manual materials handling within the factory; and (v) constrained production capacity and low operational efficiency, leaving the company unable to keep pace with rapidly growing market demand. Upon identifying these pain points, we collaborated with Hainar Hydraulics to establish the initial objectives of replacing manual paper-based records and achieving digital management across orders, procurement, inventory and finance. Based on our analysis, we tailored a solution proposal integrating two of our digital and intelligent software products, ERP and WMS, to resolve the operational challenges.

Solution Deployment Phase. Based on the finalized solution proposal, we provided enablement services for our ERP and WMS software products. Through system launch and integration, we assisted Hainar Hydraulics in achieving real-time data synchronization, traceability and statistical analysis. The deployment of our software products yielded substantial operational improvements for Hainar Hydraulics. Notably, the customer transitioned a majority of its traditional manual ledger entries to digital records. Furthermore, inventory record accuracy increased significantly to 90%, establishing a robust data foundation to support subsequent automated upgrades.

Management Refinement Phase. Following the successful deployment of our ERP and WMS software products, we continued to provide ongoing technical support and maintenance services to ensure the high performance of the relevant systems.

BUSINESS

Operational Optimization Phase. We conducted periodic reviews of Hainar Hydraulics’s operations after deployment of our ERP and WMS software products to assess the effectiveness of the products and to identify emerging operational challenges and optimization opportunities. Through these reviews, we identified three further operational challenges: (i) the factory layout and intra-factory logistics were not optimized for small-batch, multi-variety production; (ii) bulk material circulation and manual warehousing gave rise to inventory backlog and a high dependency on manual labor; and (iii) the production model required further refinement to reduce excessive inventory levels.

Reapplying our Demand Assessment Phase methodology, we provided Hainar Hydraulics with a tailored digital and intelligent manufacturing solution proposal incorporating our MES software and third-party AGV hardware, replacing manual handling with unmanned, data-driven intralogistics.

The success of this transformation laid the foundation for a long-term customer relationship. When Hainar Hydraulics subsequently embarked on the construction of a new factory, we are engaged to design and deploy a digital and intelligent manufacturing solution for the new facility, which was officially recognized as a “County Level Digital Workshop”.

OUR DIGITAL AND INTELLIGENT SOFTWARE PRODUCT PORTFOLIO

Our digital and intelligent software products are the foundation of all our products and services provided to customers.

Research and Design Software

Our research and design software products primarily serve customers in discrete manufacturing industries such as electronics, semiconductors, equipment manufacturing and automotive components as well as process manufacturing industries such as new energy materials and chemical new materials, enabling customers in these industries to improve R&D innovation efficiency, shorten time-to-market and enhance product quality and compliance, supporting the optimization of R&D systems, project management throughout the product development process and product lifecycle management from development to retirement. By integrating product data, business processes and systems, our products strengthen the coordination between R&D and various functions such as procurement, production, and quality, thereby enhancing the overall operational efficiency of the enterprise.

Our major research and design software includes:

Product	Description
Product Lifecycle Management (PLM) platform . .	Our PLM platform provides integrated management across product development lifecycle, serving as a central data hub to ensure data accuracy, consistency and security while enabling cross-department collaboration. The platform comprises over 20 functions, including CAD integration, material management, Bill of Materials (“BOM”) management, change management, and project management. It supports material standardization, modular design, project transparency, and closed-loop engineering change management, and can be seamlessly connected with downstream systems such as ERP and MES to shorten development cycles, strengthen cost control, and improve product quality.

BUSINESS

Product

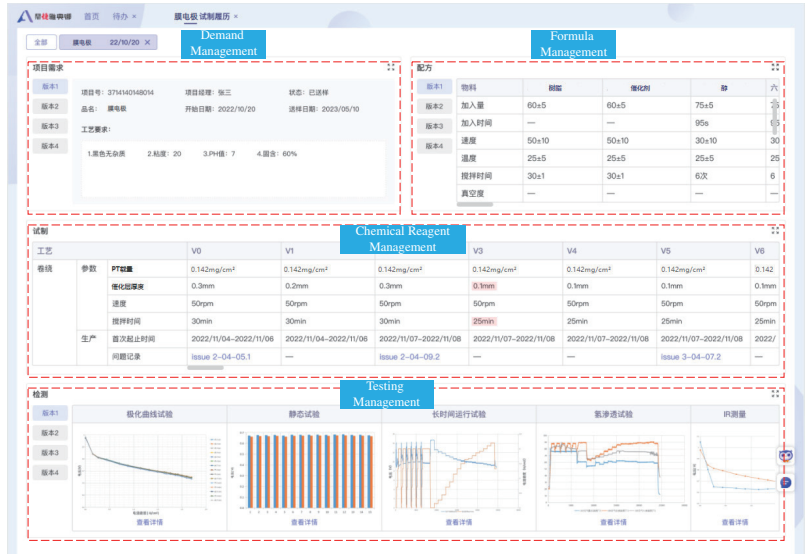
Description

Our next-generation PLM is built upon our proprietary core technologies and our Athena Digital Intelligence Platform. It features a scalable microservices architecture and a low-code framework, providing Open API connectivity and compatibility with domestic IT infrastructure. The platform also integrates AI capabilities to support intelligent applications such as requirement analysis, drawing-to-BOM conversion, and knowledge retrieval, thereby enhancing overall product intelligence and operational efficiency.



Product Lifecycle Management (PLM) Platform for Process Industries

Serving as the core of R&D management for process industries such as chemicals and new materials, our PLM platform for process industries covers the entire lifecycle from demand input and project planning to formula trial production and change delivery. The platform features functional modules including demand management, formula management, chemical reagent management and testing management, achieving standardization, transparency, and traceability throughout the R&D process. By enhancing knowledge reuse and formula development efficiency while reducing change lead times, our PLM platform for process industries significantly empowers customers to improve their overall R&D productivity.



BUSINESS

Case Study — PLM Platform

Background and challenges. Customer A is a leading A-share listed global manufacturer specializing in magnetic components and power products, including traditional and new energy magnetic devices, as well as charging power supplies. Prior to adopting our PLM platform, Customer A lacked a unified product data platform, and project planning was carried out in Excel, resulting in heavy personnel workload. At the same time, materials management was non-standardized with inconsistent coding; design drawings and BOMs were disconnected, leading to low collaboration across R&D functions and between R&D and production; and project workflows were not closed-loop, with change management handled manually.

Solutions and results. Following the implementation of our PLM system, Customer A established a standardized R&D project management framework incorporating stage-gate approval workflows, structured checklists and issue management mechanisms to safeguard R&D quality and improve responsiveness. The framework also introduced an optimized materials management mechanism to ensure disciplined and optimized material selection and established an electromechanical collaborative design framework with an integrated electronic component library to improve cross-disciplinary design coordination. Customer A achieved a 95% standardization rate for power products with average development cycles shortened by 33%, and a substantial improvement in on-time project completion rate.

Digital Management Software

Our digital management software comprising primarily Enterprise Resource Planning (“**ERP**”) and related products, is designed to provide integrated business and financial management support for different types and scales of enterprises. Built on an open and interconnected architecture, our digital management software products achieve seamless system integration and the development of new application scenarios. These software products are compatible with mainstream domestic operating systems, databases and middleware to meet localization requirements, and have been successfully deployed in medium-to-large enterprises.

Our major digital management software includes:

Product	Description
ERP	Our ERP software products are designed to help enterprises optimize internal management processes, enhance operational efficiency and strengthen overall competitiveness. Built on an integrated and scalable architecture, our ERP suite supports enterprises across different sizes and stages of development, enabling standardized operations, real-time data visibility and improved decision-making. A key strength of our ERP software products lies in its comprehensive coverage across enterprise sizes, our four core ERP product include: T100, E10, Yifei, and Yizhu. Each product line is specifically designed to satisfy the varying operational complexities and management requirements of its respective target customer segments:

BUSINESS

Product

Description

T100 (Large Enterprise Groups) and E10 (Medium-to-Large Enterprises)

- T100 is a high-end, group-level ERP platform designed to satisfy the requirements of large manufacturing enterprises with complex multi-organization structures and global operations. T100 provides comprehensive coverage across financial management, supply chain management and production management. Through group-level requirement planning, intelligent scheduling, and real-time data sharing, it strengthens production coordination and order fulfillment capabilities. By leveraging shared service centers and integrated business-finance processes, T100 improves management transparency and operational control, helping enterprises reduce operating costs, enhance resource allocation efficiency, and optimize overall operational performance. With over 23 years of product development and implementation experience, T100 has served around 1,500 enterprises during the Track Record Period and accumulated extensive industry experience across over 20 industries.
- E10, as a core software product for medium-to-large enterprises, focuses on helping customers achieve digital and intelligent transformation and business expansion from an operational perspective. It consolidates ERP, APS, workflow, customer relationship management and certain MES functions on a unified platform, supporting intelligent scheduling, real-time order progress tracking, and integrated barcode applications. By connecting planning with shop-floor execution, E10 helps enterprises improve shop-floor visibility, logistics efficiency, and refined operational control, thereby assisting in manufacturing efficiency enhancement and accelerating digitalization and intelligentization.



BUSINESS

Product	Description
	Yifei (Small-to-Medium Enterprises) and Yizhu (Small-to-Micro Enterprises) emphasize ease of deployment, cost efficiency and practical functionality. - Yifei an integrated ERP software product for small-to-medium enterprises with comprehensive coverage across procurement, sales and inventory, manufacturing, quality, cost and financial management. It features business-finance integration configurable workflows and real-time reporting, enabling enterprises to strengthen internal controls, improve cost management efficiency, and achieve operational management that balances standardized and flexible operations. - Yizhu is a lightweight ERP software tailored for small and micro-sized enterprises, integrating core modules such as finance, inventory, production, customer relationship management, human resources and office automation. With features such as mobile access and real-time approvals, it enables rapid deployment and efficient daily operations through user friendly interfaces, supporting basic digitalization and intelligentization and improved management coordination.
Business Process Management (“BPM”)	Our BPM software product enables enterprises to digitalize existing operational procedures and establish a unified and interoperable process framework. The system supports business process modelling, automation, monitoring and optimization across departments, organizations and business lines, enhancing execution capabilities and operational transparency. By standardizing, digitalizing and mobilizing business processes, the system reduces process disruptions and operational costs, while supporting broader organizational objectives including cross-functional collaboration, data-driven decision-making, employee experience improvement and enterprise-wide digitalization and intelligentization.
Business Intelligence Software (“BI”)	Our BI software product is built on an analytical database foundation that consolidates data from core business systems including ERP, MES and PLM into a standardized enterprise data warehouse. Through data cleansing, transformation, integration and modelling, the system establishes unified and structured management of data across the full business chain. The system features pre-configured industry-specific data templates and multi-dimensional analytical models, providing comprehensive coverage of enterprise operational analytics requirements. Key functionalities include visualization dashboards, management reporting, core KPI monitoring and metric tree, automated anomaly alerts and mobile application access, delivering a full-stack analytics service across all levels of the organization.

Case Study — E10

Background and challenges. LANDTEC Mechanical Seals (Zhejiang) Co., Ltd. (“LANDTEC”) (浙江蘭天機械密封件有限公司) is principally engaged in the manufacture of mechanical seals. It faced a number of operational challenges, including prolonged order lead times, and limited visibility over production process, which collectively affected its ability to respond to customer demand in a timely manner. Resulted the low efficiency for internal production coordination, and difficulty to meet market requirement for fast and reliable delivery.

BUSINESS

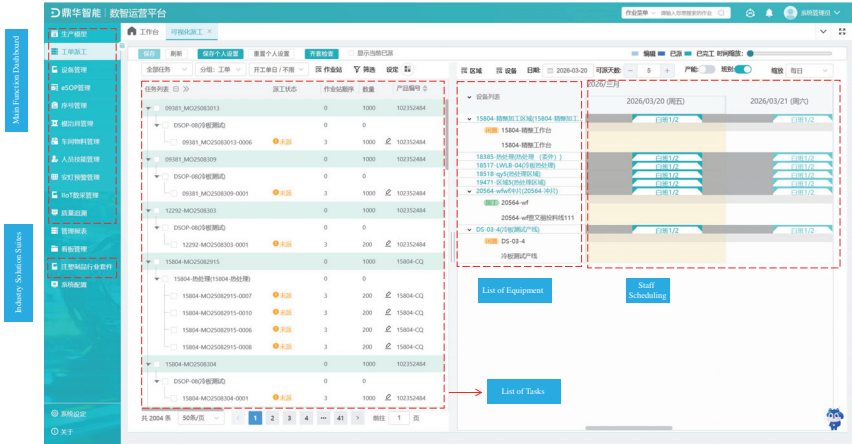
Solutions and results. In 2025, we deployed our E10 ERP system for LANDTEC, with a focus on data standardization, planning system optimization and end-to-end redesign of sales, supply and production processes. The system established digital and intelligent management across the workflow from sales order intake through production planning, material requirements planning and shop floor execution. Following implementation, LANDTEC reduced order lead cycle from 30 to 22 days lowered the various costs incurred as a result of delivery delays and enhanced production transparency, driving meaningful improvements in overall operational efficiency and delivery capability.

Production Control Software

Our production control software are designed for industries requiring precise process control and advanced manufacturing capabilities, including semiconductors, high-tech electronics, metal machining, automotive components, electrical equipment, industrial equipment and injection molding. We offer an integrated suite of software products comprising Manufacturing Execution Systems (“MES”), Advanced Planning and Scheduling (“APS”), Warehouse Management Systems (“WMS”) and Quality Management Systems (“QMS”), enabling efficient coordination from production planning to shop-floor execution and quality control.

Our major production control software includes:

Product	Description
MES	Our MES software interconnects “Man, Machine, Material, Method, and Measurement” factors through real-time data capture and workshop modeling, achieving integrated shop-floor management. It supports production task dispatching, reporting and personnel skill level management, while providing real-time visibility into equipment utilization, operating status and maintenance conditions to reduce downtime. Meanwhile, the system supports comprehensive batch-based traceability across materials, processes, equipment, and operators, while integrating visual dashboards to monitor order progress, production status, and resource allocation, satisfying the requirements for flexible production and customer audits. By enhancing shop-floor transparency and real-time responsiveness, our MES system improves production efficiency, reduces cycle times and minimizes defects through process control and anomaly alerts. Seamless integration with ERP and other systems ensures connectivity from planning to execution, supporting lean and intelligent manufacturing.

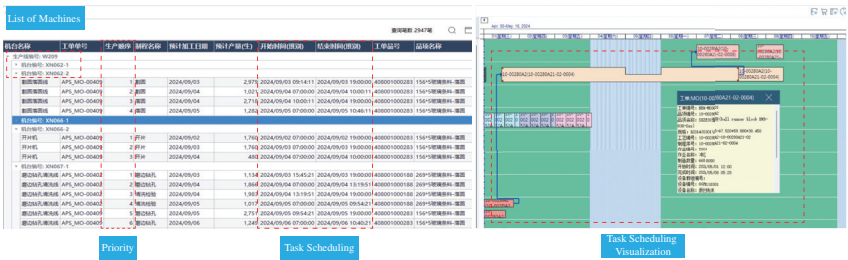


BUSINESS

Product	Description
---------	-------------

APS Our APS software is an intelligent planning and scheduling software for discrete manufacturing enterprises operating in complex environments. Deeply integrated with ERP and MES systems, it enables coordinated planning across demand, materials and production capacity. Core functionalities include priority-based master demand planning, delivery date simulation and evaluation, coordinated material requirement planning and capacity-constrained detailed scheduling with visualization tools for dynamic adjustment.

Our APS software possesses several key technical advantages. Built on a C++ and in-memory computing architecture, the system integrates genetic algorithms to achieve high-speed, globally optimized scheduling. Our proprietary supply-demand locking technology allocates supply resources to specific order batches, eliminating the material attribution ambiguity inherent in traditional MRP systems, and features a dynamic redistribution mechanism to prioritize high-value orders during material shortages. The system also comes pre-configured with industry-specific optimization rules and root cause analysis capabilities, which identify reasons for order delays and generate actionable scheduling recommendations.



WMS Our WMS software is an intelligent intra-factory logistics dispatching and management system designed for the manufacturing sector to achieve unified coordination of warehousing and material handling operations. By leveraging AI-driven dispatching algorithms and multi-device coordination technology to integrate ERP, MES and automated equipment such as AGVs, the system achieves seamless integration from order processing through to warehousing and logistics operations, data breaking down data barriers and eliminating redundant manual data entry.

Through AI-optimized task allocation and path planning, the system delivers an improvement in overall operational efficiency by minimizing waiting times and travel distances across picking and AGV operations, reduces manual intervention and error rates to save labor and maintenance costs, and provides centralized control of logistics equipment with integrated data analytics capabilities to enhance management visibility and support operational decision-making.

BUSINESS

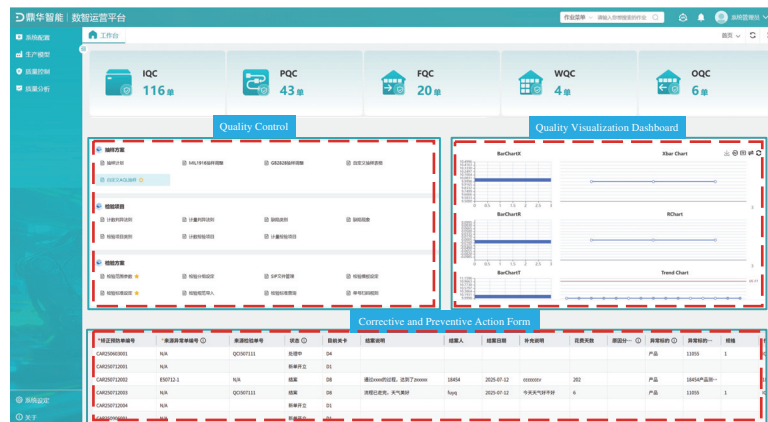
Product

Description



QMS.....

Our QMS software delivers three core capabilities: (i) quality control and traceability, replacing paper-based records with digital and intelligent inspection workflows covering incoming material, in-process, outgoing and warehouse inspection stages, with mobile data capture enabling real-time field submission; (ii) integrated quality analytics, automatically consolidating inspection records into visual dashboards displaying key metrics including batch pass rates, acceptance rates and major defect item; and (iii) real-time statistical process control, which continuously monitors process parameters, auto-generates control charts and triggers immediate alerts upon detecting process anomalies, shifting quality intervention from end-of-line inspection to in-process parameter monitoring to enable preventive quality management. Our QMS software enables customers to achieve digital and intelligent quality management capabilities, enhancing operational transparency and execution efficiency through automated and standardized inspection processes. The system’s real-time monitoring and alert mechanisms enable customers to identify and address quality issues promptly, reducing quality risks. Through data-driven quality analysis tools, customers can more effectively identify root causes of quality problems and implement continuous improvement, thereby enhancing overall product quality competitiveness.



BUSINESS

Case Study — MES

Background and challenges. Customer B is principally engaged in the manufacturing of clean coal gasification equipment and other non-standard automated industrial equipment. Given the extended production cycles and project-based nature of its operations, Customer B faced significant pressure to improve manufacturing efficiency and production plan attainment rate. Its scheduling processes were heavily reliant on traditional software and experiential judgment, with limited capacity planning at bottleneck processes, resulting in post-dispatch start delays and a finished goods plan attainment rate of 50%. Unsystematic warehouse planning further constrained material picking efficiency, frequently causing work stoppages at critical welding stations. Frequent design changes, version control lags and the absence of systematic welding qualification management and anomaly response mechanisms contributed to recurring shop floor rework. As a result, production scheduling, material coordination, quality traceability and operational transparency required comprehensive optimization.

Solutions and results. In 2024, we implemented an integrated MES and WMS proposal for Customer B to establish a digital and intelligent production and quality tracking management system. The software suite integrated bottleneck-process daily scheduling into the MES with automated multi-priority dispatching, and connected WMS task boards, PDA terminals and material call boards to enable real-time material delivery coordination, eliminating work stoppages caused by material shortages. The system also supports one-click ESOP issuance with real-time PLM drawing synchronization to manage frequent design changes, and performs automatic material error-proofing and welding qualification checks at the point of scanning and process reporting. An Andon mechanism was further introduced for rapid anomaly alerting and closed-loop analysis. Following implementation, Customer B improved its finished goods plan attainment rate to 60%, and monthly output value per capita from RMB122,000 to RMB150,000. Overall, the software suite substantially enhanced quality traceability, production transparency and operational efficiency.

AIoT

Our Artificial Intelligence of Things (“**AIoT**”) are built on our Athena Digital Intelligence Platform and are designed to address shop-floor automation and process intelligence requirements in manufacturing environments. By integrating AI, industrial connectivity and automation technologies, our AIoT enable enterprises to achieve equipment networking, real-time data utilization and intelligent operational control.

Our AIoT comprises three core products including AIoT Command Center, AIoT Tianshu Controllers and Device Cloud, which together form an integrated IT-OT solution that connects equipment, systems and applications. We collaborate with equipment manufacturers, through a combination of software and hardware integration to transform traditional production equipment into intelligent, connected devices, addressing the demands of manufacturing enterprises for operational autonomy and advanced automation during their digitalization and intelligentization journeys.

Leveraging the data-driven capabilities of our Athena Digital Intelligence Platform, our AIoT support a wide range of equipment-centric applications, including remote monitoring, predictive maintenance, energy consumption management and carbon emissions tracking. Continuous integration of AI technologies further enhances automation, operational visibility and decision-making capabilities across the manufacturing value chain.

BUSINESS

Our AIoT includes:

Product	Description
AIoT Command Center	The AIoT Command Center is a unified shop-floor control and automation orchestration platform designed to interconnect and centralized management of equipment across production, logistics, facilities, and management functions. By establishing a stable and secure central control network, the system interconnects heterogeneous equipment and allows users to flexibly configure automated workflows and virtual production lines through intuitive graphical drag-and-drop interfaces, significantly lowering the technical barriers and implementation costs for coordinating rules across personnel, equipment, materials, and processes. The system provides real-time monitoring of equipment process parameters and enforces strict compliance with process discipline to minimize quality and efficiency losses attributable to human error. By dynamically responding to real-time equipment status and task conditions, the AIoT Command Center intelligently drives coordinated operations across production, logistics, and facility units to facilitate the construction of virtual flexible production lines. These capabilities optimize production cycle and enhance overall shop-floor responsiveness.



BUSINESS

Product	Description
AIoT Tianshu Controllers	AIoT Tianshu Controller is an integrated digital and intelligent software and hardware solution series designed to address fragmented connectivity and data value extraction challenges faced by manufacturing enterprises. Developed with a “scenario-driven, configured-to-need” approach, the AIoT Tianshu Controllers provides an optimized data foundation tailored to different levels of digital maturity, from basic equipment data acquisition to advanced intelligent applications, targeting common industry pain points such as inaccurate data, an inability to send control instructions back to equipment, limited scalability and high retrofitting costs. To accommodate diverse requirements and budgets, the AIoT Tianshu Controllers features a three-tier structure: (i) a flagship “Tianshu Flagship” tier targeted at high-end equipment and deep intelligent applications, which delivers the highest level of data acquisition, caching and reverse-control capability among all three tiers, supports the processing of more than 2,000 parameters per unit; (ii) a mid-range “split-type Tianshu controller” targeted at digital and intelligent workshops and AI applications which preserves high-quality data acquisition and reverse-control capability while materially lowering the initial deployment cost and offering more flexible deployment options; and (iii) a software-only data acquisition option, which provides cost-efficient connectivity for basic use cases such as MES production reporting. Through this tiered design, the AIoT Tianshu Controllers enables manufacturing enterprises to obtain data acquisition, control and scalability capabilities that are precisely matched to their digitalization and intelligentization objectives at a reasonable level of investment.



BUSINESS

Product	Description
Device Cloud	Device Cloud is our industrial equipment networking and management solution designed to support large-scale device connectivity, unified monitoring and intelligent operations management. Through standardized communication protocols and edge data acquisition capabilities, Device Cloud enables rapid connection of heterogeneous equipment, centralized management of device assets and real-time collection of operational data. The system supports visualized equipment dashboards, real-time status monitoring, alarm management, remote diagnostics and preventive maintenance, helping enterprises improve equipment utilization and reduce unplanned downtime. Built on the Athena Digital Intelligence Platform, Device Cloud further enables structured device data modeling, rule-based alerting mechanisms and application configuration tools, supporting use cases such as energy monitoring, carbon emission tracking, maintenance planning and performance analysis. These capabilities empower enterprises to strengthen asset management and optimize energy efficiency. By transforming raw equipment data into actionable operational insights, Device Cloud enhances production transparency and improves maintenance responsiveness, thereby enabling manufacturing enterprises to achieve intelligent equipment management and data-driven operational optimization.



Case Study — AIoT Command Center

Background and challenges. Zhejiang Xinfuer Electronics Co., Ltd. (“Zhejiang Xinfuer”) (浙江新富爾電子有限公司) is principally engaged in the manufacture of electronic connectors. Zhejiang Xinfuer faced stringent quality system requirements from its core customers, requiring enhancements to quality inspection, traceability and equipment stability management. Intensifying market competition and margin pressure further increased the urgency to improve operational efficiency and resolve equipment performance issues, while the procurement of multi-brand equipment and differentiated customer quality requirements significantly complicated equipment integration and resource scheduling.

Solutions and results. Beginning in 2021, we implemented our AIoT Command Center for Zhejiang Xinfuer structured around three pillars: disciplined production plan execution, in-process quality control and equipment reliability management. The system strictly enforces production sequencing, automates parameter adjustments, mandates pre-production and first-article inspections, and requires scheduled equipment inspections and mandatory maintenance upon expiry of equipment service life, with dual material and personnel verification ensuring compliance and traceability across every process step. The solution enables flexible production lines to be configured through a graphical drag-and-drop interface,

BUSINESS

supporting rapid factory expansion and seamless integration of automation equipment. Following implementation, the customer achieved a 50% improvement in the responsiveness of its dispatch and exception-handling processes, a 22% improvement in process quality and a 20% improvement in equipment overall equipment effectiveness.

OUR OPERATING DATA

	Year ended December 31,		
	2023	2024	2025
Number of customers ⁽¹⁾	16,744	19,114	18,631
Average revenue per customer (RMB'000)	133	122	131
Number of new customers	2,620	2,594	2,414
Revenue generated from new customers (RMB'000)	571,476	613,264	595,860
Average revenue per new customer (RMB'000)	218	236	247
Number of existing customers ⁽²⁾	14,124	16,520	16,217
Revenue generated from existing customers (RMB'000)	1,656,264	1,717,409	1,837,217
Average revenue per existing customer (RMB'000)	117	104	113
Revenue from existing customers as a percentage of total revenue (%)	74.4	73.7	75.5

Note:

- (1) The number of customers represents the number of customers from which we generated revenue during the relevant financial year.
- (2) Existing customers refer to customers that had prior business transactions with us before the relevant financial year, regardless of the type of products or services procured.

The number of customers increased from 16,744 in 2023 to 19,114 in 2024 and decreased to 18,631 in 2025. The increase in our number of customers in 2024 was primarily attributable to our relatively proactive customer acquisition strategy amid the economic recovery, as customers resumed budget allocation for digitalization and intelligentization initiatives. In 2025, building on the foundation established in 2024, we refined our growth strategy in line with our focus on deepening engagement with existing customers and enhancing customer value. Rather than prioritizing broad-based customer expansion, we adopted a more selective approach to customer acquisition, focusing on higher-quality, higher-value customers and optimizing resource allocation toward opportunities with stronger monetization potential and long-term collaboration opportunities, which led to a decrease in the number of new customers and existing customers. As a result, the average revenue per customers increased from RMB122 thousands in 2024 to RMB131 thousands in 2025.

Our revenue generated from existing customers increased steadily during the Track Record Period, primarily driven by our continued focus on strengthening cooperation with existing customers and deepening customer value through our lifecycle engagement business model. Revenue generated from existing customers consistently accounted for over 70% of our total revenue during the Track Record Period, reflecting a high level of customer retention and recurring demand. During the Track Record Period, our average revenue per new customer was generally higher than the average revenue per existing customer, primarily because (i) new customers typically engaged us for full software product suites, integrated digital and intelligent software and hardware solutions and/or digital and intelligent technology services, which command a higher contract value; whereas (ii) existing customers more commonly engaged us for digital and intelligent technology services or purchases of individual digital and intelligent software products, which command a lower contract value on average.

BUSINESS

OUR AI LAYOUT

Leveraging our established experience in digital and intelligent manufacturing solutions, we have observed a sustained increase in demand for system intelligence upgrades, driven by the rapid evolution of customer requirements and the broader industry transition towards AI-enabled transformation. According to Frost & Sullivan, AI has become a key driver of innovation in the digital and intelligent manufacturing solution market. In response to these trends, we have made strategic investments in the development of proprietary AI capabilities and have established the Athena Digital Intelligence Platform as our core digital and intelligence infrastructure in 2022. Since its establishment, the Athena Digital Intelligence Platform has been progressively integrated into our digital and intelligent manufacturing solutions, enhancing the level of intelligence embedded in our software products. At the same time, it enables us to support business customers in building an enterprise intelligence operating space, a collaborative digital and intelligent environment designed for business customers that enables realtime digital mirroring of key physical entities across manufacture processes. Within this environment, enterprise employees, intelligent equipment and AI agents can collaborate seamlessly to drive, analyze and enhance productivity in the real physical world. In addition, by leveraging the platform’s data processing and intelligent service capabilities, we are developing an open and extensible integrated development environment that facilitates collaboration with external developers, user communities and collaborative partners, and supports the onboarding and deployment of third-party AI agents.

AI-Driven Enhancement of Existing Software Products

Building on the proven functionality of our existing digital and intelligent software products, we systematically embed AI capabilities into key functional areas of manufacturing enterprises, primarily through the Athena Digital Intelligence Platform. We also employ embedded AI enablement as a complementary approach to accelerate the AI transformation of specific software functions, equipping them with foundational intelligent capabilities within existing system architectures. Through the coordinated deployment of both approaches, our software products have evolved from rule-based process execution tools into intelligent systems capable of autonomous operational awareness, intelligent collaboration and data-driven decision support, enabling business customers to achieve substantial improvements in operational efficiency, decision-making quality and knowledge management without requiring fundamental changes to their underlying business architecture. Set out below is a description of how AI capabilities have enhanced our existing software products.

Research and Design

Requirement Analysis and Concept Design Stage. AI is capable of rapidly generating multiple architectural proposals and preliminary quotations based on historical cases, thereby accelerating customer decision-making. Meanwhile, we are continuously enhancing related AI capabilities with the objective of enabling our R&D design software to automatically aggregate multi-source data to extract user requirements and market opportunities, and to match relevant national standards and industry regulations to identify compliance requirements, thereby reducing design omissions and subsequent rework risks.

Detailed Design and Process Planning Stage. AI is embedded into PCB and structural design workflows to automatically perform component layout, 3D modelling and generation of standardized engineering drawings, thereby reducing manual drafting workload. During process planning, AI conducts intelligent manufacturability reviews of part models to identify potential issues relating to manufacturability, structural feasibility and cost controllability at an early stage. We are continuously enhancing related AI capabilities with the objective of recommending executable processing steps and equipment selection solutions.

Prototype Testing and Production Transition Stage. During engineering change processes, AI automatically identifies all affected related documents and prompts relevant personnel to update them accordingly, reducing risks of manual omission and delivery delays. We are continuously enhancing related AI capabilities with the objective of enabling AI to automatically generate multi-scenario test cases and consolidate test reports to support issue prioritization.

BUSINESS

Digital Management

Sales and Production Management Stage. AI automatically extracts key order information from multi-source documents to generate draft orders, and assists in verifying contract consistency and customer credit risk. In production management, AI generates tickets based on orders, delivery timelines and existing production plans, continuously monitors production progress and provides timely alerts for abnormal work orders.

Procurement and Inventory Management Stage. AI supports intelligent sourcing and supplier risk assessment, and provides early warnings for potential procurement delays. In inventory management, AI automatically identifies slow-moving, excess and near-expiry materials and issues risk alerts. It also dynamically generates inventory counting plans and provides analytical insights on inventory turnover and capital occupancy.

Financial Management Stage. AI leverages OCR technology to automatically capture and verify invoice information, and assists in repetitive tasks such as reconciliation and voucher preparation during closing processes. It also monitors cash inflows and outflows in real time, forecasts potential liquidity gaps, and provides recommendations on fund allocation and payment terms management.

Production Control

Dispatch Scheduling and Exception Response Stage. AI integrates MES and ERP data to construct a comprehensive equipment capability profile and generates optimal dispatching plans balancing capacity, quality and delivery requirements, while consolidating scheduling experience into enterprise process knowledge. In the event of exceptions, the system intelligently generates optimal alternative solutions. We are continuously enhancing related AI capabilities with the objective of enabling AI to simulate full scheduling impacts and automatically update plans and notify relevant personnel upon confirmation.

Manufacturing Execution Stage. AI integrates multi-system data to simulate material availability in production scheduling, enabling a shift from reactive replenishment to proactive prevention. It continuously analyses correlations between process parameters and quality outcomes to recommend optimized parameter combinations and establish a closed-loop improvement mechanism. In equipment maintenance, AI generates repair recommendations and preventive maintenance plans based on fault descriptions and historical records, and consolidates expert experience into enterprise knowledge bases. We are continuously enhancing related AI capabilities with the objective of enabling real-time prediction and tiered warning of material shortages.

Quality Management and Warehousing Stage. AI integrates multi-source data to enable rapid root-cause tracing of quality issues and automatically extracts data from MES and other systems to generate draft batch records, while verifying data completeness and traceability. We are continuously enhancing related AI capabilities with the objective of enabling early risk identification and shifting quality management from post-event remediation to proactive prevention. In inbound inspection, AI dynamically recommends inspection frequency and release criteria based on batch-level quality risk.

AIoT

Equipment Monitoring and Diagnostics Stage. AI collects millisecond-level equipment production parameters in real time, including key indicators such as spindle vibration, mould pressure and coolant pH value, supporting continuous refinement of industrial mechanism algorithms. It continuously monitors equipment operating status, automatically identifies underperforming or high-downtime machines and provides diagnostic recommendations, enabling early fault prevention.

Capacity Analysis and Decision Support Stage. AI analyses equipment loading, production rhythm and production ratios to identify key bottlenecks affecting capacity and efficiency. When production line deviations occur, AI automatically evaluates delay impacts and recommends adjustments in machines, manpower or resource allocation, supporting timely order fulfilment.

BUSINESS

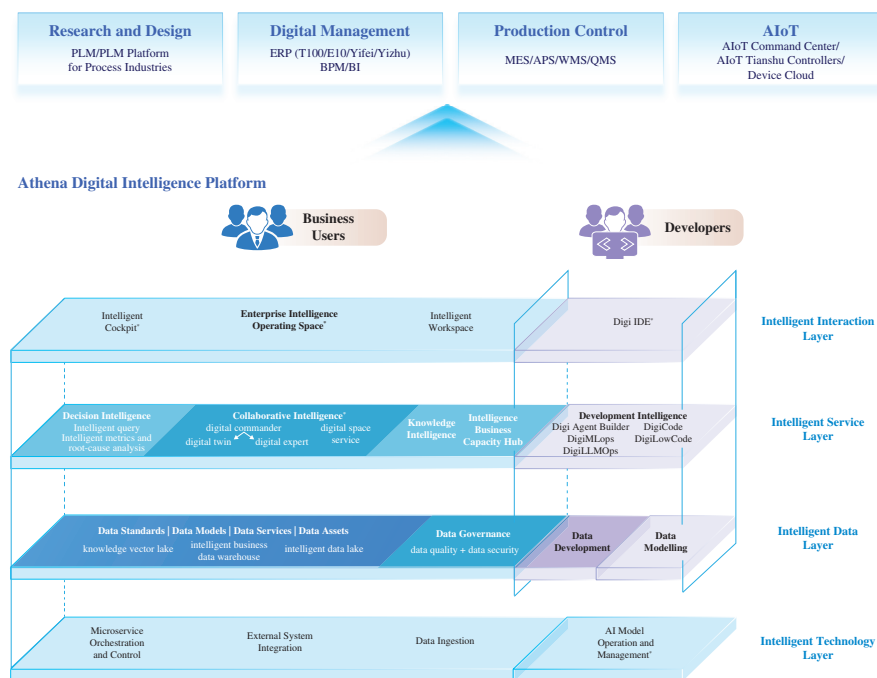
Task Execution and Operational Enablement Stage. AI converts decisions into on-site execution actions, including machine recipe deployment, parameter auto-calibration, task reassignment, real-time standard operating procedure distribution and AGV-enabled material dispatching, thereby enabling seamless production execution, reducing latency and minimizing human operational errors.

Athena Digital Intelligence Platform

The Athena Digital Intelligence Platform is our digital and intelligence infrastructure. The Athena Digital Intelligence Platform has been progressively integrated into our digital and intelligent manufacturing solutions, enhancing the level of intelligence embedded in our software products. At the same time, it enables us to support business customers in building an enterprise intelligence operating space, a collaborative digital and intelligent environment designed for business customers that enables realtime digital mirroring of key physical entities across manufacture processes.

From a functional perspective, the Athena Digital Intelligence Platform enables business customers to achieve realtime perception of internal and external data changes, such as order surges and inventory shortages. Without manual intervention, the platform is expected to be capable of autonomous analysis, decision-making and task orchestration, and can automatically assign tasks to relevant personnel or equipment, thereby supporting efficient execution of high-frequency business processes.

We are continuously enhancing our Athena Digital Intelligence Platform to enable it to address complex and dynamic business scenarios with limited predefined rules, such as sudden supply chain disruptions. By integrating enterprise knowledge with generative AI technologies, the platform is capable of autonomously reasoning and generating multiple optimal response scenarios to support managerial decision-making. In addition, by leveraging the platform’s data processing and intelligent service capabilities, we are developing an open and extensible integrated development environment that facilitates collaboration with external developers, user communities and collaborative partners, and supports the onboarding and deployment of third-party AI agents.



* Under development as of the Latest Practicable Date

BUSINESS

The Athena Digital Intelligence Platform is designed for both business users and developers and comprises four interconnected layers, namely the intelligent technology layer, intelligent data layer, intelligent service layer and intelligent interaction layer, as set out below:

Intelligent Technology Layer

The intelligent technology layer serves as the underlying technical foundation of the platform, ensuring efficient and stable system operation, and is shared by both business users and developers. It consists of four functional modules: (i) *Microservice orchestration and control*, which adopts a cloud-native architecture to support efficient scheduling and lifecycle management of large-scale microservice components, ensuring system stability under high concurrency; (ii) *External system integration*, which provides a wide range of interfaces and connectors to seamlessly integrate with existing enterprise systems and third-party applications, eliminating data silos; (iii) *Data ingestion*, which enables real-time and batch integration of structured, unstructured and multimodal data from heterogeneous sources; and (iv) *AI model operation and management*, which provides a unified model orchestration and governance platform to ensure stable inference, security and compliance of AI models in complex business scenarios.

Intelligent Data Layer

The intelligent data layer converts enterprise data into reusable standardized assets for use by platform applications, business users and AI agents. For business users, it comprises: (i) the coordinated operation of data standards, data models, data services and data assets modules, which establishes a standardized data system and templates to enable unified data management, efficient identification and retrieval, and end-to-end encrypted data transmission security. This further includes the knowledge vector lake (which processes unstructured and semi-structured data into vectorized knowledge assets for large language model utilization), the intelligent business data warehouse (based on a distributed massively parallel processing architecture providing high-performance structured data analytics for reporting and decision-making), and the intelligent data lake (which enables unified multimodal data storage for low-cost archiving, flexible analytics and AI data provisioning); and (ii) data governance, which integrates data quality and data security capabilities. Data quality is managed across six dimensions, namely completeness, accuracy, uniqueness, validity, consistency and timeliness, and incorporates AI-driven automated quality rule generation. Data security supports data classification, masking and encryption to ensure compliant usage. For developers, the layer also provides data development capabilities (a unified data development workspace with native AutoML and AI-assisted coding) and data modelling capabilities (standardized schema design and dimensional modelling methodologies for unified data architecture design).

Intelligent Service Layer

The intelligent service layer transforms platform capabilities into business productivity through the following modules:

- (i) *collaborative intelligence*, including functional AI agents such as digital twin for task execution, digital expert for decision support, and digital commander for higher-level agents orchestration that leverage knowledge graphs and business rules to coordinate multiple functional agents for automated planning and execution, supported by a digital space service providing a unified runtime environment;
- (ii) *decision intelligence*, including intelligent query (natural language-based data visualization generation) and intelligent metrics and root-cause analysis (real-time anomaly detection and AI-driven diagnosis);
- (iii) *knowledge intelligence*, which enables intelligent Q&A, knowledge retrieval, and document parsing and generation based on enterprise private data using large language models; and

BUSINESS

- (iv) *intelligent business capability hub*, which encapsulates manufacturing management experience and business logic into standardized service APIs across 16 functional domains, including procurement, sales and project management, enabling rapid composition and reuse of business services.

For developers, the intelligent service layer further provides development toolsets, including DigiCode and DigiLowCode (supporting end-to-end development from no-code to full-code), as well as Digi Agent Builder, DigiMLOps and DigiLLMOps capabilities for AI agent orchestration, machine learning lifecycle management and large language model training, deployment and operations.

Intelligent Interaction Layer

The intelligent interaction layer provides a simplified and unified interface for business users, including enterprise employees and management, addressing the fragmentation and operational complexity of traditional enterprise software systems. It comprises:

- (i) *enterprise intelligence operating space and intelligent cockpit*, currently under development, which will serve as the core environment for deep collaboration between humans and AI agents. The intelligent cockpit provides a unified immersive interface enabling users to interact with multiple AI agents for dialogue, task assignment and business coordination, thereby enabling holistic business management; and
- (ii) *intelligent workspace*, which serves as a unified enterprise portal integrating tasks, approval workflows and dashboards, and provides role-based personalization to eliminate operational silos across ERP, MES and other systems. For developers, this layer also provides Digi IDE, an integrated development environment enabling end-to-end application development on the Athena Digital Intelligence Platform.

Our AI Capabilities

The product capabilities of the Athena Digital Intelligence Platform are underpinned by our proprietary AI technology architecture. The architecture covers five core technical domains, namely data processing, model orchestration and control, model training, runtime governance and intelligent interaction. Each domain corresponds to specific functional layers of the Athena Digital Intelligence Platform and collectively forms its underlying technological foundation.

Data Processing Technology

We have developed capabilities for both structured and unstructured data processing. For structured data, the system leverages AI-assisted coding and AI-enabled data quality management capabilities to support automated generation of data validation rules, and reduces data development complexity through AutoML-based modelling and AI-enhanced interactive development tools. For unstructured data, the system adopts a multimodal parsing engine to process diverse data types, covering approximately 80% of enterprise’s unstructured business workflow documents, including emails, purchase order, technical documents, engineering drawings, audio and video materials, through parsing and standardization. In addition, by leveraging knowledge graph techniques and a retrieval-augmented generation (“RAG”) framework, the system supports the establishment of associations among documents, entities and business logic, thereby enabling traceable information retrieval and context-aware question answering.

Within the Athena Digital Intelligence Platform, data processing technologies are primarily applied in the intelligent data layer.

BUSINESS

Model Orchestration and Control Technology

We are developing a unified AI model orchestration and governance platform to manage heterogeneous AI capabilities within enterprises, including foundation models, fine-tuned private models and machine learning models, within a consolidated control framework.

The platform provides standardized interface encapsulation, data anonymization, prompt injection protection and lifecycle monitoring, with the aim of enhancing the secure and compliant operation of AI capabilities and helping to mitigate the risks associated with fragmentation of AI assets and “shadow AI” within enterprises.

Within the Athena Digital Intelligence Platform, model orchestration and control technologies are primarily applied in the intelligent technology layer.

Model Training Technology

We integrate fine-tuning, full-parameter training and reinforcement learning for language models and multimodal models into a unified underlying framework to support algorithm customization and domain-specific optimization.

By leveraging efficient fine-tuning methodologies and distributed computing strategies, the Athena Digital Intelligence Platform supports distributed training of small- to medium-scale models on lower-cost compute resources. In addition, reinforcement learning techniques and feedback from negative samples are applied to support continuous iteration and domain adaptation of models in complex manufacturing scenarios.

Within the Athena Digital Intelligence Platform, model training technologies are primarily applied in the development of intelligence modules within the intelligent service layer.

Runtime Governance Technology

We have established a multi-layer runtime governance framework based on a policy-driven engineering approach to enhance system security and operational controllability.

At the access layer, identity authentication and permission verification mechanisms are implemented; at the execution layer, parameter validation is used to help prevent unauthorized data operations; and end-to-end traceability mechanisms are adopted to support operational auditing and monitoring.

The platform also encapsulates enterprise domain knowledge into reusable functional modules and integrates commonly used enterprise tool components to enable a closed-loop process from AI-driven decision-making to execution. This facilitates controlled integration between AI capabilities and core enterprise systems, such as ERP and MES.

Within the Athena Digital Intelligence Platform, runtime governance technologies are primarily applied in both the intelligent technology layer and intelligent service layer.

Intelligent Interaction Technology

The agent-based interaction capabilities of our Athena Digital Intelligence Platform can be embedded into enterprise core systems and support multimodal inputs, including voice, text and images. The system is capable of multi-turn dialogue and contextual memory retention.

BUSINESS

It can monitor key business events and generate alerts and recommended actions. In complex scenarios, AI agents are capable of generating multiple alternative solutions together with impact analysis to support structured decision-making by management. All cross-system operations are subject to real-time permission verification to ensure execution within authorized boundaries.

Within the Athena Digital Intelligence Platform, intelligent interaction technologies are primarily applied in the intelligent interaction layer.

The coordinated operation of the above five technical domains is designed to address several key challenges commonly encountered in enterprise digital and intelligent transformation, including:

- (i) improving the organization and reuse of fragmented technical documentation and expert experience into structured enterprise knowledge assets;
- (ii) enhancing centralized orchestration and governance to reduce fragmentation of AI assets and support integrated management of security, cost and compliance considerations;
- (iii) strengthening controlled access and execution mechanisms to help reduce risks of unauthorized operations and data misuse of AI in core manufacturing environments; and
- (iv) supporting more efficient decision-making through event-driven alerts and structured analytical capabilities.

OUR RESEARCH AND DEVELOPMENT

We believe that research and innovation are critical to our long-term competitiveness and success. Committed to advancing the frontiers of industrial software and intelligent manufacturing technology, we continuously invest in R&D across our strategically focused sectors, including equipment manufacturing, semiconductors, automotive components, electronics and new energy. Our R&D efforts focus are centred on next-generation industrial internet platforms, AI applications including AIGC, industry-specific large language models and AI agents. We also concentrate on big data, AIoT, cloud computing, and data-driven and knowledge encapsulation technologies. During the Track Record Period, our R&D expenses amounted to RMB222.5 million, RMB166.2 million and RMB180.1 million, respectively, representing 10.0%, 7.1% and 7.4% of our total revenue, respectively. Taking into account our capitalized expenses, the overall research and development investment amounted to RMB336.1 million in 2023, RMB333.4 million in 2024 and RMB343.8 million in 2025.

Our R&D efforts have resulted in continual technological breakthroughs and product innovations. As of December 31, 2025, we had over 200 issued patents, over 300 trademarks and over 350 granted computer software copyrights.

Our Core Technologies

Our robust technological capabilities form the backbone of our diverse products and services portfolio. 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 have developed core technologies tailored to specific application scenarios across our business, the details of which are set out in the table below.

BUSINESS

Core Technology	Description	Application Scenarios	Benefits
AI Vision and Multimodal Technology . .	Leverages computer vision and multimodal large language models to automate key engineering workflows, including demand analysis and drawing-to-BOM conversion.	PLM	Enables intelligent enquiry handling, AI-driven material recommendation and automated 2D/3D drawing generation from natural language inputs, substantially enhancing the efficiency and accuracy of R&D, design and data management processes.
High-Openness Interconnection Architecture .	Supports cross-system connectivity and the development of new application scenarios, with full compatibility across operating systems, databases and middleware.	ERP (T100, T10 and Yifei), PLM, MES and WMS	Breaks down information silos across internal and external enterprise boundaries, enabling manufacturing enterprises at various stages of development to streamline business processes, improve operational management efficiency and meet management and control requirements.
IT and OT Deep Integration Technology . .	Integrates IoT data acquisition and AI capabilities with traditional hardware equipment, including machine tools, AGVs and automated warehousing systems, enabling seamless convergence of information technology and operational technology layers.	AIoT	Facilitates the upgrade of traditional equipment and factories into digital assets, enabling manufacturing enterprises to achieve device connectivity and intelligent operation in a lightweight manner, thereby enhancing equipment health management, energy efficiency and operational autonomy.
Workshop-Level Simulation and Data Visualization Technology . .	Combines advanced workshop simulation technology, high-efficiency data visualization tools and an AI model library to establish a digital and intelligent production modelling environment.	MES, APS, WMS and QMS	Address complex operational challenges at the execution layer – including production scheduling, task management, quality control, logistics dispatching and resource allocation – thereby supporting the effective deployment of enterprise quality management systems and enabling customized production process management across industries including semiconductors, equipment manufacturing and electronics.

BUSINESS

Core Technology	Description	Application Scenarios	Benefits
Unified Access and Model-Driven Architecture . .	Centralizes multi-source material requirements into a unified task model and converts them into schedulable task flows. Built on microservices and model-driven design principles, the architecture delivers high scalability and maintainability.	ERP and MES	Provides unified execution capabilities spanning the operational workflow from raw material inbound and in-warehouse management to production material issuance, line-side delivery and finished goods outbound. By consolidating disparate demand sources and enabling coordinated equipment and vehicle scheduling, the technology addresses key warehousing and intra-factory logistics challenges, including demand fragmentation, siloed equipment management, on-time delivery constraints and multi-vehicle routing conflicts.
AI Scheduling Engine and Intelligent Device Coordination . .	Coordinates and optimizes the scheduling of intelligent warehousing equipment as well as on-site personnel, through three core capabilities: (i) task decomposition and batching, which converts complex fulfillment requirements into structured executable units; (ii) dynamic resource allocation across equipment and personnel based on real-time operational priorities; and (iii) path planning and conflict resolution to ensure smooth, uninterrupted operations.	AIoT	Improves on-time delivery rates, material kitting completeness and equipment utilization, enhances per-capita operational efficiency, reduces unnecessary equipment movement and scheduling conflicts, shortens anomaly recovery time, and supports scalable and sustainable multi-site operations
Multi-Dimensional Causal Attribution Analysis Engine	Employs causal inference algorithms to automatically analyses the root drivers of fluctuations in key business metrics. The engine traces causation across multiple layers from the macro-environment through to the supply chain, pinpointing fundamental root causes rather than merely identifying superficial correlational variables.	Athena Digital Intelligence Platform	Transforms manual investigative searches into data-driven root-cause identification; substantially reduces human analytical bias; and reduce diagnostic turnaround time from hours to seconds. For example, when a period-on-period sales ratio declines, the engine automatically drills down to determine whether the cause originates from supply chain shortages or competitive pricing pressure, and quantifies the respective contribution of each factor.

BUSINESS

Core Technology	Description	Application Scenarios	Benefits
Question Routing and Recognition Engine	Integrates large language model parsing with a proprietary engine to receive natural language queries, combines enterprise-specific knowledge retrieval, and autonomously determines and matches relevant datasets through AI-driven decision-making, ultimately converting natural language inputs into structured, step-by-step domain-specific language query instructions.	Athena Digital Intelligence Platform	Transforms manual data-querying into instant, natural-language self-service for non-technical users; eliminates the need for coding or analyst support; and reduces turnaround from hours to seconds at over 95% accuracy.
Complex Business System Data Change Detection	The engine is principally used (i) to detect key transaction events in business documents, such as new procurement requests or engineering design changes, and automatically trigger the next step in the relevant workflow, replacing manual handovers; and (ii) to identify abnormal conditions or emerging risks, such as inventory falling below safety stock levels or a customer approaching its credit limit, and automatically dispatch follow-up tasks for timely intervention.	Athena Digital Intelligence Platform	(i) Lower implementation threshold, with limited need for specialist technical skills or extensive system reconfiguration; (ii) Lower computing resource consumption, allowing continuous background operation without affecting the performance of the underlying business systems; and (iii) Lower intrusion into the customer’s existing IT architecture, enabling deployment with minimal disruption to ongoing operations.
Adaptive Data-Driven Execution Architecture	Captures business state changes in real time and, through a business execution engine, enables the immediate triggering and automated orchestration of downstream workflows in response to detected state transitions.	Athena Digital Intelligence Platform	Outperforms traditional BPM software systems; supports fragmented injection and rapid reuse of data assets; and reduces overall system maintenance costs. Particularly suited to standardized, high-execution environments characterized by variable production, logistics and quality control conditions.

BUSINESS

Core Technology	Description	Application Scenarios	Benefits
Multimodal Retrieval-Augmented Generation Engine	Built upon the multimodal capabilities, this enhanced retrieval-augmented generation technology processes not only text documents but also images, charts, audio, video, PDF tables and mixed document-image content, thereby providing models with comprehensive multimodal contextual references at inference time.	Athena Digital Intelligence Platform	Transcends traditional retrieval-augmented generation limitations by resolving the inability to process non-textual information; reduces model hallucination rates and enhances retrieval reliability; enables rapid deployment of additional multimodal scenarios without requiring multiple specialized model deployments.
AI Agent Development Platform	Provides process configuration interface, online documentation tools, multi-level memory management, engineering toolsets and multimodal AI agent evaluation capabilities, assisting enterprises in rapidly configuring intelligent assistants, automating business processes and comprehensively evaluating AI agent performance and reliability.	Athena Digital Intelligence Platform	Substantially accelerates AI application development, reducing deployment cycles from months to days. Agent behavior is fully visualizable and debuggable at every step, with built-in version control enabling continuous iterative improvement over time. Provides a low-barrier development environment in which AI agents can be configured and deployed through either natural language conversation or intuitive drag-and-drop interfaces, making AI agent creation accessible to both technical developers and non-technical business users alike.
Multi-Agent Collaborative Framework . . .	Provides a comprehensive multi-agent orchestration framework that achieves coordinated multi-agent collaboration through intelligent task routing combined with enterprise business process logic, enabling individual agents to share contextual information and collectively execute decomposed business sub-tasks in a coordinated manner.	Athena Digital Intelligence Platform	Each agent operates within clearly defined functional boundaries, ensuring system scalability and long-term maintainability; flexible task routing enables dynamic allocation of tasks across multiple agents; individual agents are capable of completing assigned tasks with high accuracy and efficiency. Particularly suited to complex business full-process automation scenarios requiring multi-role coordination across systems and cross-functional management tasks involving multiple specialized agents.

OUR R&D CAPABILITY

Our R&D Team

We regard research and development and technological innovation as fundamental to our long-term development, with a focus on maintaining independent and controllable core technologies. Our R&D team is the cornerstone of our R&D capabilities. As of December 31, 2025, our R&D team comprised 1,546 R&D specialists globally, representing 31.8% of our total workforce. Our R&D specialists include professionals graduating from top-tier domestic and overseas universities, specializing in various disciplines such as computer science, software engineering and information engineering.

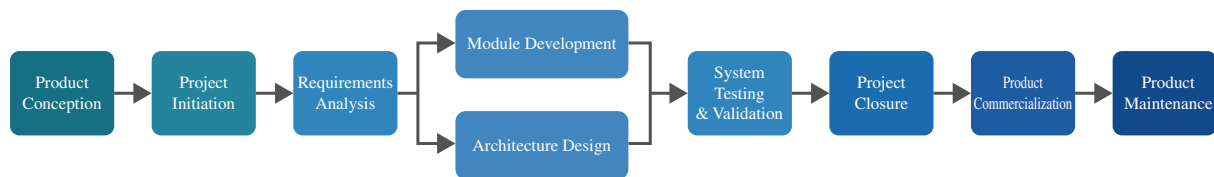
BUSINESS

Our R&D Centers

As of the Latest Practicable Date, we operate two R&D centers, one in the Chinese Mainland and one in Taiwan, located in Nanjing and Taichung respectively, and are in the process of establishing a third Huzhou R&D center. Our Nanjing R&D center focuses on the development and iterative enhancement of products serving the Chinese Mainland market, including our T100, E10, Yifei, and Athena Digital Intelligence Platform-related products, while our Taichung R&D center focuses on products serving the Taiwan market, including ERP, BPM, MES, PLM, and BI products. The Huzhou R&D center, expected to be completed in 2027, is designed to serve as an integrated platform encompassing R&D, technical training, product demonstration and customer services functions, with a strategic focus on digital and intelligence platform development.

Our R&D Process

Our in-house product development generally comprises the following stages:



- **Product conception and project initiation:** collection of market and customer-driven proposals, internal review and approval, formation of project team and execution plan.
- **Requirements analysis:** systematic gathering and prioritization of customer requirements and product features, confirmation with stakeholders and preparation of work breakdown structure.
- **Architecture design and module development:** overall technical architecture design, platform specification design and modular development carried out by our system architecture, software development and product requirement teams based on standardized IT and application platforms.
- **Testing and validation:** formulation of test plans and test cases, defect tracking and remediation, followed by internal testing and controlled external user testing prior to commercial release.
- **Project closure and commercialization:** preparation and submission of closing reports, completion and archiving of technical documentation and source code, as well as product packaging and coordination of go-to-market planning.
- **Product maintenance and upgrade:** transfer to dedicated product team for ongoing patches and version iterations.

Protection of Our R&D Outcomes

All of our employees are required to sign a non-competition, confidential information and invention assignment agreement as part of the standard form employment agreement. Pursuant to the non-competition agreement, within two years following termination of employment with us, employees shall not engage in the same or similar work with any of our competitive employers. Employees are also required to 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.

BUSINESS

SALES, MARKETING AND PRICING

Our Sales

During the Track Record Period, our customers are principally enterprise clients seeking digitalization and intelligentization of the existing systems. Our new customers are primarily sourced through proactive business development efforts, referrals from software partners and introductions from existing customers. Given the long-term and evolving nature of enterprise digitalization and intelligentization needs, we also focus on deepening relationships with existing customers and capturing their incremental demand, which constitutes an important driver of our revenue growth.

As of December 31, 2025, our sales and marketing team comprised 944 personnel. Leveraging our industry-focused strategy and accumulated implementation experience in sectors such as electronics, semiconductor, equipment manufacturing and automotive components, we have established benchmark customer cases and long-term cooperative relationships, enabling us to enhance customer retention and expand cross-selling opportunities.

We primarily adopt a direct sales model. Under this model, we directly manage customer acquisition, solution proposal design, implementation and ongoing support, allowing us to better understand customers’ operational needs, provide tailored digital and intelligent manufacturing solutions and support continuous management refinement, system enhancement and process optimization. This approach is closely aligned with our lifecycle engagement business model and facilitates long-term customer relationships, recurring business opportunities and deeper value creation.

In addition to our direct sales model, we utilize a limited distribution channel. Our distributors primarily serve smaller-scale customers and focus on the sale of standardized and modularized software products with relatively straightforward functionalities, such as Yizhu ERP, which typically require minimal customization and post-deployment services. For such customers and products, the service requirements are relatively standardized and can be effectively addressed through our distribution network without extensive direct engagement under our lifecycle engagement model. Accordingly, the distribution channel enables us to efficiently expand our customer coverage and capture incremental revenue opportunities without diverting internal resources. In 2023, 2024, 2025, our revenue from distributors amounted to nil, RMB5.2 million and RMB8.0 million, respectively, accounting for nil, 0.2% and 0.3% of our total revenue.

Key Terms of Direct Sales Agreement

We generally enter into sales agreements with our direct customers in respect of our products. The agreements with customers with respect to our products or solutions typically include the following salient terms:

- *Term.* Contracts typically remain in effect until all contractual obligations have been fully performed by the parties.
- *Products.* The agreements specify the software products or the software and hardware solutions to be delivered, including any customization or implementation services.
- *Payments and credit term.* We generally require a first installment upon the contract’s effective date, with the remaining balance settled within a certain credit period upon delivery. We typically grant a credit term of 30 to 90 days to our customers.
- *Intellectual properties and Confidentiality.* We typically retain ownership of all intellectual property rights in our software and products, while granting customers limited usage rights upon fulfillment of our performance obligations. All parties are strictly prohibited from disclosing any trade secrets or proprietary business and technical information obtained during the course of the contract to any third party.
- *Termination.* The agreement may be terminated upon the mutual written agreement of parties.

BUSINESS

Our Distributors

We work with a network of distributors in connection with the distribution, delivery, implementation and customization of our products and services. Such arrangements enable us to expand our delivery capacity and enhance our responsiveness to customer requirements across different regions and industries. By leveraging the sales capabilities, technical resources and local presence of our distributors, we are able to expand our regional coverage, improve delivery efficiency, shorten implementation timelines and strengthen customer relationships.

The following table sets forth the movement in the number of our distributors for the years indicated:

	Year ended December 31,		
	2023	2024	2025
As of the beginning of the year	—	—	32
Additions of distributors	—	32	40
Termination of distributors	—	—	—
Net increase/(decrease) of distributors	—	32	40
As of the end of the year	—	32	72
	=	=	=

Key Terms of Distribution Contracts

We generally enter into framework agreements with our distributors, the salient terms of our agreement with our distributors are set out as below:

- *Term.* Our agreements with distributors typically have a term of one year, subject to renewal upon mutual consent and performance evaluation.
- *Product.* We grant our distributors licenses to sell our software products, for which we generally deliver the corresponding object code and user handbooks to the distributors.
- *Pricing and minimum sales amount.* We maintain the right to determine the final retail pricing of our software products and provide our distributors with a specified discount rate as set out in the agreement. In return, our distributors typically commit to a minimum annual sales target.
- *Ongoing support.* During the contract period, we provide remote technical support to our distributors’ end-users through various channels, including telephone, facsimile, and video conferencing.
- *Intellectual property and confidentiality.* We typically retain all intellectual property rights to our proprietary products, while distributors are strictly prohibited from any infringing activities, including unauthorized reproduction, modification, or distribution. All parties are required to maintain the confidentiality of trade secrets and must implement necessary measures to prevent any unauthorized disclosure to third parties.
- *Termination.* The agreement may be terminated upon expiration of the term or material breach as specified in the agreement. Termination of agreement with distributors does not affect end users’ right to use our product. The distributors shall not sell our products after termination.

Distributor Management

We have established a comprehensive management framework, supported by robust internal policies, to regulate distributor conduct and implement strategic measures to mitigate cannibalization and ensure orderly market competition.

BUSINESS

- **Selection and Evaluation.** We select distributors based on stringent criteria, including their professional qualifications, business scale, industry expertise, and service capabilities. We conduct periodic performance evaluations, the results of which serve as the primary basis for contract renewals and the adjustment of authorized rights and entitlements.
- **Exclusivity and Territorial Restrictions.** Our distribution agreements typically include exclusivity clauses, prohibiting distributors from engaging in the sale, consultation, or service of any competing software products. To prevent cross-region sales, each distributor is assigned a defined geographic region. We reserve the right to terminate the distribution authorization of any party that conducts sales outside its designated region without our prior written consent.
- **Lead Registration and Conflict Management.** To protect the interests of our distributors and prevent malicious competition or “lead jumping,” we require all distributors to adhere to our *Channel Lead Registration Management Mechanism*. Under this mechanism, distributors must report their engaged or potential customers to us for registration. Furthermore, to maintain a clear boundary between our direct sales and distribution channels, any lead identified as an existing direct sales account is excluded from the distributor’s scope and is ineligible for our ongoing technical support.

To the best of our knowledge, all of our distributors were Independent Third Parties during the Track Record Period.

Our Sales Partners

In addition, we collaborate with our sales partners for a limited portion of our direct sales to extend our market reach. We acquire direct sales customers through these partners. According to Frost and Sullivan, engaging sales partners to promote and sell software products and services is a common market practice. Under this model, we enter into contracts directly with direct sales customers and sell products to them, while paying a commission fee to our sales partners for their efforts on introducing new customers. We do not sell products to sales partners, and our ability to acquire customers and drive business growth is not dependent on sales partners. During the Track Record Period, we recorded third-party sales partners commission expense of RMB9.1 million, RMB11.4 million and RMB12.8 million, respectively, representing approximately 1.3%, 1.6% and 1.7% of our total selling and distribution expenses, respectively. Revenue generated from new customers introduced to us by our sales partners is recognized as direct sales revenue, as we enter into the relevant sales agreements directly with such customers.

Key Terms of Sales Partners

We generally enter into framework agreements with our sales partners, the salient terms of our agreement with our sales partners are set out as below:

- *Term.* Our agreements with our sales partners typically range from one to three years.
- *Commission and payment.* We generally pay our sales partners commission based on the net transaction amount of our software products, with payments settled in installments following our receipt of funds from the end customers.
- *Roles and Responsibilities.* We are primarily responsible for the execution of sales contracts, product delivery, and the provision of relevant services to the direct sales customers, while our sales partners assist in our sales activities and participate in customer implementation for training and knowledge transfer purposes.
- *Termination.* The agreement may be terminated upon expiration of the term.

BUSINESS

Marketing and Branding

Our marketing and branding strategy centers on our positioning as a trusted digitalization intelligentization partner for manufacturing enterprises. We adopt a multi-dimensional approach that combines in-depth participation in major industry conferences, proprietary branded events and joint promotion. In particular, our proprietary branded initiatives focus on a “flagship summit and festival” model, comprising an annual large-scale industry summit and the year-end “Digiwin Intelligent Manufacturing Festival,” which together create sustained brand momentum and customer engagement. Focusing on the integration of industrial software, we enhance brand visibility through high-profile industry forums and large-scale summits, in collaboration with government authorities and leading universities, thereby translating technological thought leadership into commercial opportunities. In addition to our offline initiatives, we also engage in online marketing activities, including digital advertising, product seminars, webinars and co-marketing campaigns with our business partners. We also continue to invest in the development of our digital marketing system, focusing on key stages such as lead generation, customer engagement and conversion, with a view to improving customer acquisition efficiency and conversion rates.

We also develop and disseminate practical digitalization and intelligentization methodologies for the manufacturing sector, including publishing industry reports with academic partners and showcasing benchmark customer cases in key verticals. Through white papers and online content platforms, we build reusable marketing assets that support customer acquisition and retention. Our Athena Digital Intelligence Platform and PLM software product have received multiple industry awards and recognitions, reinforcing our brand reputation and competitive position across selected market segments. See “— Awards and Recognitions.”

Our International Footprint

Our overseas markets are a critical component of our long-term business development strategy. While continuing to explore growth opportunities in the domestic market, we actively expand our international footprint by leveraging our strong technology capacities to capture market potential in various regions. See “— Our Strengths — Global Sales and Service Capabilities.” As of December 31, 2025, we had established business relationships with customers in China Mainland, Taiwan, and other overseas countries including Vietnam, Malaysia and Thailand. As of December 31, 2025, we employed 1,723 employees in Taiwan and 123 employees in other overseas region to support our global operations, including sales and research and development.

The following table sets forth a breakdown of our revenue by location of our customers in different geographical market during the Track Record Period:

	Year Ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Chinese Mainland	1,154,732	51.8	1,176,861	50.5	1,148,360	47.2
Taiwan	1,038,351	46.6	1,112,066	47.7	1,220,607	50.2
Others ⁽¹⁾	34,657	1.6	41,746	1.8	64,110	2.6
Total	2,227,740	100.0	2,330,673	100.0	2,433,077	100.0

Note:

(1) Others primarily include: (i) Thailand, (ii) Vietnam, (iii) Malaysia and (iv) Hong Kong.

BUSINESS

Pricing

Digital and Intelligent Software Products

The pricing of our digital and intelligent software products is determined based on a multi-dimensional framework taking into account (i) cost considerations, including full lifecycle costs spanning upfront R&D expenditure and ongoing maintenance, iteration and after-sales support costs amortized over the expected product lifecycle; (ii) market positioning, assessed by reference to target customer segments, payment willingness and prevailing demand dynamics; and (iii) competitive benchmarking against comparable market offerings, with pricing calibrated to reflect our relative product differentiation and technological advantages.

Integrated Digital and Intelligent Software and Hardware Solutions

The pricing of our integrated digital and intelligent software and hardware solutions is determined primarily on a cost-plus basis. Our pricing is set by reference to our total procurement costs, which encompass transportation, warehousing and tax-related ancillary expenses, with a margin applied to cover operating and selling costs and to generate a reasonable profit. Market prices of comparable products are also taken into consideration to ensure our pricing remains competitive without compromising profitability.

Digital and Intelligent Technology Services

The pricing of our digital and intelligent technology services is determined based on a value-and-resource framework, taking into account (i) manpower input costs, assessed by reference to the seniority of consultants deployed, hours of engagement and work intensity; and (ii) service delivery stages weighting, with core stages such as requirements diagnosis, solution design and implementation priced at a higher weight commensurate with their technical complexity and value contribution, and ancillary stages priced at a comparatively lower level.

Seasonality

We have experienced, and expect to continue to experience, seasonal fluctuations in our business, financial position and results of operations depending on the relevant time of a year. We typically recognize higher revenue in the second half of the year, especially in the fourth quarter. For details, see “Financial Information — Major Factors Affecting Our Results of Operations — Seasonal Fluctuations.”

AFTER-SALES SERVICES AND WARRANTY

We believe that dedicated customer support is fundamental to fostering long-term customer relationships and sustaining our competitive position. Guided by a customer-centric philosophy, we have established and continuously refined a service and risk management framework designed to enhance customer experience throughout the entire service lifecycle. We maintain dedicated support teams responsible for interfacing with external customers, ensuring that customer feedback is promptly captured, escalated and addressed through clearly defined coordination mechanisms.

We collect customer insights through multiple channels, including consultant-led periodic engagement, customer-initiated service tickets and bug reporting systems, and integrate such feedback into our product optimization and R&D planning. We have optimized our feedback and bug management procedures, including mechanisms for handling urgent issues, and conduct regular cross-functional meetings to monitor remediation progress and enhance transparency.

We adopt differentiated warranty and maintenance service scope across our three business lines, for digital and intelligent software products and integrated digital and intelligent software and hardware solutions, we typically offer 12 months of complimentary maintenance services commencing from the date of delivery acceptance, covering telephone consultation, remote troubleshooting and bug rectification, and version upgrade assistance. For digital and intelligent technology services, no warranty or complimentary maintenance period applies.

BUSINESS

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material product returns, complaints or recalls that had an adverse impact on our business operations or reputation.

OUR SUPPLY CHAIN MANAGEMENT

Our Procurement

During the Track Record Period, our procurement primarily comprised (i) third-party software products such as technology platform software and ancillary value-added hardware products such as AGV and automated storage and retrieval systems, as well as (ii) technology services provided by third parties related to the provision of digital and intelligent technology services. We determine whether to provide the relevant services through our in-house personnel or to outsource such services on a case-by-case basis, taking into account various factors, including staffing availability, the complexity of the relevant engagement and cost considerations.

We generally adopt an order-based procurement model, supplemented by limited advance inventory procurement. Under the order-based model, we procure hardware and software in accordance with specific customer contracts to align procurement with integrated digital and intelligent software and hardware solutions deployment schedules. For routine hardware and software purchases, we typically enter into annual framework agreements with relatively stable suppliers. For specialized products required by customers, we conduct supplier selection procedures among more than three qualified suppliers in accordance with our internal procurement policies. Our procurement approval process is subject to tiered authorization based on transaction amount, and electronic records are maintained throughout the process to ensure proper internal control and traceability.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant shortage of supplies or any material breach of agreements with our suppliers, and the products and services provided by our suppliers did not have any significant quality issues.

Supplier Selection and Engagement

We carefully select and manage reputable suppliers to ensure our product quality and supply reliability. Prospective suppliers are required to submit qualification documents for verification and undergo a formal admission process assessing commercial, technical and demand-related criteria. All suppliers must execute our integrity undertaking prior to onboarding. We conduct annual performance evaluations for our suppliers covering product quality, service standards, delivery timeliness and overall cooperation, and the results form the basis for continued engagement or elimination.

We generally enter into framework agreements with our key suppliers, which set forth the general terms and conditions of purchase. Set forth below are salient terms of our framework agreements:

- *Product Quality.* Our suppliers warrant that the products supplied are safe, stable, free from defects and malicious code, and comply with applicable mandatory standards and regulatory requirements.
- *Payment and credit term.* We generally settle payments upon issuance of invoice corresponding to the order amount. We are typically granted credit terms up to 90 days to our suppliers.
- *Ongoing technical support.* Generally for a period of one year following delivery completion, suppliers are required to provide product maintenance and upgrades, technical support and training, as well as marketing assistance, at no additional cost.
- *Confidentiality.* Confidential information generated or exchanged in the course of cooperation is owned by us, and suppliers are prohibited from disclosing or using such information without our prior written consent. Such obligations survive amendment, termination or expiry of the agreement.
- *Termination.* Agreements may be terminated upon expiry or material breach, and unilateral termination generally requires three months’ prior written notice.

BUSINESS

Inventory Management

Our inventories mainly comprise our procured third-party hardware and software products. Our inventories amounted to RMB65.6 million, RMB85.4 million and RMB115.3 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 fulfil customers’ orders from time to time.

Warehousing and Logistics

We have implemented standardized warehouse management procedures across our self-operated warehouses. Goods are released strictly against authorized delivery notices and handled by designated warehouse personnel, and inventory records are maintained for monitoring and reconciliation purposes. We apply internal inventory aging and impairment policies in accordance with our accounting standards. Returned goods are subject to prior approval and inspection before restocking, with any defective items promptly reported and segregated. Appropriate access control and surveillance measures are in place to safeguard inventory, and responsible personnel are required to ensure proper custody and accountability of stored goods.

For our integrated digital and intelligent software and hardware solutions, hardware sourced from our suppliers is delivered to a location nominated by us. Where our services involve installation, integration or pre-delivery testing, we conduct acceptance inspection and any necessary assembly or configuration are carried out at the designated location prior to onward delivery to customers.

QUALITY CONTROL

We adhere to the principle that system “stability is paramount” and have established a comprehensive, customer-centric quality management framework to ensure that our products and services consistently meet customer expectations. We have formulated standardized R&D quality management and delivery management procedures covering the full product lifecycle, and our quality management system has been certified under ISO 9001 and assessed at CMMI Level 4 and our information systems have obtained Level 3 Classified Protection of Cybersecurity certification, reflecting our mature process governance and development capabilities. To safeguard product reliability, we have adopted stringent process controls and phased release strategies to facilitate rapid validation while minimizing the potential impact of defects. We continuously optimize our R&D processes and strengthen audit and review mechanisms to enhance both operational efficiency and quality assurance. In addition, we conduct systematic quality training and assessments and carry out regular quality tracking and review activities to reinforce organization-wide quality awareness and drive continuous improvement.

During the Track Record Period and up to the Latest Practicable Date, we did not encounter any instance of major administrative penalties and were not involved in any litigation arising from product quality issues that would materially and adversely affect our business operation and financial performance.

OUR CUSTOMERS

During the Track Record Period, our customers primarily include manufacturing enterprises in sectors including the equipment manufacturing, automotive components, electronics and communications, and semiconductor sectors. Revenue from our five largest customers in each year during the Track Record Period amounted to RMB47.2 million, RMB40.5 million and RMB90.0 million in 2023, 2024 and 2025, respectively, representing 2.1%, 1.7% and 3.7% of our total revenue, respectively. Revenue from our largest customer in each year during the Track Record Period was RMB14.9 million, RMB10.1 million and RMB37.2 million, respectively, accounting for 0.7%, 0.4% and 1.5% of our total revenue for the respective year.

As of the Latest Practicable Date, except for FII, one of our five largest customers during the year ended December 31, 2023, and a Substantial Shareholder of our Company, none of our Directors, their respective close associates or any of our shareholders (who, to the knowledge of our Directors, owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each year during the Track Record Period.

BUSINESS

Third-Party Payment Arrangement

In 2023, 2024 and 2025, one, two and ten of our customers (the “**Relevant Customer(s)**”) settled their outstanding payments with us through accounts belonging to parties other than the contractual counterparties (the “**Third-Party Payors**”) under relevant sales and purchase agreements (the “**Third-Party Payment Arrangements**”). The aggregate amounts that were settled through Third-Party Payment Arrangements (the “**Third-Party Payments**”) by the Relevant Customers were approximately RMB40.0 thousand, RMB0.2 million, and RMB1.7 million during the Track Record Period, respectively, representing approximately 0.002%, 0.007% and 0.07% of our total revenue for the respective years.

During the Track Record Period and up to the Latest Practicable Date, to the best knowledge of our Directors, Third-Party Payors primarily consisted of persons affiliated or associated with the Relevant Customers, such as entities controlled by the Relevant Customers’ shareholders, legal representatives, shareholders of the Relevant Customers. According to Frost & Sullivan, it is not uncommon for China-based companies in our industry to accept Third-Party Payment Arrangements to facilitate payments. To the best knowledge of our Directors, Third-Party Payors utilized Third-Party Payment Arrangements primarily because some of them may arrange their related parties to settle with us for convenience and flexibility, and all the Relevant Customers and Third-Party Payors during the Track Record Period are Independent Third Parties. During the Track Record Period, we have not experienced any difficulties in reconciling the payments that we have received. During the Track Record Period, (i) our Group had not provided any discount, commission, rebate or other benefit to any of the Relevant Customers or Third-Party Payors to facilitate or incentivize the Third-party Payment Arrangement and (ii) the pricing and payment terms of the agreements we entered into with the Relevant Customers were generally in line with those of customers not involved in the Third-party Payment Arrangements.

We had ceased all Third-party Payment Arrangements on May 1, 2026. Thereafter, we only accept payments from the contractual counterparties under relevant sales and purchase agreements, and no payments from any other parties will be accepted. In order to mitigate our risks associated with the Third-Party Payments we received, we have obtained payment agreements that confirm the Third-Party Payment Arrangements from Relevant Customers during the Track Record Period.

We have adopted enhanced internal control measures to safeguard our interest against risks associated with the Third-party Payment Arrangements, including but not limited to the following:

- Our customers are required to submit their own settlement account information to us before any settlement is made, and we will closely monitor any change of settlement account information to identify any potential Third-party Payment Arrangement;
- Our employees are required to reject and/or return all payments made by third-party payers. They are also required to inform customers of the above policies and measures and not to make payment to our Group on behalf of any of the customers; and
- We manage our bank accounts in accordance with the principle of segregation of duties. Different personnel of our finance department are assigned with different duties to verify, record, manage and settle transactions through such accounts, to ensure the accuracy of our accounting records, reduce the risks of account misuse and avoid account security risks.

We believe that the cessation of the Third-Party Payment Arrangement did not have, nor will have, any material adverse effect on our business operations and financial results. In addition, our cessation of the Third-Party Payment Arrangement has not had any material adverse impact on our subsequent sales to the Relevant Customers. As advised by our PRC Legal Advisor, the Third-party Payment Arrangements did not violate any mandatory requirements of the applicable PRC laws or regulations.

OUR SUPPLIERS

During the Track Record Period, our suppliers primarily comprise software supplier, hardware supplier and service providers. Purchases from our five largest suppliers in each year during the Track Record Period amounted to RMB225.5 million, RMB230.5 million and RMB196.5 million in 2023, 2024 and 2025, respectively, representing 42.9%, 37.3% and 31.0% of our total purchases, respectively. Purchase from our largest supplier in each year during the Track Record Period was RMB101.4 million, RMB96.8 million and RMB84.3 million, respectively, accounting for 19.3%, 15.7% and 13.3% of our total purchase for the respective years.

BUSINESS

The following tables set forth the details of our five largest suppliers in each year during the Track Record Period:

Year ended December 31, 2023

Supplier	Background	Products/ services purchased	Purchase amount <i>(RMB'000)</i>	% of total purchases <i>(%)</i>	Year of commencement of business relationship	Credit terms <i>(days)</i>	Payment method
Supplier A	A TWSE-listed company registered in Taiwan, principally engaged in the distribution and provision of services in relation to 3C and IT information products	Software and hardware	101,362	19.3	2009	75	Bank transfer
Supplier B	A TWSE-listed company registered in Taiwan, principally engaged in the provision of IT products and services, with a product portfolio covering systems, peripherals and network equipment	Software and hardware	41,630	7.9	2015	75	Bank transfer
Supplier C	A company registered in Taiwan, principally engaged in the provision of enterprise network services	Technology services	36,779	7.0	2015	30	Bank transfer
Supplier D	A company registered in Taiwan, principally engaged in the provision of enterprise network services	Technology services	30,517	5.8	2015	30	Bank transfer
Supplier E	A company registered in Taiwan, principally engaged in the provision of software development services	Software and technology services	15,216	2.9	2017	60	Bank transfer
Total			225,504	42.9			

BUSINESS

Year ended December 31, 2024

Supplier	Background	Products/ services purchased	Purchase amount <i>(RMB'000)</i>	% of total purchases <i>(%)</i>	Year of commencement of business relationship	Credit terms <i>(days)</i>	Payment method
Supplier A	A TWSE-listed company registered in Taiwan, principally engaged in the distribution and provision of services in relation to 3C and IT information products	Software and hardware	96,752	15.7	2009	75	Bank transfer
Supplier C	A company registered in Taiwan, principally engaged in the provision of enterprise network service	Technology services	48,326	7.8	2015	30	Bank transfer
Supplier B	A TWSE-listed company registered in Taiwan, principally engaged in the provision of IT products and services, with a product portfolio covering systems, peripherals and network equipment	Software and hardware	30,869	5.0	2015	75	Bank transfer
Supplier F	An overseas company registered in the United Kingdom, principally engaged in the provision of application development tools and runtime environment solutions	Software and technology services	27,432	4.4	2014	30	Bank transfer
Supplier D	A company registered in Taiwan, principally engaged in the provision of enterprise network services	Technology services	27,104	4.4	2015	30	Bank transfer
Total			230,483	37.3			

BUSINESS

Year Ended December 31, 2025

Supplier	Background	Products/ services purchased	Purchase amount <i>(RMB'000)</i>	% of total purchases <i>(%)</i>	Year of commencement of business relationship	Credit terms <i>(days)</i>	Payment method
Supplier A	A TWSE-listed company registered in Taiwan, principally engaged in the distribution and provision of services in relation to 3C and IT information products	Software and hardware	84,342	13.3	2009	75	Bank transfer
Supplier B	A TWSE-listed company registered in Taiwan, principally engaged in the provision of IT products and services, with a product portfolio covering systems, peripherals and network equipment	Software and hardware	36,547	5.8	2015	75	Bank transfer
Supplier F	An overseas company registered in the United Kingdom, principally engaged in the provision of application development tools and runtime environment solutions	Software and technology services	32,438	5.1	2014	30	Bank transfer
Supplier G	A TWSE-listed company registered in Taiwan, principally engaged in the provision of enterprise IT solutions, cybersecurity, cloud computing, and networking software and hardware products and services	Software, hardware and technology services	31,549	5.0	2016	60	Bank transfer
Supplier E.	A company registered in Taiwan, principally engaged in the provision of software development services	Software and technology services	11,635	1.8	2017	60	Bank transfer
Total			196,511	31.0			

As of the Latest Practicable Date, none of our Directors, their close associates or any of our Shareholders (who owned, or to the knowledge of Directors, had owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each year during the Track Record Period.

BUSINESS

OVERLAPPING CUSTOMER AND SUPPLIER

During the Track Record Period, one of our top five customers in 2023 and 2025, a leading cloud computing service provider in the Chinese Mainland, was also a supplier to us, providing us with public cloud infrastructure services. Our sales amount, representing our sales of digital and intelligent software products to end users through third-party cloud-based marketplaces operated by this customer, was RMB14.9 million, RMB6.2 million and RMB16.2 million during the Track Record Period, respectively, accounting for less than 1.0% of our total revenue in the same years, respectively. Meanwhile, our procurement amount, representing our procurement of public cloud computing services from this supplier, was RMB0.8 million, RMB0.6 million and RMB0.8 million during the Track Record Period, respectively, accounting for less than 1.0% of our total cost of sales in the same years, respectively.

In addition, during the Track Record Period, four of our top five suppliers in 2023, 2024 and 2025, namely Supplier A, Supplier D, Supplier E and Supplier G, were also our customers. Our procurement from these suppliers primarily comprised technology platform software, hardware including cybersecurity and data storage equipment, and related technology services, as well as network services. Our total procurement amount from these suppliers was RMB158.8 million, RMB152.9 million and RMB131.7 million during the Track Record Period, respectively, representing approximately 18.5%, 15.5% and 12.9% of our total cost of sales in the same years, respectively. Meanwhile, our sales amount, representing our sales of integrated digital and intelligent software and hardware solutions and digital and intelligence technology services to these suppliers, in aggregated, was RMB2.5 million, RMB4.7 million and RMB2.8 million during the Track Record Period, respectively, accounting for less than 1.0% of our total revenue in the same years, respectively.

According to Frost & Sullivan, it is common in our industry for customers and suppliers to overlap, given the diverse, dynamic and sometimes complementary nature of their business interactions. Our Directors confirmed that negotiations of the terms of our sales to and purchases from the customers and the suppliers mentioned above as both of our customers and suppliers were conducted on an individual basis and, as a result, the sales and purchases were neither connected with nor conditional upon each other. All of our sales to and purchases from these overlapping customers and suppliers were conducted in the ordinary course of business under normal commercial terms and at arm’s length basis.

COMPETITION

The markets in which we operate are highly competitive. Our major competitors include players in digital and intelligent manufacturing solution market. We believe the principal competitive factors in our industries are functionality and effectiveness of the products and services, user experience, technology and infrastructure capabilities, sales capabilities, industry knowledge, and brand recognition and reputation. In addition, new and enhanced technologies and new market entrants may further increase competition in our industries. We believe that we are well-positioned to compete effectively based on the foregoing factors. See “— Our Strengths” for details. However, some of our current or potential competitors may be able to develop products and services better accepted by manufacturing enterprises or may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, regulations or customer requirements. See “Risk Factors — Risks Relating to Our Business and Industry — The market in which we operate is competitive, and if we do not compete effectively, our business, financial condition and results of operations could be materially and adversely affected.” For more information of the competitive landscape of our industries, see “Industry Overview.”

DATA PRIVACY AND INFORMATION SECURITY

We are firmly committed to conducting data processing activities in compliance with all applicable laws, regulations and regulatory requirements, and to effectively safeguarding data security and personal information protection. During the Track Record Period and up to the Latest Practicable Date, we have complied in all material respects with the applicable PRC laws and regulations relating to cybersecurity, data security, personal information protection and cross-border data transfer.

BUSINESS

As of the Latest Practicable Date, we have not received any notice from the national or local regulatory authorities of the PRC identifying us as a Critical Information Infrastructure Operator or determining that any data processed by us constitutes “Important Data” or “Core Data” under the relevant PRC laws and regulations. Accordingly, we are not regarded as a Critical Information Infrastructure Operator, the data processed by us does not fall within the scope of “Important Data” or “Core Data”, and we have not conducted any outbound transfer of Important Data or Core Data.

Pursuant to the relevant provisions of the *Cybersecurity Review Measures*, and after consulting the China Cybersecurity Review, Certification and Market Regulation Big Data Center, given that we are not a Critical Information Infrastructure Operator and our proposed [REDACTED] on the Stock Exchange only does not constitute a “listing in a foreign country” that requires voluntary filing for cybersecurity review; meanwhile, the scale of personal information processed by us is far below the threshold of 1 million users, and our relevant data processing activities do not involve circumstances that affect or may affect national security. As of the Latest Practicable Date, we have not received any notice from any regulatory authority requiring us to file for or undergo cybersecurity review, and are not obligated to perform relevant review and filing procedures.

We only process a limited scope of personal information in the ordinary course of business, including contact information of customers and suppliers, and employee information. Such processing is conducted on the basis of legitimate grounds under the *Personal Information Protection Law*, including obtaining explicit consent from individuals, being necessary for the performance of contracts, and being necessary for the implementation of internal human resource management. We have fulfilled our notification obligation in a prominent manner through privacy policies, authorization documents and other means, strictly adhere to the principles of minimal necessity and purpose limitation, and do not collect or use personal information beyond the scope. Our relevant processing activities are lawful, legitimate and necessary.

Despite our cross-border collaborative operation arrangements, during the Track Record Period, we transferred data to overseas affiliates only for the purposes of providing necessary technical support such as remote troubleshooting, technical maintenance and access to non-sensitive system logs to onshore customer systems with the explicit written authorization of customers and through compliant encrypted channels, as well as conducting internal group financial and operation management activities. All cross-border data transfers are conducted in strict compliance with the principle of minimal necessity, do not involve sensitive personal information or core business data, and fall within the exemption scenarios stipulated by laws and regulations, without the need to undergo security assessment for outbound data transfer.

In addition, we have established a comprehensive and robust data security and personal information protection management system, formulated and effectively implemented internal policies and implemented a full set of technical and management safeguard measures throughout the data life cycle, including data encryption, access control and regular employee training.

As of the Latest Practicable Date, no data leakage, cybersecurity incident or unauthorized access has occurred to us, and we have not received any administrative order, regulatory inquiry, complaint, report or administrative penalty relating to cybersecurity, data security or personal information protection. According to the opinion of our PRC data compliance legal counsel, we have complied in all material respects with the relevant PRC laws and regulations relating to cybersecurity, data security, personal information protection and cross-border data transfer.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

Amid the global trend of sustainable development and responsible investment, we have fully integrated Environmental, Social and Governance (“ESG”) principles into our long-term corporate strategy. We solemnly commit that following our [REDACTED] on the Stock Exchange, we will strictly comply with Appendix C1, *Corporate Governance Code*, and Appendix C2, *Environmental, Social and Governance Reporting Guide*, of the *Listing Rules* in conducting our business operations. We will

BUSINESS

continuously enhance our ESG governance system in alignment with regulatory guidance, systematically advance compliance management, and regularly disclose progress on significant issues, risk management measures, and performance outcomes. We are committed to proactively addressing stakeholder concerns through transparent and responsible corporate conduct, fulfilling our responsibilities as a corporate citizen, and contributing to the sustainable development of the digital and intelligent manufacturing solution industry.

ESG Governance

We have long adhered to the core values of “Focus, Professionalism, Openness, Innovation, Collaboration, and Greenness”, and have fully embedded the ESG (Environmental, Social and Governance) sustainability perspective into our corporate strategy and daily operations, consistently creating positive value and long-term impact for stakeholders including shareholders, customers, employees, government and regulatory authorities, partners, communities, and public welfare organizations. To this end, we are dedicated to building and continuously refining our ESG management architecture, establishing a clear three-tiered structure comprising the “Decision-making Level, Management Level, and Execution Level” with defined responsibilities and divisions of labor. Specifically, the Strategy Committee of the Board of Directors, as a specialized body under the Board, is responsible for researching ESG-related matters, proposing recommendations, reviewing disclosure documents, and monitoring implementation status. The Committee reports directly to the Board of Directors, providing professional support for ESG-related decision-making. The Board of Directors assumes full responsibility for our ESG strategies, target management, and ESG information disclosure.

Through this top-down governance mechanism, we deeply embed sustainability principles into our operations, actively fulfill our social responsibilities while pursuing economic returns, and lay a solid foundation for building a resilient long-term development framework.

We have also established an ESG institutional framework covering the entire operational value chain, specifically including:

- On the environmental dimension, we have established the *Office Environment Management Specifications* and the *Implementation Plan for Energy Conservation and Consumption Reduction* to systematically regulate energy and resource management and promote green and low-carbon operations;
- On the social dimension, we have established systems including the *Product R&D Operating Procedures*, *Information Security Management Regulations*, *Brand Use Management Specifications*, and supplier integrity commitments, integrating technological innovation, data security, responsible marketing, and supply chain compliance throughout the entire customer service process;
- On the governance dimension, based on the *Articles of Association*, we have built a governance system encompassing information disclosure, risk and internal control, business ethics, and ESG-linked remuneration assessment to ensure compliant, sound operations and the effective implementation of our sustainable development strategy.

ESG management progress and key performance indicators are disclosed to the market through annual ESG reports and periodic announcements in accordance with the Company’s disclosure policy, effectively safeguarding [REDACTED] and stakeholders’ rights to information and participation.

BUSINESS

ESG Risk Management and Strategy

Through multiple rounds of expert consultations and reviews, we have systematically optimized and consolidated our significant ESG issues for 2025. This mechanism enables us to scientifically prioritize management actions, allocate resources precisely, and effectively translate strategic insights on significant issues into concrete actions and measurable outcomes, thereby continuously strengthening the governance foundation for sustainable development.

The key ESG issues identified and corresponding management measures are summarized as follows:

Material issue	Potential impact	Response strategy
Digital intelligence-driven low-carbon development	Failure to capture green transition market opportunities, resulting in diminished competitive differentiation	Enhance the AI Carbon Management Platform and empower customers’ green R&D through cloud-based products
Anti-commercial bribery and anti-corruption	Corruption and bribery may damage corporate reputation and trigger legal risks.	Strictly enforce anti-fraud policies and require suppliers to sign integrity commitment letters
Innovating productivity with data and intelligent technology	Customer attrition driven by lagging technology iteration and inferior AI service capabilities relative to competitors	Deepen engagement in business scenarios and continuously iterate AI-native applications and intelligent solutions
Data security and customer privacy protection	Exposure to legal liabilities and reputational damage arising from data breaches	Hold multiple security certifications and implement closed-loop operation and end-to-end encryption for customer data

Environment

Environmental Management

We have integrated environmental management into our entire operational process and established a systematic management system covering energy, water resources, waste, and carbon emissions. We have formulated internal policies such as the *Office Environment Management Specifications* and the *Implementation Plan for Energy Conservation and Consumption Reduction* to ensure daily operations comply with national environmental regulations. In 2025, we recorded no environmental violations.

Climate Change Response

We place significant emphasis on the interplay between climate-related factors and our daily operations. We systematically identify and address both physical risks (e.g., extreme weather, earthquakes) and transition risks (e.g., energy price volatility, policy shifts). For scenarios such as typhoons, heavy rainfall, and high temperatures, we have developed the *Emergency Disaster Response SOP* to establish early warning, emergency response, and recovery mechanisms. We have also secured relevant insurance coverage and are exploring green electricity procurement to continuously enhance operational resilience.

Meanwhile, we seize the strategic opportunity of digital and intelligent empowerment for low-carbon transition. Leveraging industrial internet, energy management systems, and the AI+ Carbon Management Platform, we assist manufacturing clients in optimizing production processes, improving energy efficiency, reducing carbon emissions, and promoting green collaboration across the industrial chain.

BUSINESS

		Unit	2023	2024	2025
Total greenhouse gas emissions		Tonnes of CO2 equivalent	4,491.81	5,243.53	4,708.93
By category . .	Scope 1 GHG emissions	Tonnes of CO2 equivalent	26.73	23.48	93.57
	Scope 2 GHG emissions	Tonnes of CO2 equivalent	4,465.08	4,948.73	4,615.36

Notes:

- (1) Scope 1 GHG emission data for 2023 and 2024 cover operations in Chinese Mainland only, whereas all other data encompass both Chinese Mainland and the Taiwan region.
- (2) The rise in 2025 Scope 1 emissions is primarily attributable to an increase in operational activities and the refinement of emission source accounting methodologies in the Taiwan region.

Green Office and Waste Management

We adhere to the principles of resource conservation and circular utilization, promoting waste reduction, segregation, and resource recovery. All office locations strictly implement waste sorting requirements; hazardous waste is collected and disposed of in compliance with regulations, and end-of-life electronic equipment is uniformly recycled and reused. We ceased all physical CD shipments as of March 2025, transitioning entirely to cloud-based delivery, effectively reducing material consumption and transportation emissions. We continue to promote document digitization, double-sided printing, waste sorting, and recycling, embedding green office practices into employees’ daily routines.

Energy Conservation, Emission Reduction, and Resource Utilization

In energy management, we promote LED lighting, implement smart HVAC controls, optimize hot and cold aisles in data centers, and conduct digital monitoring and dynamic alerts for electricity usage. In 2025, office lighting electricity consumption was reduced by approximately 60% compared to conventional solutions, and energy use in air conditioning and cooling systems continued to improve.

In water resource management, we enhance water usage monitoring, advance rainwater harvesting and reuse, and continuously run employee awareness campaigns on water conservation. Domestic wastewater generated from operations is discharged into the municipal sewer system after compliant pre-treatment, with no industrial wastewater involved.

Item	Unit	2023	2024	2025
Total electricity consumption	MWh	8,404.84	8,519.33	8,240.31
Gasoline consumption	Liter	12,039.59	10,163.55	8,677.26
Total water consumption	Cubicmeter	46,571.35	53,217.76	42,973.23

Social

Employment and Labor Practices

We strictly adhere to the *Employment Promotion Act*, the *Labor Standards Act*, and the *Gender Equality in Employment Act*. We implement Diversity, Equity, and Inclusion (DEI) policies, uphold the principle of equal pay for equal work, and ensure fair promotion opportunities. Additionally, we strengthen the long-term alignment between our core talent and corporate development through employee stock ownership plans. As of 2025, we employed 18 persons with disabilities and recorded an employee turnover rate of 18.40%.

BUSINESS

	Number of employees (person)	Percentage of total employees (%)
By gender		
Male	2,729	56.14%
Female	2,132	43.86%

Occupational Health and Safety

We maintain a comprehensive occupational health and safety management system supported by detailed emergency response protocols. We regularly conduct realistic drills—including fire evacuation, first aid response, and elevator rescue scenarios—and complement these initiatives with an Employee Assistance Program (EAP) that provides end-to-end support for physical and mental well-being, continuously strengthening workplace safety and protective capabilities.

Employee Training and Development

We have established a dual-track career progression framework (“management + professional”) and a tiered, role-based training matrix. Guided by our “Intelligence+” strategy, we deliver action learning and matrix-style training programs, achieving 100% coverage among employees, with an average of 12.63 training hours per employee, effectively reinforcing talent pipeline development and competency advancement.

Supply Chain Security

We have defined clear supplier admission and exit criteria to ensure partners align with our standards on business ethics, compliant operations, and social responsibility. All suppliers have signed the *Integrity Commitment Letter*, and all procurement staff completed integrity training, passed the associated examination, and signed a commitment upon onboarding.

Strategically, we embed ESG principles into critical supply chain nodes to ensure quality, compliance, and sustainability from the source. We steadily advance green procurement, prioritizing energy-efficient products, and technologies in decision-making to reduce the carbon footprint of our operations and upstream value chain.

In risk management, we have built a multi-dimensional, ongoing supply chain risk prevention system through tiered authorization, process integration, and contractual obligations. We continuously engage with and evaluate suppliers on ESG matters through annual performance reviews and routine business communication, driving continuous improvement in the overall ESG performance of the supply chain.

Product Quality and Safety

We have established a comprehensive quality management system aligned with ISO 9001 and CMMI Level 4 standards, covering the entire product design, development, and operations process. On information security, we have implemented a three-tier governance structure (decision-making, management, and execution levels), formulated policies including the *Information Security Management Regulations* and *Data Privacy Protection Policy*, and obtained ISO/IEC 27001 certification, Level 3 Data Security Capability Maturity certification, and MLPS Level 3 filing. On technology ethics, a cross-functional review mechanism conducts ethical risk assessments throughout product initiation, design, and development; no violations of technology ethics occurred during the reporting period.

Strategically, we embed security capabilities as core product attributes, continuously enhancing inclusivity and accessibility by integrating technologies such as speech synthesis and AI-powered sign language translation to advance “technology for good”.

BUSINESS

In risk management, on information security, we implement end-to-end data encryption, access control, and real-time monitoring, and regularly conduct penetration testing and security audits. At the operational level, we enforce the principle of least privilege and segregation of duties, perform full-log auditing of data access activities, and deploy anomaly detection and alert systems.

Indicators and targets: In 2025, the Company recorded no major data security or privacy breach incidents.

Governance

Anti-Corruption

We strictly comply with laws and regulations including the *Anti-Unfair Competition Law* and the *Interim Provisions on Banning Commercial Bribery*, and have formulated internal policies such as the *Code of Business Ethics* and the *Anti-Fraud and Whistleblowing Policy*. We have established an anti-fraud oversight system led by the Internal Audit Office, featuring a highly confidential whistleblowing mechanism supporting both named and anonymous reports, backed by stringent whistleblower protection and accountability protocols to ensure reporting independence and security.

At the supply chain level, integrity clauses are included in all cooperation and procurement agreements, and key suppliers undergo compliance background checks and anti-corruption training.

In risk management, we systematically identify and manage three categories of risks: legal and compliance risks, internal operational risks, and supply chain reputational risks, and have defined corresponding management measures.

Indicators and targets: In 2025, anti-corruption training covered 718 new employees; directors received an average of 0.25 hours of training; anti-corruption agreements were signed with 431 suppliers; and no internal employee disciplinary incidents occurred.

INTELLECTUAL PROPERTY

We rely on a combination of patent, trademark, copyright and other intellectual property protections laws in the jurisdictions in which we operate, fair trade practices, contractual arrangements and confidentiality procedures to establish and protect our proprietary technologies. As of December 31, 2025, we had (i) 53 issued patents, (ii) 205 granted trademarks, (iii) 362 granted computer software copyrights and (iv) nine granted domain names in Chinese Mainland. As of the same date, we had (i) 173 issued patents and (ii) 154 granted trademarks in Taiwan. As of the same date, we had (i) 23 issued patents and (ii) 27 granted trademarks in overseas jurisdictions, including the U.S., Vietnam and Malaysia. As of the same date, we had registered 18 domain names outside the Chinese Mainland. See “Appendix VI — Statutory and General Information — Our Intellectual Property Rights.”

We adopt a proactive approach to managing and protecting our intellectual property portfolio through a comprehensive set of internal policies and procedures covering patent application, review, maintenance and incentive mechanisms, as well as trademark management and protection. We have established formal procedures governing patent proposal submission, internal technical review, prior art search, evaluation by a patent review committee and coordination with external patent agencies. To encourage innovation, we implement a patent incentive scheme providing application and grant rewards to eligible employees. In addition, we maintain structured trademark management measures covering registration, renewal, validity monitoring, internal review and budget control, with clearly defined responsibilities across legal, marketing, management and finance functions to ensure systematic protection and efficient administration of our intellectual property assets.

Despite our precautions, we may be subject to risks associated with alleged infringement of third parties’ intellectual property rights, or infringement of our intellectual property rights by third parties. See “Risk Factors — Risks Relating to Our Business and Industry — We may be subject to claims by third parties for alleged infringement of their intellectual property rights.” During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material infringement of our intellectual property rights or allegations of infringement by third parties.

BUSINESS

EMPLOYEES

As of December 31, 2025, we had 3,015 full-time employees in the Chinese Mainland. As of December 31, 2025, we also had 1,723 employees in Taiwan and 123 employees in other overseas region, respectively. The following table below sets forth a breakdown of our employees by function as of December 31, 2025:

Function	Number of Employees	Percentage of Employees (%)
Sales	944	19.4
Technology	3,508	72.2
Administration	338	1.5
Finance	71	7.0
Total	4,861	100.0

We recognize that sustainable growth depends on attracting, retaining and motivating diversified talent. We have established a compliant, fair and competitive employment framework and continuously refine our recruitment and employee management policies. We recruit management, consulting, sales and technical personnel through online platforms, campus programs and job fairs. We maintain a transparent compensation structure aligned with market benchmarks, linking remuneration to performance, role value and individual contribution, and have implemented equity incentive schemes to incentivize senior management and key personnel. We provide structured career progression pathways supported by performance evaluation and professional certification mechanisms, and have established a comprehensive training system covering onboarding, professional skills development and leadership cultivation to support employees’ long-term development and organizational capability enhancement.

As required by the laws and regulations in the jurisdictions in the PRC, we participate in various employee social insurance plans that are administered by municipal and provincial governments, including pension, unemployment insurance, childbirth insurance, work-related injury insurance, medical insurance and housing provident funds. We are required under PRC laws to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees. See “Risk Factors — Risks Relating to Our Business and Industry — Failure to make fully and timely social insurance and housing provident fund contributions for some of our employees as required by PRC laws and regulations may subject us to payments of outstanding amounts, overdue charges or penalties imposed by relevant governmental authorities and “— Compliance — Social Insurance and Housing Provident Fund”.

Our employees in the PRC are currently represented by a labour union. We believe we maintain a good working relationship with our employees and we have not experienced any material labour dispute or any difficulty in recruiting staff for our operations during the Track Record Period and up to the Latest Practicable Date.

PROPERTIES

Our headquarters office is located in Shanghai. As of the Latest Practicable Date, we primarily owned and leased properties in Chinese Mainland and Taiwan.

As of the Latest Practicable Date, none of the properties held or leased by us had a carrying amount of 15% or more of our consolidated total assets. According to section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is

BUSINESS

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 as described under paragraph 34(2) of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance.

Owned Properties

As of December 31, 2025, we owned three parcels of land in the Chinese Mainland, with an aggregated site area of approximately 89,500 sq.m. which were primarily used for industrial and R&D purposes. As of the same date, we owned 26 properties in Chinese Mainland with an aggregate gross floor area of approximately 15,000 sq.m., which were primarily used for offices and commercial purposes. As of the Latest Practicable Date, we had obtained the land use right certificates and real estate right ownership certificate for all of our owned properties.

As of December 31, 2025, our Company and our major subsidiaries owned six parcels of land in Taiwan, with an aggregated site area of approximately 2,150 sq.m., which were primarily used for commercial purposes. As of the same date, our Company and our major subsidiaries owned 26 properties in Taiwan with an aggregate gross floor area of approximately 46,500 sq.m., which were primarily used for offices. As of the Latest Practicable Date, we had obtained the land use right certificates and real estate right ownership certificate for all of the properties owned by our Company and our major subsidiaries.

Leased Properties

As of December 31, 2025, we leased 15 properties in the Chinese Mainland with a gross floor area exceeding 500 sq.m. each, with an aggregate gross floor area of approximately 22,856 sq.m., which were primarily used for offices. The leases generally have a term ranging from one to eight years. As of the Latest Practicable Date, we had obtained valid title certificate from the relevant landlords of all the properties.

As of December 31, 2025, our Company and our major subsidiaries leased two parcels of land in Taiwan with an aggregated site area of approximately 13,100 sq.m, which were designated for the construction of office buildings. As of the same date, our Company and our major subsidiaries leased four properties in Taiwan with an aggregate gross floor area of approximately 3,800 sq.m., which were primarily used for offices. The leases generally have a term ranging from one to five years.

During the Track Record Period, some of our lease agreements had not been registered with relevant authorities as required by applicable PRC laws and regulations. See “Risk Factors — Risks Relating to Our Business and Industry — Our rights to use some of our leased properties could be challenged by third parties due to defects, which may adversely affect our business operations and financial condition” for details.

INSURANCE

We maintain insurance coverage over our daily operations. As of the Latest Practicable Date, we maintained various insurance policies relating to our business operations, including commercial health insurance for our employees, comprehensive property insurance, fire insurance and public liability insurance, which we believe have covered major risks in our daily operations. In line with general market practices, we do not maintain certain insurance that are not available in the jurisdiction in which we operate, or that are not generally required by laws.

We believe that our insurance coverage is adequate for our business and in line with general market practice. However, the risks related to our business and operations may not be fully covered by insurance. See “Risk Factors — Risks Relating to Our Business and Industry — Our insurance coverage may not be sufficient to cover all losses associated with our business operations.” We will continue to review and assess our risk portfolio and make necessary and appropriate adjustment to our insurance plans to align with our needs and with industry practice. During the Track Record Period, we did not make any material insurance claims in relation to our business.

BUSINESS

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. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not a party to any material legal, arbitral or administrative proceedings, and we were not aware of any pending or threatened legal, arbitral or administrative proceedings against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

Compliance

We are subject to various regulatory requirements and guidelines issued by regulatory authorities. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that have led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

Social Insurance and Housing Provident Fund

During the Track Record Period, we did not make full social insurance and housing provident fund contributions for certain of our employees, as required by relevant laws and regulations. As advised by our PRC Legal Advisor, pursuant to relevant PRC laws and regulations, if we fail to pay the full amount of social insurance contributions, the relevant PRC authorities may demand us to pay the outstanding contributions within a stipulated deadline and we may be liable for a late payment fee which equals to 0.05% of the outstanding amount of social insurance contributions for each day of the delay. In worse situation, if we fail to make such payments within the stipulated deadline, we may also be liable to a fine from one to three times the amount of the outstanding of social insurance contributions.

We had not made any provision for the shortfall in our social insurance and housing provident fund contributions during the Track Record Period and up to the Latest Practicable Date. As advised by our PRC Legal Advisor, considering that (i) during the Track Record Period and up to the Latest Practicable Date, we were not aware of any complaint, litigation or arbitration brought by any of our employees against us regarding our social insurance and housing provident fund contributions; (ii) none of our Company nor our major subsidiaries had been subject to any administrative actions or penalties in relation to social insurance and housing provident fund contributions during the Track Record Period; (iii) the absence of any material administrative penalties imposed on us during the Track Record Period for non-compliance with social insurance or housing provident fund regulations, as we confirmed, together with relevant credit reports and compliance certificate issued by a competent authority; and (iv) if we are required to make such payments, we will promptly settle the outstanding shortfall in social insurance and the housing provident fund, in the absence of material employee complaint, our PRC Legal Advisor is of the view that, under the premise that there are no significant changes to current PRC policies and regulations or to the enforcement and supervision requirements of local governments, the likelihood that we and our major subsidiaries would be subject to material administrative penalties or centralized collection of the historical shortfall due to failure to provide full social insurance and housing provident fund contributions is remote.

In addition, we have taken and are planning to implement the following rectification measures in avoidance of any future occurrence of such non-compliance: (i) we have implemented and communicated to our employees an internal control policy with respect to social insurance and housing provident fund contributions in compliance with relevant PRC laws and regulations (ii) we intend to strengthen legal compliance training to our employees to increase their understanding of the relevant PRC laws and regulations and encourage their participation in; and (iii) we plan to periodically consult competent external advisors to assess our compliance status and advise us on any potential risks of non-compliance.

BUSINESS

RISK MANAGEMENT AND INTERNAL CONTROL

We are exposed to various risks during our operations. We have put in place a set of internal control and risk management policies and procedures to address potential operational, financial, legal and market risks identified in relation to our operations. We also periodically review these procedures to ensure their effectiveness. Our policies and procedures relate to managing our research and development management, sales operations, financial reporting, information disclosure management, and general controls over information technology.

To monitor the ongoing implementation of our risk management policies and corporate governance measures after the [REDACTED], we have adopted, among other things, the following risk management measures:

- establish an Audit Committee to review and supervise our financial reporting process and internal control system. For the qualifications and experience of the committee members, see “Directors and Senior Management – Board Committees – Audit Committee;”
- adopt policies to ensure compliance with the Listing Rules, including but not limited to aspects related to risk management, connected transactions and information disclosure;
- organize training sessions for our Directors and senior management in respect of the relevant requirements of the Listing Rules and duties of directors of companies [REDACTED] in Hong Kong;
- establish detailed procurement policy, requiring all suppliers to undergo anti-corruption and ESG reviews; and
- establish compliance policies addressing anti-fraud, anti-bribery, anti-corruption, anti-money laundering, economic sanctions matters, and code of conduct for employees, which prohibit behaviors leading to conflicts-of-interest, bribery, misappropriation, embezzlement, or misuse of our assets.

LICENSES, APPROVAL AND PERMITS

As advised by our PRC Legal Advisors, we had duly obtained the requisite licenses, permits, approvals and certificates which are material to our operations from applicable authorities, and such licenses, permits, approvals and certificates are valid and subsisting as of the Latest Practicable Date.

We renew the licenses, permits, approvals and certificates from time to time to comply with the relevant laws and regulations. As advised by our PRC Legal Advisors, there is no material legal impediment to renewing our licenses, permits, approvals and certificates required for our operations.

AWARDS AND RECOGNITIONS

During the Track Record Period, we received awards and recognition for the quality and advanced technology or our products and services. The following table sets forth the major awards and recognitions that we received during the Track Record Period and up to the Latest Practicable Date:

Year	Name of Award or Recognition	Awarding Authority
2025	“AI+” Global Leading Enterprises TOP 30 (“人工智能+”全球領航企業TOP 30)	Xinhuanet (新華網)
2025	Annual Outstanding Solution Award – Digiwin Generative Design (鼎捷文生設計—“年度優秀解決方案獎”)	OFweek (維科網)

BUSINESS

Year	Name of Award or Recognition	Awarding Authority
2025	Top 50 Enterprise-Level AI Agent Applications 2025 – Digiwin Indepth AI (鼎捷Indepth AI/2025企業級AI Agent應用TOP 50)	DBC Consulting (德本諮詢)/Internet Weekly (互聯網周刊)
2025	Excellent Recommended Intelligent Manufacturing Product of 2024 – Digiwin Athena (鼎捷雅典娜—“2024年度智能製造優秀推薦產品”)	e-works Digital Enterprise Network (e-works數字化企業網)
2025	Top 20 Commercial Implementation Enterprises in Decision AI in China (中國決策式AI企業商業落地Top 20)	EqualOcean (億歐)
2025	Top 50 Data Element Ecosystem Service Providers (數據要素生態服務商TOP 50)	DBC Consulting (德本諮詢)
2025	Outstanding Intelligent Manufacturing Total Solution Provider of the Year (年度智能製造整體解決方案傑出供應商)	e-works Digital Enterprise Network (e-works數字化企業網)
2024	Data Governance Industry Landscape 2.0 (數據治理產業圖譜2.0)	China Communications Standards Association (中國通信標準化協會)
2023	Panorama of High-Quality Digital Transformation Products and Services (2023) (高質量數字化轉型產品及服務全景圖)	China Academy of Information and Communications Technology (中國信息通信研究院)