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Application Proof of

QST Information Technology Limited **南京擎天全税通信息科技股份有限公司**

(the “Company”)

(A joint stock company incorporated in the People’s Republic of China with limited liability)

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QST Information Technology Limited 南京擎天全税通信息科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

[REDACTED]

Number of [REDACTED] under the : [REDACTED] H Shares (subject to the
[REDACTED] [REDACTED])
Number of [REDACTED] : [REDACTED] H Shares (subject to
[REDACTED])
Number of [REDACTED] : [REDACTED] H Shares (subject to
[REDACTED] and the [REDACTED])
Maximum [REDACTED] : HK\$[REDACTED] per H Share, plus
brokerage of 1.0%, SFC transaction
levy of 0.0027%, AFRC transaction
levy of 0.00015% and Hong Kong
Stock Exchange trading fee of
0.00565% (payable in full on
application in Hong Kong dollars and
subject to refund)
Nominal value : RMB[REDACTED] per H Share
[REDACTED] : [REDACTED]

Sole Sponsor and [REDACTED]

ICBC  工银国际

[REDACTED]

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The obligations of the [REDACTED] under the [REDACTED] are subject to termination by the [REDACTED] (for themselves and on behalf of the [REDACTED]) if certain grounds arise prior to 8:00 a.m. on the [REDACTED]. See “[REDACTED]” of this document.

The [REDACTED] have not been and will not be registered under the US Securities Act or securities law of any state in the United States and may be offered and sold only outside the United States in an offshore transaction according to Regulation S under the US Securities Act.

[REDACTED]

[REDACTED]

IMPORTANT

[REDACTED]

IMPORTANT

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

EXPECTED TIMETABLE⁽¹⁾

[REDACTED]

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IMPORTANT NOTICE TO [REDACTED]

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SUMMARY

This summary aims to give you an overview of the information contained in this document and should be read in conjunction with the full text of this document. As it is a summary, it does not contain all the information that may be important to you. You should read the whole document, including our financial statements and the accompanying notes, before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in “Risk Factors” in this document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

We are a digital service provider for cross-border enterprises in China, dedicated to providing finance, tax, invoice management, and compliance solutions for cross-border enterprises with import and export trade business. To address core industry pain points including lengthy business workflow chains, compliance risks and inefficient data collaboration, we leverage more than 10 years of industry experience, and use big data, AI and other advanced information technologies to provide cross-border enterprises with a full range of synergistic solutions covering business, finance and tax. Through a modular product matrix, we drive our customers’ business data through our solutions including cross-border enterprises intelligent finance and tax management solutions, invoice document integrated management solutions, and cross-border enterprises risk management and compliance solutions. We aim to empower Chinese enterprises to conduct cross-border trade and enhance their digital capabilities in cross-border business operations.

According to Frost & Sullivan, we ranked first in China’s cross-border enterprises intelligent finance and tax management solutions market in 2025, with a market share of 1.6% in terms of revenue and ranked second in China’s cross-border enterprises business-finance-taxation digital solutions market in 2025, with a market share of 1.1% in terms of revenue.

Since our establishment, we have cumulatively reached over 430,000 cross-border enterprises and cross-border e-commerce enterprises, including approximately 160,000 users, we served and completed over 2.2 million service transactions, becoming one of the leading cross-border enterprises digital solution providers in terms of customer base. During the Track Record Period, revenue generated from cross-border enterprises accounted for approximately 97.6%, 90.4% and 90.5% of our total revenue for 2023, 2024 and 2025, respectively. In 2025, we had more than 60,000 active users, including approximately 24,000 paying customers.

Our business operates in Jiangsu, Shanghai, Guangdong, Shandong, Shenzhen, Qingdao, Chongqing and other provinces and cities. In particular, in the Yangtze River Delta region, where more than 314,000 cross-border enterprises reside, our market penetration rate is approximately 7.5% as of December 31, 2025. In addition, during the Track Record Period, our customers included Fortune Global 500 companies, and we have established extensive cooperation with these players.

OUR BUSINESS MODEL

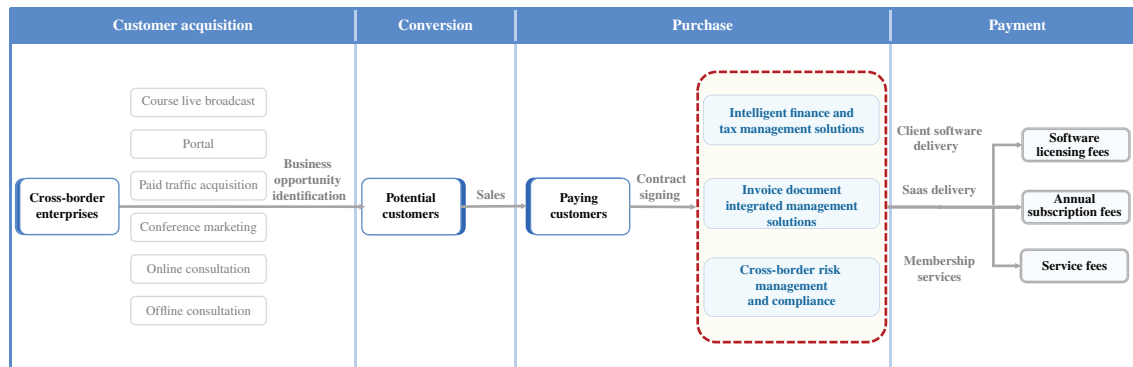
Leveraging our strong technical capabilities and extensive experience in the cross-border trade industry, we have launched our cross-border enterprise business-finance-taxation digital solutions covering cross-border enterprises intelligent finance and tax management, invoice document integrated management and cross-border enterprises risk management and compliance, achieving full coverage of tax and financial operations for cross-border enterprises across all scenarios.

SUMMARY

We market and sell our solutions through a dedicated direct sales force, supported by integrated online and offline initiatives designed to effectively generate and convert sales leads. For a detailed description of our sales and marketing strategies and activities, please refer to “Sales and Marketing.”



To further illustrate the end-to-end operation of our solutions, the following diagram outlines our customer acquisition, conversion and service delivery process:



Cross-border Enterprises Intelligent Finance and Tax Management Solutions: Our cross-border enterprises intelligent finance and tax management solutions provide an all scenario collaborative export-related finance and tax solution to achieve integrated tax and finance management for cross-border enterprises. Particularly, it provides end-to-end capabilities from data collection and intelligent document matching to automated discrepancy resolution, bookkeeping and document filings, effectively solving the pain points of cross-border enterprises, including difficult traceability, challenging integration, high error propensity, and cumbersome declaration, which arise from the complexity of business documentation and information as well as the fragmentation of data across different platforms. With export tax refund integration as the core capability and leveraging OCR and AI technologies, our solution addresses industry pain points including lengthy business chains spanning order management, procurement logistics, customs declaration, foreign exchange settlement and tax refund filing, unifying data standards to break

SUMMARY

internal data silos. With the comprehensive promotion of digital electronic invoices and electronic voucher accounting data standards, our solution meets the urgent need for integrated “business, customs, finance and tax” declaration. Key products include:

- *Agile Cloud*: Our Agile Cloud provides an integrated panoramic collaborative export tax and financial solution for efficient, accurate and compliant export tax refund declaration. By deeply integrating enterprise business, customs, invoice, finance and foreign exchange data, and relying on a standardized rule engine, our solution covers data collection, intelligent order allocation, tax refund declaration data generation and verification, automatic discrepancy resolution, and bookkeeping and accounting voucher generation.
- *Export Trade Document Management System*: Our Export Trade Document Management System enables full lifecycle management of filing documents for export tax refund declaration. It automatically collects, recognizes, classifies and digitally archives various documents in accordance with export tax refund regulations, forming traceable document records that satisfy the strict compliance and completeness requirements of both internal management and regulatory authorities.

Customers may purchase Agile Cloud and Export Trade Document Management System separately on the basis of their cross-border financial and tax management demands, or purchase a combination of them to enable collaborative management of the whole tax processing process for import and export business.

The following chart illustrates the transaction and fund flows of our intelligent finance and tax management solutions



Invoice Document Integrated Management Solutions: Our invoice document integrated management solutions comprehensively cover all invoice application scenarios of cross-border enterprises and supply chain enterprises and achieve the integration of invoice issuance and management. Key products include:

- *Acumen Invoice Management Cloud*: Our Acumen Invoice Management Cloud is an all-in-one invoice issuance management system. Equipped with our Intelligent Invoice Engine, it supports diverse invoicing methods, including export customs declarations of enterprises, import of table templates, interface integration and AI recognition, to meet the invoicing needs of cross-border and domestic sales in various scenarios.
- *Digitalized Electronic Invoice Management Cloud*: Our Digitalized Electronic Invoice Management Cloud, centered on integrated invoice management, constructs a centralized digital repositories through multi-scenario information collection mode. In addition, it conducts a comprehensive inspection of the invoice pool for the authenticity and normal status of the invoices, and then confirms the utilization by batches based on the invoice type to ensure that the invoices can be used for deduction and tax refund. It enhances cross-border enterprises’ efficiency in input tax management, mitigates tax-related risks, strengthens data collaboration capabilities, and meets regulatory requirements for compliant invoice management.

SUMMARY

Customers may purchase Acumen Invoice Management Cloud and Digitalized Electronic Invoice Management Cloud separately on the basis of their invoice document management demands, or purchase a combination of them to enable collaborative management of the whole processing process for input and output invoices and documents.

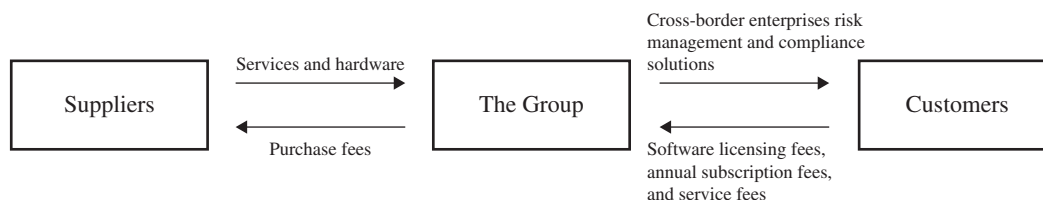
The following chart illustrates the transaction and fund flows of our invoice document integrated management solutions



Cross-border Enterprises Risk Management and Compliance Solutions: Our cross-border enterprises risk management and compliance solutions provides a multi-functional and all-scenario services integrating customs, tax, invoice processing, and certificate authentication of origin management for export in the cross-border e-commerce compliance. Key products include:

- Zumoo Enterprises Compliance Service Platform:* Zumoo is a digitized integrated compliance platform for cross-border e-commerce, enabling “one-click customs clearance and one-click tax return” through full regulatory digitization. It integrates the procurement, sales, customs declaration and tax return in the cross-border e-commerce business, and covers full-mode declaration scenarios such as cross-border customs clearance and cross-border tax-finance integration, forming a “four in one” flow of orders, goods, funds and invoices, as well as offering secure, efficient, and compliant digital collaborative SaaS services for cross-border e-commerce enterprises.
- Smart Cert FTA Digital Platform:* Smart Cert is a comprehensive solution for global tariff calculation and export origin certification compliance for cross-border enterprises. This digital platform provides functionalities including optimal global tariff rule determination, one-stop management of customs and CCPIT certificates of origin, and empowers enterprises to master FTA rule applications and gain competitive advantages in cross-border trade.

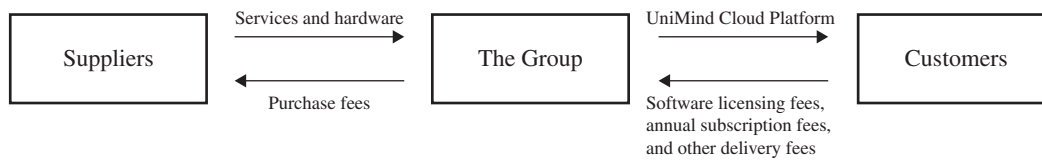
The following chart illustrates the transaction and fund flows of our cross-border enterprises risk management and compliance solutions



Our UniMind Cloud Platform is a SaaS-based platform that delivers comprehensive modular functions, offering intelligent finance and tax management solutions, invoice document integrated management solutions, and risk management and compliance solutions. It allows cross-border enterprises to flexibly subscribe to required features based on their needs, optimizing tax and finance management efficiency in the most appropriate manner. In addition, we launched our AI assistant TaxMate, enabling streamlined automation of business processes and intelligent finance and tax Q&A services within our products to further enhance operational efficiency.

SUMMARY

The following chart illustrates the transaction and fund flows of our UniMind Cloud Platform



Our Key Operating Data

The following table sets forth the key operating metrics of our business for the periods indicated.

	For the year ended December 31,		
	2023	2024	2025
Cross-border enterprises intelligent finance and tax management solutions			
Number of customers			
Large customers	4,867	4,568	5,325
Medium customers	2,796	6,305	3,202
Small customers	23,478	16,243	15,397
Invoice document integrated management solutions			
Number of customers	1,323	1,043	1,102
Cross-border enterprises risk management and compliance solutions			
Number of customers	176	208	641
Number of new customers	6,605	5,747	6,472
Average revenue per user (in RMB)	5,157	6,287	7,257
Number of non-paying users	26,156	32,824	36,512
Conversion rate of non-paying users⁽¹⁾	20.2%	14.9%	15.1%
Customer Retention Rate	92.0%	92.6%	84.2%

Note:

- (1) Conversion rate of non-paying users equals the number of new paying customers in the period divided by the aggregate of the number of new paying customers in the period and the closing balance of non-paying users.

This metric reflects the proportion of free trial / non-paying users that were converted into paying customers during the period, and is used to measure our customer conversion efficiency. As we do not separately track the number of newly added non-paying users during the period, the non-paying user component in the denominator is presented using the closing balance of non-paying users for the relevant period in actual calculation.

Details of the trends in key operating metrics, please refer to “Business — Our Key Operating Data” in this document.

Our cross-border enterprises intelligent finance and tax management solutions encompass products including Agile Cloud and Export Trade Document Management System. In 2023, 2024 and 2025, we generated revenue of RMB130.1 million, RMB135.3 million and RMB136.3 million from our cross-border enterprises intelligent finance and tax management solutions, respectively, accounting for 80.7%, 78.9% and 77.5% of our total revenue in the same periods, respectively.

SUMMARY

Our invoice document integrated management solutions are provided mainly through our Acumen Invoice Management Cloud and Digitalized Electronic Invoice Management Cloud, and cover full-cycle invoice management processes, including invoice issuance, delivery, verification and archiving, as well as the corresponding tax management. Our customers can subscribe to these solutions individually or as a combination based on specific business needs. In 2023, 2024 and 2025, we generated revenue of RMB24.3 million, RMB25.3 million and RMB25.5 million from our invoice document integrated management solutions, respectively, accounting for 15.1%, 14.8% and 14.5% of our total revenue in the same periods, respectively.

Leveraging our service experience through our cross-border enterprises intelligent finance and tax management solutions and invoice document integrated management solutions, we have formed deep understanding of foreign trade enterprises, and we can readily discern their business operations, financial performance and financing needs from their transaction patterns, as reflected by invoice and customs declaration data. We have developed our cross-border enterprises risk management and compliance solutions based on such capability to empower our institutional partners’ decision-making and risk management, and to assist cross-border enterprises’ documentation filing. In 2023, 2024 and 2025, we generated revenue of RMB6.7 million, RMB10.8 million and RMB14.1 million from our cross-border enterprises risk management and compliance solutions, respectively, accounting for 4.2%, 6.3% and 8.0% of our total revenue in the same periods, respectively.

OUR STRENGTHS

We believe the following competitive strengths have contributed to our success and differentiated us from our competitors:

- First-Mover Advantage and Extensive Industry Experience;
- Comprehensive Product Mix Addressing Pain Points of Cross-border Enterprises;
- Extensive Customer Network;
- Strong R&D and Technology Innovation Capabilities;
- Experienced Management Team with Industry Insights.

OUR STRATEGIES

We intend to pursue the following strategies to further grow our business: (1) Technology Innovation: Enhancing Product Competitiveness; (2) Product Innovation: Further Enriching the Product Matrix; (3) Market Expansion: Diversified Sales Strategies and Product Positioning; (4) Talent Strategy: Actively Contributing to Future Expansion; and (5) Strategic Cooperation and M&A Opportunities.

MAJOR CUSTOMERS AND SUPPLIERS

Since our inception, we have accumulated a large and diversified enterprise customer base with a deep engagement with foreign trades. In 2025, we had approximately 24,000 paying customers. In 2023, 2024 and 2025, revenue generated from our top five customers in each year during the Track Record Period accounted for 9.7%, 27.5% and 28.5% of our total revenue, respectively, and revenue from our largest customer in each year during the Track Record Period accounted for 6.6%, 18.2% and 14.3% of our total revenue in the same periods, respectively. See “Business — Our Customers” for details.

SUMMARY

Our suppliers primarily include cloud service and hardware suppliers. All of our suppliers are located in the PRC, and we did not procure any materials or services from overseas suppliers during the Track Record Period. Hardware procured by us includes scanning machines, high-resolution cameras and computers for office use. We select our suppliers based on the quality of their products and services, their operation scale, qualifications, prices and our business needs. In 2023, 2024 and 2025, purchases from our top five suppliers in each year during the Track Record Period accounted for 89.0%, 96.4% and 95.4% of our total purchases, respectively; and purchases from our largest supplier in each year during the Track Record Period accounted for 53.1%, 82.0% and 83.8% of our total purchases in the same periods, respectively. During the Track Record Period, although our largest suppliers accounted for more than 30% of our total purchases in each of the relevant periods, the products we procured from such suppliers comprised standardised hardware products that are commonly available in the market and are highly substitutable. Hence, we have no reliance on such suppliers.

OUR INDUSTRY AND COMPETITIVE LANDSCAPE

The business-finance-taxation digital solutions market in China is experiencing explosive growth. The market grew from RMB62.5 billion in 2020 to RMB111.8 billion in 2025, with a CAGR of 12.3%. Looking ahead, the industry is expected to maintain its growth and reach RMB193.6 billion by 2030 due to tax system upgrade, rapid economic development and favorable policies in the business-finance-taxation digital solutions market.

The cross-border enterprise business-finance-taxation digital solutions industry in China is a fast-growing industry. The market grew from RMB7.8 billion in 2020 to RMB17.1 billion in 2025, with a CAGR of 17.0%. Looking ahead, the industry is expected to maintain its growth and reach RMB35.2 billion by 2030.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The tables below include, for the periods indicated, selected financial data derived from our consolidated statements of profit or loss and consolidated statements of financial position, the details of which are set forth in the Accountants’ Report in Appendix I to this document, and these should be read in conjunction with the historical financial information in the Accountants’ Report in Appendix I to this document, including the related notes.

Summary of Consolidated Statements of Profit or Loss and other Comprehensive Income

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income, with line items in absolute amounts and as percentages of our revenue for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	% of revenue	RMB'000	% of revenue	RMB'000	% of revenue
Revenue	161,084	100.0	171,383	100.0	175,858	100.0
Cost of revenue	(27,392)	(17.0)	(51,365)	(30.0)	(34,874)	(19.8)
Gross profit	<u>133,692</u>	<u>83.0</u>	<u>120,018</u>	<u>70.0</u>	<u>140,984</u>	<u>80.2</u>
Other income	10,062	6.2	9,914	5.8	8,962	5.1
Impairment losses under expected credit loss (“ECL”) model, net of reversal	(412)	(0.3)	(266)	(0.2)	(869)	(0.5)
Other gains and losses	839	0.5	294	0.2	672	0.4
Selling and marketing expenses	(27,823)	(17.3)	(29,209)	(17.0)	(30,484)	(17.3)
Administrative expenses	(12,459)	(7.7)	(14,336)	(8.4)	(14,245)	(8.1)
Research and development expenses	(32,308)	(20.1)	(34,461)	(20.1)	(35,492)	(20.2)
Finance costs	(130)	(0.1)	(74)	(0.0)	(152)	(0.1)
[REDACTED] expenses	–	–	–	–	(7,729)	(4.4)

SUMMARY

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	% of revenue	RMB'000	% of revenue	RMB'000	% of revenue
Net fair value changes of financial liabilities at fair value through profit or loss.	86,753	53.9	(788)	(0.5)	–	–
Profit before tax	<u>158,214</u>	<u>98.2</u>	<u>51,092</u>	<u>29.8</u>	<u>61,647</u>	<u>35.1</u>
Income tax expenses	(5,692)	(3.5)	(3,494)	(2.0)	(4,158)	(2.4)
Profit and total comprehensive income for the year	<u>152,522</u>	<u>94.7</u>	<u>47,598</u>	<u>27.8</u>	<u>57,489</u>	<u>32.7</u>
Profit and total comprehensive income attributable to the:						
Owners of the Company	152,917	94.9	47,448	27.7	57,489	32.7
Non-controlling interests.	(395)	(0.2)	150	0.1	–	–
	<u>152,522</u>	<u>94.7</u>	<u>47,598</u>	<u>27.8</u>	<u>57,489</u>	<u>32.7</u>

Our profit before tax decreased from RMB158.2 million in 2023 to RMB51.1 million in 2024, primarily due to the decrease in fair value changes of financial liabilities at fair value through profit or loss (“FVTPL”) as the preferential rights for the Pre-[REDACTED] Investors Investors were terminated with effect from December 20, 2024. Our profit before tax increased to RMB61.6 million in 2025, primarily reflecting an improvement in our gross profit margin. The improvement was attributable to an increase in our revenue caused by the increase in the number of our large customers as well as the decrease in our supporting hardware costs.

All preferential rights attached to the Shares with special rights previously issued by us to certain Pre-[REDACTED] Investors Investors were terminated with effect from December 20, 2024. Following the termination, the Shares with special rights ceased to be financial liabilities and accordingly the carrying amount of the related financial liabilities at FVTPL was re-designated to equity. Please refer to the section headed “Financial Information — Description of Selected Items in the Consolidated Statements of Financial Position — Re-designation of Shares with Special Rights from Financial Liabilities to Equity”.

Non-IFRS Measures

To supplement our consolidated statements of profit or loss and other comprehensive income presented in accordance with IFRS, we also use adjusted net profit (non-IFRS measure), as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that the presentation of these non-IFRS measures facilitate comparisons of the operating performance from period to period and company to company by eliminating potential impacts of certain items. We believe that the presentation of such non-IFRS measures when shown in conjunction with the corresponding IFRS measures provide useful information to potential [REDACTED] and management in facilitating a comparison of our operating performance from period to period by eliminating potential impacts of certain items.

However, the use of non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS. In addition, the non-IFRS financial measures may be defined differently from similar terms used by other companies.

SUMMARY

We define adjusted net profit (non-IFRS measure), as profit and total comprehensive income for the year less fair value change of financial liabilities at FVTPL and also adjusted for [REDACTED] expenses. The following table reconciles our adjusted net profit (non-IFRS measure) for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Profit and total comprehensive income for the year	152,522	47,598	57,489
Less:			
[REDACTED] expenses	—	—	(7,729)
Fair value changes of financial liabilities at FVTPL	86,753	(788)	—
Adjusted net profit (non-IFRS measure)	<u>65,769</u>	<u>48,386</u>	<u>65,218</u>

SUMMARY

Revenue by product type

During the Track Record Period, we have three major types of products, namely (i) cross-border enterprises intelligent finance and tax management solution, (ii) invoice document integrated management solutions, and (iii) cross-border enterprise risk management and compliance solutions. The following table sets forth a breakdown of our revenue by product type in absolute amounts and as a percentage of our total revenue for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Cross-border enterprises intelligent finance and tax management solutions	130,073	80.7	135,259	78.9	136,292	77.5
Invoice document integrated management solutions	24,277	15.1	25,291	14.8	25,508	14.5
Cross-border enterprise risk management and compliance solutions	6,734	4.2	10,833	6.3	14,058	8.0
Total	<u>161,084</u>		<u>171,383</u>		<u>175,858</u>	

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated.

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Total non-current assets	101,709	44,505	10,030
Total current assets	72,651	151,567	140,548
Total current liabilities	374,445	157,577	53,611
Net current assets/(liabilities)	(301,794)	(6,010)	86,937
Total non-current liabilities	13,019	12,670	13,653
Net (liabilities)/assets	<u>(213,104)</u>	<u>25,825</u>	<u>83,314</u>

Net Current (Liabilities)/Assets

Our net current liabilities decreased from RMB301.8 million as of December 31, 2023 to RMB6.0 million as of December 31, 2024, primarily due to (i) a decrease in financial liabilities at FVTPL of RMB318.2 million, brought by the termination of special rights attached to certain of our Shares with effect from December 20, 2024, and (ii) an increase in term deposits of RMB99.8 million, partially offset by an increase in trade and other payables of RMB124.0 million.

We recorded net current assets of RMB86.9 million as of December 31, 2025, compared to net current liabilities of RMB6.0 million as of December 31, 2024, primarily due to (i) an increase in trade and other receivables of RMB46.7 million, primarily in line with the growth of our revenue, and (ii) a decrease in trade and other payables of RMB120.4 million, partially offset by a decrease in term deposits of RMB67.2 million.

SUMMARY

Net (Liabilities)/Assets

We recorded net assets of RMB25.8 million as of December 31, 2024 as compared to net liabilities of RMB213.1 million as of December 31, 2023, primarily due to (i) cancellation of RMB299.0 million of obligations of special rights attached to certain Shares of our Shareholders with effect from December 20, 2024, (ii) our profit and total comprehensive income for the year of RMB47.6 million, (iii) partially offset by dividends recognized as distribution of RMB107.2 million. Our net assets increased from RMB25.8 million as of December 31, 2024 to RMB83.3 million as of December 31, 2025, primarily due to our profit and total comprehensive income for the year of RMB57.5 million.

Summary of Consolidated Statements of Cash Flows

The table below sets forth the selected cash flow data from the consolidated statements of cash flows for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Net cash generated from operating activities	59,253	31,062	31,686
Net cash generated from/(used in) investing activities	(40,163)	(67,079)	88,930
Net cash generated from/(used in) financing activities	(2,640)	(3,897)	(122,077)
Net (decrease)/increase in cash and cash equivalents	16,450	(39,914)	(1,461)
Cash and cash equivalents at the beginning of the year	30,439	46,889	6,975
Cash and cash equivalents at the end of the year	46,889	6,975	5,514

KEY FINANCIAL RATIOS

The following table set forth our key financial ratios as of the dates or for the periods indicated:

	As of/For the year ended December 31,		
	2023	2024	2025
Gross profit margin	83.0%	70.0%	80.2%
Net profit margin	94.7%	27.8%	32.7%
Adjusted net profit margin (non-IFRS measure)	40.8%	28.2%	37.1%
Current ratio	19.4%	96.2%	262.2%
Gearing ratio	222.2%	86.8%	44.7%

Our gross profit margin decreased from 83.0% in 2023 to 70.0% in 2024, primarily because our supporting hardware costs increased. In order to deliver customized integrated solutions to our customers, we offered supporting hardware to our customers, such as mobile office terminals, invoice scanners and data entry devices, as ancillary or value-added service to our customers from time to time at approximately cost price or with low mark-up. While this product strategy enhanced the overall value proposition to our customers, it also resulted in a higher total cost of revenue attributable to the supporting hardware costs.

SUMMARY

Our gross profit margin increased from 70.0% in 2024 to 80.2% in 2025, primarily because of the increase in our revenue and the decrease in our supporting hardware costs.

See “Financial Information — Key Financial Ratios” for details.

RISK FACTORS

Our business and the [REDACTED] involve certain risks, which are set out in the section headed “Risk Factors” in this document, including but not limited to: (1) We face competition from existing or new market players in the industries in which we operate, and we may not compete effectively; (2) Developments in the economic, geopolitical and social conditions, as well as government policies, could have a material adverse effect on our business and prospects; (3) If we fail to improve our solutions and services to suit our customers’ evolving needs and adapt to changes in relevant tax and invoice laws, we may lose our customers, which, in turn, will have a material adverse effect on our business, financial condition and results of operations; (4) If we fail to effectively develop and expand our sales and marketing capabilities, we may not increase our customer and user base and achieve broader market acceptance and utilization of our solutions and services; (5) We invest heavily in R&D, which may negatively impact our short-term profitability and may not achieve expected results. If we fail to timely derive anticipated benefits from these R&D investments, our market competitiveness could be adversely affected; (6) Our success depends on the growth in market acceptance for our various solutions and services. If the industries in which we operate develop more slowly than we expect, or even stagnates or shrinks, it could have a material adverse effect on our business, financial condition and results of operations; (7) If we fail to effectively maintain, promote and enhance our brand, or if we incur negative publicity, our business and competitive advantage may be harmed.

As different [REDACTED] may have different interpretations and criteria when determining the significance of a risk, you should carefully read the “Risk Factors” section in its entirety before you decide to [REDACTED] in our H Shares.

OUR CONTROLLING SHAREHOLDERS

Upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Ms. Xin will control approximately [REDACTED]% of the total issued share capital of our Company, comprising (i) approximately [REDACTED]% beneficially owned by Ms. Xin directly, and (ii) approximately [REDACTED]% beneficially owned by Skytech Venture Capital, which was controlled by Skytech Investment as its general partner. Skytech Investment was owned as to approximately 99.01% by Ms. Xin. Accordingly, Ms. Xin, Skytech Venture Capital and Skytech Investment will be our Controlling Shareholders upon the [REDACTED]. For details, please refer to “Relationship with Our Controlling Shareholders” in this document.

CONTINUING CONNECTED TRANSACTION

We [have entered] into a property management services framework agreement with Nanjing Este Real Estate Co., Ltd.* (南京艾斯特置業有限公司), which would constitute continuing connected transaction under Chapter 14A of the Listing Rules after the [REDACTED]. As each of the applicable percentage ratios (other than the profit ratio) is expected to be, on an annual basis, less than 5%, and the total consideration will be less than HKD3 million. As such, the transaction under the property management services framework agreement is exempt from the annual review, reporting, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules. See the “Continuing Connected Transactions” for details.

SUMMARY

PRE-[REDACTED] INVESTMENTS

Pre-[REDACTED] Investments in our Company were undertaken by our Pre-[REDACTED] Investors, details of the background of the Pre-[REDACTED] Investors see “History, Development and Corporate Structure — Pre-[REDACTED] Investments — Background of the Pre-[REDACTED] Investors.” For the principal terms of the Pre-[REDACTED] Investments, see “History, Development and Corporate Structure — Pre-[REDACTED] Investments”.

[REDACTED] STATISTICS

	Based on the [REDACTED] of HK\$[REDACTED] per Share	Based on an [REDACTED] of HK\$[REDACTED] per Share
[REDACTED] of our Shares ⁽¹⁾	HK\$[REDACTED] million	HK\$[REDACTED] million
Unaudited [REDACTED] adjusted consolidated net tangible assets attributable to equity shareholders of our Company per Share ⁽²⁾	HK\$[REDACTED]	HK\$[REDACTED]

Notes:

- (1) The calculation is based on the assumption that [REDACTED] Shares is expected to be in issue immediately following the completion of the [REDACTED] and assuming the stock split on a one-for-eight basis had been completed on December 31, 2025, assuming that the [REDACTED] is not exercised.
- (2) The unaudited [REDACTED] adjusted net tangible assets attributable to equity shareholders of our Company per Share as of December 31, 2025 is calculated after the adjustment referred to in “Unaudited [REDACTED] Financial Information” in Appendix II to this document and on the basis of [REDACTED] Shares in issue immediately following the completion of the [REDACTED], assuming that the stock split on a one-for-eight basis had been completed on December 31, 2025 and the [REDACTED] is not exercised.

FUTURE PLANS AND USE OF [REDACTED]

Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED], we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] million (RMB[REDACTED] million) from the [REDACTED] after deducting the [REDACTED] commissions and other estimated expenses in connection with the [REDACTED] (assuming the [REDACTED] is not exercised). We intend to use the net [REDACTED] of the [REDACTED] for the following purposes: (1) approximately [REDACTED]% or HK\$[REDACTED] million (RMB[REDACTED] million) for enhancing our product competitiveness through technology innovation; (2) approximately [REDACTED]% or HK\$[REDACTED] million (RMB[REDACTED] million) for implementing diversified sales strategies and product positioning to achieve market expansion; (3) approximately [REDACTED]% or HK\$[REDACTED] million (RMB[REDACTED] million) to strategic investments and acquisitions; and (4) approximately [REDACTED]% or HK\$[REDACTED] million (RMB[REDACTED] million) for replenishing working capital and general corporate purposes. For further details, see “Future Plans and Use of [REDACTED]”.

LEGAL PROCEEDINGS AND COMPLIANCE

We may be subject to legal proceedings, investigations and claims arising in the ordinary course of our business from time to time. During the Track Record Period and up to the Latest Practicable Date, except to the extent disclosed in the sections headed “Risk Factors — We may be subject to intellectual property infringement claims from third parties, which may materially and adversely affect our business, financial condition and results of operations.”, “Directors and Senior Management — Legal Proceedings Involving One of Our Directors”, and “Business — Intellectual Property”, we were not involved in any litigation or arbitration proceedings pending or, to our knowledge, threatened against us or any of our Directors that could have a material and adverse effect on our business, results of operations or financial condition.

SUMMARY

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Subsequent to the Track Record Period and up to the Latest Practicable Date, our business operation remained stable.

Our Directors confirm that, up to the date of this document, as far as they are aware, there had been no material adverse change in our business, financial condition and results of operations since December 31, 2025, which is the end date of the periods reported on in the Accountants’ Report as set out in Appendix I to this document, and there has been no event since December 31, 2025 which would materially affect the information in the Accountants’ Report as set out in Appendix I to this document.

DIVIDENDS

A final dividend of nil, RMB0.64 and nil per Share totaling nil, RMB127.2 million and nil was declared to the Shareholders of our Company in respect of the years ended December 31, 2023, 2024 and 2025, respectively. The dividend distribution for the year ended December 31, 2024 was proposed by the Directors pursuant to board resolutions dated October 16, 2024 and August 7, 2025, respectively, and duly approved by the Shareholders at the general meetings held on November 11, 2024 and August 7, 2025, respectively. Such dividend distribution was primarily based on our operating performance, including profit after tax recognized and net cash inflows from operating activities, and reflected our long-term commitment to return value to our Shareholders while ensuring our sustainable development. After the completion of the [REDACTED], we may distribute dividends in the form of cash or by other means permitted by our Articles of Association. A decision to declare or to pay dividends in the future and the amount of dividends will be at the discretion of our Board and will depend on a number of factors, including our results of operations, cash flows, financial condition, payments by our subsidiaries of cash dividends to us, business prospects, statutory, regulatory restrictions on our declaration and payment of dividends and other factors that our Board may consider important. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the relevant laws. Any declaration of dividends shall be subject to the approval of our shareholders.

According to applicable PRC laws and our Articles of Association, we will pay dividends out of our profit after tax only after we have made the following allocations: recovery of the losses incurred in the previous year; allocations to the statutory reserve equivalent to 10% of our profit after tax but not exceeding 50% of our registered share capital; and allocations to a discretionary common reserve of certain percentage of our profit after tax that are approved by a Shareholders’ meeting.

Any distributable profits that are not distributed in any given year will be retained and become available for distribution in subsequent years. We have no formal dividend policy or pre-determined dividend payout ratio.

[REDACTED] EXPENSES

The total [REDACTED] expenses borne or to be borne by us are estimated to be approximately RMB[REDACTED] million (HK\$[REDACTED] million) accounting for approximately [REDACTED]% of the gross [REDACTED] of the [REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range stated in this document and assuming that the [REDACTED] is not exercised. During the Track Record Period, we incurred [REDACTED] expenses of RMB[REDACTED] million (HK\$[REDACTED] million), among which RMB[REDACTED] million (HK\$[REDACTED] million) was charged to our statements of profit or loss and other comprehensive income, and RMB[REDACTED] million (HK\$[REDACTED] million) will be accounted for as a deduction from equity upon the [REDACTED]. Subsequent to the Track Record Period, we expect that approximately RMB[REDACTED] million (HK\$[REDACTED] million) will be charged to our statements of profit or loss and other comprehensive income as [REDACTED] expenses, and approximately RMB[REDACTED] million (HK\$[REDACTED] million) will be accounted for as a deduction from equity upon the [REDACTED]. The [REDACTED] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

DEFINITIONS

In this document, unless the context otherwise requires, the following terms and expressions have the meanings set forth below. Certain other terms are explained in the section headed “Glossary of Technical Terms” in this document.

“Accountants’ Report”	the accountants’ report of our Company for the Track Record Period prepared by Deloitte Touche Tohmatsu, the text of which is set out in Appendix I to this document
“affiliate(s)”	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“Articles” or “Articles of Association”	the articles of association of our Company, conditionally adopted on October 10, 2025 with effect upon the [REDACTED] (as amended, supplemented or otherwise modified from time to time), a summary of which is set out in Appendix IV to this document
“Audit Committee”	the audit committee of our Board
“Board” or “Board of Directors”	the board of Directors of the Company
“Business Day” or “business day”	a day on which banks in Hong Kong are generally open for normal business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
“CAGR”	compound annual growth rate

[REDACTED]

“China” or “PRC” or “Chinese Mainland”	the People’s Republic of China which, for the purpose of this Document and for geographical reference only, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan, China
“CICC Qihong”	Nanjing CICC Qihong Investment Fund Partnership (Limited Partnership) (南京中金啟泓投資基金合夥企業 (有限合夥)) a limited partnership established in the PRC on November 28, 2018 and one of our Pre-[REDACTED] Investors

DEFINITIONS

“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company”, “the Company” or “QST”	QST Information Technology Limited (南京擎天全稅通信息科技股份有限公司), formerly known as 南京擎天全稅通信息科技有限公司, a limited liability company established in the PRC on December 18, 2012 which was converted into a joint stock company with limited liability on July 15, 2025
“Company Law” or “PRC Company Law”	Company Law of the People’s Republic of China (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Ms. Xin, Skytech Venture Capital and Skytech Investment, details of which are set forth in the section headed “Relationship with Our Controlling Shareholders”
“COVID-19”	a coronavirus known to cause contagious respiratory illness
“cross-border enterprises”	enterprises that conduct foreign trade
“cross-border e-commerce enterprises”	a specific type of cross-border enterprises that leverage digital platforms to sell goods or services
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Deed of Non-competition”	the deed of non-competition dated [●] and executed by our Controlling Shareholders in favor of our Company (for ourselves and as trustee for our subsidiaries), see “Relationship with Our Controlling Shareholders — Deed of Non-Competition” for details
“Director(s)”	the director(s) of our Company
“EIT”	enterprise income tax
“EIT Law”	Enterprise Income Tax Law of the People’s Republic of China (中華人民共和國企業所得稅法), as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Electronic Tax Bureau” a nationally unified and standardized digital government affairs platform established by the State Taxation Administration, which was officially launched in December 2024

“EU” European Union

[REDACTED]

“Extreme Conditions” the occurrence of “extreme conditions” as announced by any government authority of Hong Kong due to a super typhoon or other natural disaster of a substantial scale seriously affects the working public’s ability to resume work or brings safety concern for a prolonged period

[REDACTED]

“Focus Technology” Focus Technology Co., Ltd. (焦點科技股份有限公司), a company listed on the Shenzhen Stock Exchange with stock code: 002315) and one of our Pre-[REDACTED] Investors

“Frost & Sullivan” or “Industry Consultant” Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., our industry consultant

“Frost & Sullivan Report” the industry report commissioned by our Company and independently prepared by Frost & Sullivan, a summary of which is set forth in the section headed “Industry Overview” in this document

“FTA (Free Trade Agreement)” an agreement between two or more countries or separate customs territories, designed to eliminate trade barriers and create favourable trading conditions, whose rule framework typically covers key areas such as tariff concessions, rules of origin, market access, and trade facilitation

[REDACTED]

“Group”, “our Group”, “we”, “us” or “our” the Company and its subsidiaries

DEFINITIONS

“Guangzhou Skytech”	Guangzhou Skytech Enterprise Taxation Computer Software Co., Ltd.* (廣州擎天企稅通計算機軟件有限公司), a limited liability company established in the PRC on October 21, 2021 and currently a wholly-owned subsidiary of our Company
“Guozhong Fund”	Guozhong Private Equity Investment Fund (Xi’an) Partnership (Limited Partnership)* (國中私募股權投資基金(西安)合夥企業(有限合夥)) is a limited partnership established in the PRC on May 14, 2021 and one of our Pre-[REDACTED] Investors
“H Share(s)”	overseas listed foreign shares in the share capital of our Company with nominal value of RMB[REDACTED] each, which are to be subscribed for and traded in HK dollars and are to be listed on the Hong Kong Stock Exchange

[REDACTED]

“HK\$” or “HK dollars”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong

[REDACTED]

DEFINITIONS

[REDACTED]

“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)

[REDACTED]

“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited

[REDACTED]

“Huafu Growth”	Huafu Growth Investment Co., Ltd.* (華福成長投資有限公司) (formerly known as Xingyin Investment Co., Ltd.* (興銀投資有限公司)), a limited company established in the PRC on June 27, 2013 and one of our former Shareholders

“IFRS”	International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards and interpretation issued by the International Accounting Standards Committee

DEFINITIONS

“Independent Third Party(ies)” any entity or person who to the best of our Directors’ knowledge, information and belief, is not a connected person of our Company within the meaning ascribed thereto under the Listing Rules

[REDACTED]

“Latest Practicable Date” June 1, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication

[REDACTED]

“Listing Committee” the listing committee of the Hong Kong Stock Exchange

DEFINITIONS

[REDACTED]

“Main Board”	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Hong Kong Stock Exchange
“Ministry of Finance” or “MOF”	Ministry of Finance of the PRC (中華人民共和國財政部)
“MOFCOM”	Ministry of Commerce of the PRC (中華人民共和國商務部)
“Ms. Xin”	Ms. Xin Yingmei (辛穎梅女士), chairlady of the Board, executive Director, chief executive officer and one of our Controlling Shareholders
“Nanhua Skytech”	Nanjing Nanhua Qingtian Information Technology Co., Ltd. (南京南華擎天資訊科技有限公司), a sino-foreign cooperative joint venture established in the PRC in March 2000 and 33.3% owned by Nanjing Skytech, is currently undergoing liquidation
“Nanjing Skytech”	Nanjing Skytech Co., Limited (南京擎天科技有限公司), was established on 14 December 1998 in the PRC, an indirect wholly-owned subsidiary of Sinosoft Technology
“NDRC”	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
“Nomination Committee”	the nomination committee of our Board
“NPC”	the National People’s Congress of the PRC (中華人民共和國全國人民代表大會)

[REDACTED]

DEFINITIONS

[REDACTED]

“Overseas Listing Trial Measures”	the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) promulgated by the CSRC on February 17, 2023
“PBOC”	the People’s Bank of China (中國人民銀行), the central bank of the PRC
“PRC Company Law”	the Company Law of the People’s Republic of China (《中華人民共和國公司法》)
“PRC GAAP”	generally accepted accounting principles of PRC
“PRC Legal Adviser”	Jingtian & Gongcheng, the legal adviser of our Company as to the PRC laws
“PRC Securities Law”	the Securities Law of the PRC (《中華人民共和國證券法》), as amended, supplemented or otherwise modified from time to time
“Pre-[REDACTED] Investment(s)”	the investment(s) in our Company undertaken by the Pre-[REDACTED] Investors pursuant to the relevant equity transfer agreement(s) and/or capital increase agreement(s) prior to the [REDACTED], details of which are set out in the section headed “History, Development and Corporate Structure” in this document
“Pre-[REDACTED] Investor(s)”	the investor(s) who participated in our Pre-[REDACTED] Investments, details of which are set out in the section headed “History, Development and Corporate Structure” in this document

[REDACTED]

DEFINITIONS

[REDACTED]

“R&D”	research and development
“Regulation S”	Regulation S under the US Securities Act
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Rudong Jushi”	Rudong Jushi Changfa Intelligent Manufacturing Investment Partnership Enterprise (Limited Partnership)* (如東巨石長發智能製造投資合夥企業(有限合夥)), a limited partnership established in the PRC on October 29, 2019 and one of the former shareholders of the Company
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國外匯管理局)
“SAMR”	the State Administration for Market Regulation (國家市場監督管理總局)
“Securities and Futures Commission” or “SFC”	the Securities and Futures Commission of Hong Kong
“Securities Law”	the Securities Law of the PRC (中華人民共和國證券法), as amended, supplemented or otherwise modified from time to time
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shandong Skytech”	Shandong Skytech Enterprise Taxation Computer Software Co., Ltd.* (山東擎天企稅通計算機軟件有限公司), a limited liability company established in the PRC on May 12, 2021 and currently a wholly-owned subsidiary of our Company
“Share(s)”	ordinary share(s) in the share capital of our Company, comprising Unlisted Shares and H Shares, with a nominal value of RMB[REDACTED] each upon the completion of the [REDACTED]; before the completion of the [REDACTED], ordinary share(s) in the share capital of our Company with a nominal value of RMB1.0 each

[REDACTED]

“Shareholder(s)”	holder(s) of our Share(s)

DEFINITIONS

“Sinosoft Technology”	Sinosoft Technology Group Limited (中國擎天軟件科技集團有限公司), a company listed on the Stock Exchange on July 9, 2013, under stock code 1297, and has been delisted since March 2024
“Skytech Investment”	Nanjing Skytech Investment Consultancy Co., Ltd.* (南京擎天投資諮詢有限公司), a limited liability company established in the PRC on November 22, 2004, the general partner of Skytech Venture Capital
“Skytech Venture Capital”	Nanjing Skytech Venture Capital Partnership (Limited Partnership)* (南京擎天創業投資合夥企業(有限合夥)), formerly known as Nanjing Skytech Corporate Management Partnership (Limited Partnership)* (南京擎天企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on September 18, 2020 and one of our Controlling Shareholders
“Skytech Zumoo”	Jiangsu Skytech Zumoo Co., Ltd.* (江蘇擎天助貿科技有限公司), formerly known as Jiangsu Skytech Supply Chain Big Data Information Service Platform Co., Limited (江蘇擎天供應鏈大數據信息服務平台有限公司), a limited liability company established in the PRC on July 26, 2018 and a currently wholly-owned subsidiary of our Company
“Sole Sponsor”	the sole sponsor as named in the section headed “Directors and Parties Involved in the [REDACTED]” in this document
[REDACTED]	
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Tietou Jushi Fund”	Nanjing Tietou Jushi Hub Economic and Industrial Investment Fund Partnership (Limited Partnership)* (南京鐵投巨石樞紐經濟產業投資基金合夥(有限合夥)), a limited partnership established in the PRC on November 9, 2020 and one of the former shareholders of the Company
“Track Record Period”	the years ended December 31, 2023, 2024 and 2025

DEFINITIONS

[REDACTED]

“United States” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“Unlisted Share(s)”	ordinary share(s) issued by our Company, with a nominal value of RMB[REDACTED] each (taking into account the [REDACTED]), which is/are not [REDACTED] or [REDACTED] on any stock exchange
“U.S. dollars”, “US\$” or “USD”	United States dollars, the lawful currency of the United States
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended, supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
“WTO (World Trade Organization)”	a permanent international organization independent of the United Nations, with its headquarters in Geneva, Switzerland. It officially commenced operations on 1 January 1995 and is responsible for administering the world economic and trading order
“Xingnahe Heying”	Nanjing Xingnahe Heying Enterprise Management Partnership (Limited Partnership)* (南京星納赫和盈企業管理合夥企業(有限合夥)), a limited partnership established in the PRC on March 14, 2025 and one of our Pre-[REDACTED] Investors
“Zhangjiagang SIH”	Zhangjiagang Shenzhen Investment Holdings SEG Hechuang Equity Investment Partnership (Limited Partnership)* (張家港深投控賽格合創股權投資合夥企業(有限合夥)) is a limited partnership established in the PRC on April 20, 2021 and one of our Pre-[REDACTED] Investors
“%”	per cent

In this document, the terms “associate,” “close associate,” “connected person,” “core connected person,” “connected transaction” and “substantial shareholder” shall have the meanings given to such terms in the Hong Kong Listing Rules, unless the context otherwise requires.

Certain amounts and percentage figures included in this document have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

For ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in this document in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.

* For identification purposes only

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain technical terms used in this document. As such, these terms and their meanings may not correspond to standard industry meanings or usage of these terms.

“active users”	users who has used any of the Company’s software products within the previous 12 months.
“AI”	artificial intelligence, an area of computer science that focus on simulating human intelligence by machines.
“Automated Invoice Issuance Technology”	integrates OCR and AI technologies to enable end-to-end automation from identifying invoicing elements to generating invoices, significantly improving efficiency and accuracy.
“Big Data Technology”	encompasses the entire process from data ingestion to application, supporting the integration, processing, feature extraction, and model construction of both structured and unstructured data.
“Blockchain Technology”	a decentralized, distributed ledger technology. It stores data in chronologically linked blocks, forming an immutable chain that supports transparent and secure recording of transactions and tracking of assets.
“CCPIT (China Council for the Promotion of International Trade)”	a nationwide trade and investment promotion institution duly established and validly existing under the laws of the PRC, primarily responsible for promoting international economic and trade cooperation, organizing international exhibitions, issuing certificates of origin and other commercial documents.
“Certificate of Origin Authentication Technology”	an intelligent technical system for international trade and FTAs, integrating AI modeling to determine the origin of exported goods, verify compliance, and trace credibility.
“Cloud-Native Architecture”	employs a cloud-native architectural framework centered on containerization and microservices, establishing a highly flexible and maintainable application support platform.
“CMMI”	Capability Maturity Model Integration, an internationally recognized framework developed by the Software Engineering Institute at Carnegie Mellon University for assessing and improving an organization’s capabilities in software development, service delivery, and project management. Obtaining a CMMI maturity level certification signifies that an enterprise has achieved a mature level in process standardization, quality management, and continuous improvement capabilities.

GLOSSARY OF TECHNICAL TERMS

“Cross-border Enterprise Risk Control Technology”	built upon big data and AI capabilities, forming a fully automated system that covers the entire process from data standardization and anomaly detection to risk scoring and precise early warnings.
“Data Assetization”	the process of transforming a company’s unstructured (invoices, documents) and structured (transaction records) data into valuable assets via cleaning, analysis, and modeling.
“Document and Invoice Recognition and Matching Technology”	integrates OCR image recognition and AI-powered natural language processing (NLP) to achieve high-accuracy identification and semantic parsing of various documents, enabling automatic conversion into structured business data.
“Expense Control and Reimbursement Management”	end-to-end digital management of corporate expenses (e.g., travel, procurement), including budget control, application, approval, reimbursement, and payment.
“Export Enterprise Classification Technology”	leverages big data and AI capabilities to automate the entire process from extracting export characteristics to clustering and prediction, improving the accuracy of export enterprise classification and trend forecasting.
“Intelligent Invoice Engine”	a core engine of our Company that supports input formats such as document images and voice commands, and develops invoice semantic understanding models.
“Intelligent Order Matching Technology”	systematically analyzes correlations between different business data sets to automatically match key fields between customs declarations and invoices, enhancing tax refund declaration efficiency.
“Intelligent Risk Control Engine”	a core engine of our Company that integrates external trade regulatory databases, forming industry-specific Knowledge Graphs, enabling real-time cross-border transaction monitoring and sub-second risk alerts.
“Intelligent Tax and Finance Engine”	a core engine of our Company that introduces large language model to optimize tax calculation logic, enabling amount forecasting and policy impact analysis, and constructing more accurate intelligent matching models.
“IPD (Integrated Product Development)”	Integrated Product Development, a systematic approach to product development. It effectively integrates and manages product development projects through the establishment of cross-functional teams, coordination of asynchronous development processes, and optimization of business workflows, aiming to significantly enhance development efficiency, ensure product quality, and reduce overall costs.

GLOSSARY OF TECHNICAL TERMS

“Knowledge Graph”	a graph-based data model representing entities, concepts, and their relationships. It organizes scattered knowledge into a structured network to support intelligent decisions.
“large customers”	customers who contribute revenue of RMB5,000 or more per year.
“Low-Code Technology”	a framework for rapid application development through visual interfaces and modular components, enabling efficient application system building through a “configuration-first, coding-supplemented” approach.
“medium customers”	customers who contribute revenue of RMB3,000 or more but less than RMB5,000 per year.
“Non-paying User”	a user of our free application, which provides basic functions such as tax invoice generation, printing, searching, and delivery.
“OCR Technology”	Optical Character Recognition technology, covers the end-to-end process from image ingestion, preprocessing, text localization, and feature extraction to recognition model training.
“On-premises Installation”	if the software is provided for on-premises installation, it is installed and runs on computers located at the premises of the individual or organization using such software, rather than on remote facilities such as server farms or cloud platforms.
“Prompt Engineering”	The technique of designing and optimizing prompts (instructions) for AI models to guide them in understanding professional requirements. It generates accurate outputs and addresses the professional shortcomings of general models in vertical fields.
“Retrieval Augmentation”	a core technology combining information retrieval and AI generative models. Before generating content, it retrieves relevant information from external knowledge bases to enhance the accuracy, relevance, and professionalism of the output.
“SaaS (Software as a Service)”	a software delivery model where software is hosted on the cloud; users access it via the internet on a subscription basis, eliminating local installation and maintenance.
“small customers”	customers who contribute revenue of less than RMB3,000 per year.
“SMEs”	small and medium-sized enterprises, which are typically defined by a set of criteria under the laws of their respective jurisdictions (such as number of employees, annual revenue, or asset value), and are widely recognized as a fundamental driver of innovation, employment, and economic growth.

FORWARD-LOOKING STATEMENTS

This document includes forward-looking statements. All statements other than statements of historical facts contained in this document, including, without limitation, those regarding our future financial position, our strategy, plans, objectives, goals, targets and future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include the words “believe,” “expect,” “estimate,” “predict,” “aim,” “intend,” “will,” “may,” “plan,” “consider,” “anticipate,” “seek,” “should,” “could,” “would,” “continue,” or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Important factors that could cause our actual performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- general political and economic conditions, including those related to the jurisdictions where we operate;
- our business prospects and our ability to successfully implement our business plans and strategies;
- future developments, trends and conditions in the industry and markets in which we operate or into which we intend to expand;
- our capital expenditure plans;
- the actions and developments of our competitors;
- our financial condition and performance;
- our dividend policy;
- any changes in the laws, rules and regulations of the central and local governments in the jurisdictions where we operate and the rules, regulations and policies of the relevant governmental authorities relating to all aspects of our business and our business plans;
- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, including those pertaining to the jurisdictions, the industry and markets in which we operate;
- various business opportunities that we may pursue; and
- capital market developments, changes in the global economic conditions and material volatility in the global financial markets.

Additional factors that could cause actual performance or achievements to differ materially include, but are not limited to, those discussed under “Risk Factors” and elsewhere in this document. We caution you not to place undue reliance on these forward-looking statements, which reflect our management’s view only as of the date of this document. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document might not occur. All forward-looking statements contained in this document are qualified by reference to the cautionary statements set out in this section.

RISK FACTORS

Potential [REDACTED] should read and consider carefully all the information set out in this document, and, in particular, should evaluate the following risks and uncertainties before deciding to make any [REDACTED] in our H Shares. You should pay particular attention to the fact that we conduct our operations in China, the legal and regulatory environment of which in some respects may differ from that of Hong Kong. Any of the risks and uncertainties listed below could have a material adverse effect on our business, results of operations, financial condition or on the [REDACTED] price of our H Shares, and could cause you to lose all or part of your [REDACTED]. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business and results of operations.

Our business and operations involve certain risks and uncertainties, many of which are beyond our control. These risks can be broadly categorized into (1) risks relating to our business and industry, (2) risks relating to conducting business in China, and (3) risks relating to the [REDACTED].

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

We face competition from existing or new market players in the industries in which we operate, and we may not compete effectively.

The markets of cross-border enterprises intelligent finance and tax management solutions in China are competitive and fragmented. According to the Frost & Sullivan Report, the top five market participants of cross-border enterprises intelligent finance and tax management solutions industry in China accounted for 4.8% of total market share in terms of revenue in 2025, with over 3,000 market players. Competition may intensify from current competitors and new market entrants with greater resources. If we are unable to anticipate or react to these competitive challenges, our competitive position could weaken, resulting in growth stagnation or revenue decline, which could materially and adversely affect our business, financial condition and results of operations.

Our competitors may develop solutions and services better received by customers, respond more quickly to new opportunities, technologies, regulations or market demands. In addition, some of our competitors may be able to leverage a larger existing customer base and sales network to adopt more aggressive pricing policies and offer more attractive sales terms. This could cause us to lose potential sales or reduce prices, materially affecting our financial condition and results of operations. Furthermore, our current and potential competitors may enter into business partnerships or alliances among themselves or with third parties that may further enhance their resources and offerings. Established companies from other market segments may also expand into our market segment. See “Business — Competition” for details. If we are unable to compete successfully against our current or potential competitors, our business, financial condition and results of operations could be materially and negatively affected.

Developments in the economic, geopolitical and social conditions, as well as government policies, could have a material adverse effect on our business and prospects.

Operating in or providing services to cross-border enterprise customers subjects us to multiple risks. The overall economic conditions in the countries or regions we connect with, influence the success of our operation. Any slowdown in the macro economy could significantly impact our business, financial condition and results of operations. Factors such as decreased consumption, liquidity constraints, interest rate volatility, and inflation have affected and will continue to affect our operations. A substantial portion of our business, assets and operations are located in China. Accordingly, developments of China’s economics, political and legal environment may affect our operations, business prospects and financial conditions. China’s economy has experienced

RISK FACTORS

significant growth, but any declines in e-commerce utilization due to changes in customer preferences, macroeconomic factors, regulatory changes, trade tensions or geopolitical instability could adversely affect our business as a significant part of our business relates to the e-commerce industry.

During the Track Record Period, the majority of our revenue was derived from our cross-border enterprises intelligent finance and tax management solutions, which is subject to regulatory and compliance risks. Revenue from our cross-border enterprises intelligent finance and tax management solutions amounted to RMB130.1 million, RMB135.3 million and RMB136.3 million, accounting for 80.7%, 78.9% and 77.5% of our total revenue for the years ended December 31, 2023, 2024 and 2025, respectively. The regulatory environment in China is constantly evolving, and compliance challenges could impact our operations.

We are based in China and our businesses in China are governed by PRC laws and regulations. Developments in political or social environment or government policies, including foreign affairs policies, trade barriers, or other limitations, may directly or indirectly impact our business and future expansion plans. Such developments may lead to increased costs and negatively affect our relationships with customers and partners. In addition, the perception of our Company by the governments and the public in the jurisdictions where we operate may also have a significant impact on our business. Negative public perception or government scrutiny could lead to reputational damage, loss of customers or increased regulatory scrutiny. If we are unable to successfully manage our operations, we may not be able to maintain or grow our market share, which may have a material and adverse effect on our business, financial condition, and results of operations.

Moreover, any future occurrence of force majeure events such as natural disasters, terrorism, war or outbreaks of contagious diseases may materially and adversely affect our business, financial condition and results of operations. We cannot assure you that any future occurrence of natural disasters or outbreaks of epidemics and contagious diseases will not seriously disrupt our operations or those of our partners and customers.

If we fail to improve our solutions and services to suit our customers’ evolving needs and adapt to changes in relevant tax and invoice laws, we may lose our customers, which will have a material adverse effect on our business, financial condition and results of operations.

The industries in which we operate and compete are characterized by constant changes and innovation. Our success has been based on our ability to identify customer needs and design solutions that help customers comply with applicable tax and invoice laws. To achieve sustainable growth, we must continuously attract new customers, retain existing customers, and increase their spending on our solutions and services. In order to retain customers, we are required to thoroughly understand their evolving needs, launch new solutions and services, and improve existing ones in a timely manner. We also need to adapt to changes in relevant tax and invoice laws and regulations to ensure effective compliance management functions.

Our existing and future solutions or services may not sustain current popularity. Our cross-border enterprises intelligent finance and tax management solutions feature compliance functions, if these fail to properly address the issues in our customers’ tax invoice, financial and taxation matters, our customers may lose confidence in our service offerings.

In addition, our customers may also demand features and capabilities that our current solutions and services lack, requiring significant R&D investment. Developing new technologies and solutions may be costly and time-consuming, potentially delaying new solutions. If we fail to correctly identify customer demands or provide value-adding solutions, customers may cease to use our solutions and services and turn to our competitors.

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Our efforts to improve and expand our solutions and services may not succeed and may reduce revenue growth. Introduction of significant technology changes may not be successful, and early-stage interest in and adoption of such new solutions and services may not result in long-term success or significant revenue for us. Because our solutions operate across various network technologies, devices and platforms, we must continuously modify services to keep pace with technology changes. Failure to operate effectively with future platforms could reduce demand for our solutions.

If we fail to effectively develop and expand our sales and marketing capabilities, we may not increase our customer and user base and achieve broader market acceptance and utilization of our solutions and services.

Our ability to increase our customer base depends significantly on enhancing sales and marketing capabilities. An important component of our growth strategy is cross- and up-selling to current and future customers. If our sales force is not successful in effecting such strategy, or customers find additional solutions and services to be unnecessary or unattractive, we may not expand our customer base. We have invested, and plan to continue to invest, significant resources in expanding our direct sales force and business collaborator network. However, anticipated revenue growth may not materialize if we are unable to hire, develop, integrate, and retain talented sales personnel, or if new sales personnel fail to achieve desired productivity levels.

We invest heavily in R&D, which may negatively impact our short-term profitability and may not achieve expected results. If we fail to timely derive anticipated benefits from these R&D investments, our market competitiveness could be adversely affected.

We have allocated significant resources to R&D, with a particular focus on AI development. For the years ended December 31, 2023, 2024, and 2025, we recorded research and development expenses of RMB32.3 million, RMB34.5 million and RMB35.5 million, respectively, accounting for 20.1%, 20.1%, and 20.2% of our total revenue in the same periods, respectively. These investments may impact our short-term profitability. Our R&D efforts may require substantial upfront costs without generating corresponding revenue, which could lead to a decrease in our profitability in the short term. Furthermore, there is no guarantee that our R&D efforts will be fruitful; some may require extended development cycles or additional investment to become commercially viable. If we are unable to generate a sufficient return on our investment in R&D, our ability to attract investors and maintain our market position may be adversely affected.

Strong product development capability is the cornerstone of our competitiveness and long-term growth. However, rapid changes and intense competition in our industry require us to invest significant resources in the technology and product development, and there can be no assurance that we will continue to be successful in responding to these technological changes. New products or technologies may render our existing products or technologies less competitive. Furthermore, we formulate our R&D plan based on our prediction on technological development, production and market trends. We cannot assure you that we are able to accurately predict and assess actual changes and trends in the markets of cross-border enterprises intelligent finance and tax management solutions. Our R&D efforts may not lead to desired results and benefits as expected by us.

If we fail to derive the desired benefits from our R&D efforts, or respond efficiently to technological changes and evolving industry standards, we may not effectively serve our customer demands, and our business, financial condition and results of operations may be materially and adversely affected.

RISK FACTORS

Our success depends on the growth in market acceptance for our various solutions and services. If the industries in which we operate develop more slowly than we expect, or even stagnates or shrinks, it could have a material adverse effect on our business, financial condition and results of operations.

The markets for cross-border enterprises business-finance-taxation digital solutions are in a relatively early stage in China. There is considerable uncertainty over market size and growth rate. Some target customers may be reluctant to use our solutions and services for a number of reasons, including concerns about costs, uncertainty regarding the efficacy, reliability and security of our offerings, or lack of awareness of the benefits of our solutions and services. Our ability to expand sales depends on several factors, including market awareness and acceptance, competition, technological challenges and developments, and other market factors, many of which are beyond our control. We cannot assure you that the trend of adopting and utilizing our solutions and services will continue to grow in the future.

Market expansion for financial and tax-related transaction in China depends on a number of factors, including government policies and the performance and perceived value associated with our various solutions and services. Specifically, if the relevant government authorities curtail favorable policies for enterprise digitalization, our business may be materially affected. If demand for our solutions and services decreases due to deteriorating economic conditions, decreased corporate spending, technical challenges, data security concerns, government regulations or competing technologies and solutions or services, our business, financial condition and results of operations would be materially and adversely affected.

If we fail to effectively maintain, promote and enhance our brand, or if we incur negative publicity, our business and competitive advantage may be harmed.

Maintaining and enhancing our reputation and brand recognition is critical to attracting and retaining customers. As our growth depends, in part, on positive recommendations from current and past customers, our failure to maintain and provide high-quality solutions and services, or a market perception or negative publicity that we do not maintain or provide high-quality solutions and services, may harm our reputation and impair our ability to secure new customers. Any decisions we make regarding regulatory compliance, user privacy or other issues, and any media, legislative or regulatory scrutiny of our business, or our current or former directors, employees, contractors or vendors, could negatively affect our brand image. Any factor that diminishes our reputation or that of our management, including failing to meet the expectations of our customers, or any non-compliance of our customers with respect to their tax invoice, financial and tax matters, could make it substantially more difficult for us to attract new customers. Negative publicity regarding unaffiliated businesses with similar trade names may be unfairly attributed to us. If we do not successfully maintain and enhance our reputation and brand recognition among our customers, our business may not grow and we could lose existing customers, which would harm our business, financial condition and results of operations.

Our business depends, in part, on our ability to attract new customers and retain existing customers. A decline in our customer retention and spending could materially and adversely affect our business, financial condition and results of operations.

During the Track Record Period, we generated revenue primarily from our cross-border enterprises intelligent finance and tax management solutions, which contributed 80.7%, 78.9% and 77.5% of our total revenue for the years ended December 31, 2023, 2024 and 2025, respectively. Customer retention and our ability to attract new customers are vital. Customers are not obligated to renew, and we cannot assure you that customers will purchase new solutions or services. In 2025, we had approximately 24,000 paying customers. Loss or reduction of business from customers could harm our business, financial condition and results of operations.

RISK FACTORS

Historical data of customer may not accurately predict their future trends. Factors affecting retention include customer satisfaction, pricing, competitor offerings, and macroeconomic conditions. If a large number of our customers do not renew subscriptions, renew on less favorable terms, or reduce spending, revenue may decline or grow more slowly than expected, and our ability to achieve and maintain profitability will be harmed.

Moreover, we must expand our customer base to increase our revenue. If our growth strategy turns out to be less effective than as expected in the future, we may not be able to achieve profitability. As our industry matures, or as competitors introduce lower-cost and/or differentiated products or services, our ability to attract new customers and retain existing ones could be impaired, and as a result, our business, financial condition and results of operations may be materially and adversely affected.

We incurred net current liabilities and net liabilities during the Track Record Period, which may continue into the foreseeable future and expose us to liquidity risk.

We recorded net current liabilities of RMB301.8 million and RMB6.0 million as of December 31, 2023 and 2024 respectively, primarily because we recorded financial liabilities at FVTPL as current liabilities. In addition, we recorded net liabilities of RMB213.1 million, as of December 31, 2023. A net current liabilities or net liabilities position can expose us to liquidity and financial risks.

We cannot guarantee that our prospective business activities or matters beyond our control will not adversely affect our working capital and lead to net current liabilities in the future. If we encounter long-term and continuous net current liabilities and/or net liabilities in the future, we may lack sufficient working capital to cover our operating costs, and our business, financial position and results of operations may be materially and adversely affected. See “Financial Information — Net Current (Liabilities)/Assets” for details.

Unsatisfactory performance of or defects in our solutions may harm our reputation, subject us to significant product liability litigations and have a material adverse effect on our business, financial condition and results of operations.

Our users and customers expect a consistent level of quality in the provision of our solutions. However, complex technological solutions such as ours often contain errors, defects, security vulnerabilities or software issues that are difficult to detect and correct, particularly when first introduced or when new versions or enhancements are released. Despite internal testing, our solutions may contain serious errors or defects, security vulnerabilities or software issues which we are unable to successfully correct in a timely manner, which could result in revenue loss, significant expenditures, delayed market acceptance and reputational damage.

If new versions contain errors deployed to all customers, consequences would be more severe. Given that many of our customers and users use our solutions during critical business processes, any error defect, security vulnerability, service interruption or software issue related to our solutions could result in losses of our customers, subjecting us to claims for damages. Our customers and users may seek significant compensation from us for any losses they suffer or cease doing business with us. Furthermore, our customers and users may share information about their negative experiences on social media, which could damage our reputation and negatively impact our ability to attract potential customers. Provisions limiting exposure in customer agreements may not be enforceable or adequate. Even unsuccessful claims would be time-consuming and costly to defend.

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Failure to fully pay social insurance and housing provident funds for and on behalf of our employees in accordance with applicable laws and regulations may materially and adversely affect our business financial position and results of operations.

In accordance with the PRC Social Insurance Law and the Regulations on the Administration of Housing Provident Fund and other relevant laws and regulations, China establishes a social insurance system and other employee benefits including basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance, maternity insurance and housing provident fund (collectively, the “**Employee Benefits**”). An employer shall pay the Employee Benefits for its employees in accordance with the rates provided under relevant regulations and shall withhold the social insurance and other Employee Benefits that should be assumed by the employees. As advised by our PRC Legal Advisor, an employer that has not made social insurance contributions at a rate and based on an amount prescribed by the law, or at all, may be ordered to rectify the non-compliance and pay the required contributions within a stipulated deadline and be subject to a late fee of up to 0.05% of the outstanding amount for each day of delay. If the employer still fails to rectify the failure to make social insurance contributions within the stipulated deadline, it may be subject to a fine ranging from one to three times of the amount overdue. See “Business — Employees — Social Insurance and Housing Provident Funds”. We cannot assure you that the relevant government authorities will not impose late fees or fines on us. If we are otherwise subject to investigations related to non-compliance with labor laws and are imposed severe penalties or incur significant legal fees in connection with labor law disputes or investigations, our business, financial condition and results of operations may be adversely affected.

The PRC regulatory framework for data security is rapidly evolving, and we could face challenges in our continued compliance with heightened regulatory scrutiny.

The PRC regulatory framework for data security and personal information protection is rapidly evolving. We could be adversely affected if legislation or regulations in China require changes in business practices or privacy policies, or if the relevant governmental authorities in China interpret or implement their legislation or regulations in ways that negatively affect our business, financial condition and results of operations. Key regulations include the Cybersecurity Law of the PRC (中華人民共和國網絡安全法) (effective from June 1, 2017), Data Security Law of the PRC (中華人民共和國數據安全法) (effective from September 1, 2021), and Personal Information Protection Law (中華人民共和國個人信息保護法) (effective from November 1, 2021). The Administrative Regulations of Cyber Data Security (網絡數據安全管理條例) (issued on September 24, 2024) require national security review for data processing affecting national security.

The Cybersecurity Review Measures (《網絡安全審查辦法》), effective from February 15, 2022, provide, among other things, that (i) a critical information infrastructure operator (“CIIO”) shall apply for a cybersecurity review if its procurement of network products and services affects or may affect national security; and (ii) an online platform operator holding personal information of more than one million users shall apply for a cybersecurity review before seeking a listing in a foreign country. Based on our consultation with CCRC on January 10, 2025, a listing in Hong Kong does not constitute a listing in a foreign country for the purposes of Article 7 of the Cybersecurity Review Measures. As of the Latest Practicable Date, we had not received any notice from any competent protection work department identifying us as a CIIO.

The Security Assessment Measures for Outbound Data Transfer (the “Security Assessment Measures”) (數據出境安全評估辦法) (effective September 1, 2022) require security assessment for cross-border personal information transfers exceeding certain thresholds. During the Track Record Period and up to the Latest Practicable Date, we had not engaged in cross-border data transfer. However, interpretation of these laws continues to evolve, and regulatory investigations or penalties may negatively affect our business.

RISK FACTORS

The interpretation and application of these cybersecurity laws, regulations and standards are evolving. We cannot assure you that relevant governmental authorities will not interpret or implement the laws or regulations in ways that negatively affect us. Regulatory investigations, restrictions, penalties and sanctions, whether targeted at us or not, may negatively affect the industries we operate, existing or potential customers and our solutions and services, which may in turn have a material adverse effect on our business, financial condition and results of operations. We may become subject to additional or new laws and regulations regarding data privacy and protection in connection with the data we have access to and the data-based solutions and services we provide to customers. Complying with additional or new regulatory requirements could cause us to incur substantial costs or require us to change our business operations.

Our introduction and use of AI may not be successful and may present business, compliance, and reputational challenges which could lead to operational or reputational damage, competitive harm, legal and regulatory risk, and additional costs, any of which could adversely affect our business, financial condition, and results of operations.

We have incorporated, and expect to continue to incorporate, AI and big data capabilities in our offerings, and this incorporation of AI in our business and operations may become more significant over time. However, we may not be successful in developing these innovations or bringing them to market in a timely or effective manner. In addition, as with most emerging technologies, AI comes with its own set of risks and challenges that could affect its adoption and our business. AI comes with risks including inappropriate data practices, controversial effects on human rights, privacy, employment or other social matters, creating reputational harm or legal repercussions.

The regulatory framework on generative AI is evolving. Key regulations include the Administrative Provisions on Deep Synthesis of Internet Information Services (互聯網信息服務深度合成管理規定) (effective from January 10, 2023). According to these provisions, no organization or individual may use deep synthesis services to produce, reproduce, release or disseminate information prohibited by laws and administrative regulations, or to engage in activities prohibited by laws and administrative regulations that endanger national security and interests, damage the national image, infringe upon social public interests, disrupt the economic and social order or undermine the legitimate rights and interests of others. Additionally, the providers of deep synthesis services shall, among other things, establish and maintain management systems for algorithmic mechanism review, data security and personal information protection. On July 10, 2023, the CAC, NDRC, the Ministry of Education, the Ministry of Science and Technology, the MIIT, the Ministry of Public Security and the National Radio and Television Administration jointly published the Provisional Administrative Measures for Generative Artificial Intelligence Services (生成式人工智能服務管理暫行辦法) (effective from August 15, 2023). These measures provide, among others, that any providers of generative AI services with public opinion attributes or social mobilization capabilities shall conduct security assessment in accordance with relevant regulations, and complete the filing procedures in accordance with the Administrative Provisions on Recommendation Algorithms in Internet-based Information Services). As of the Latest Practicable Date, we have submitted the required filing materials for generative/synthetic algorithms and the application is currently under review by the relevant authorities. As of the Latest Practicable Date, we have completed the registration formalities for Generative Artificial Intelligence Service.

Notably, on March 7, 2025, the CAC, the MIIT, the Ministry of Public Security, and the National Radio and Television Administration jointly released the Measures for the Marking of AI-Generated and Synthesized Content (人工智能生成合成內容標識辦法) (the “Marking Measures”) (effective from September 1, 2025). The Marking Measures aim to standardize the marking of AI-generated and synthesized content, protect the legitimate rights and interests of citizens, legal persons, and other organizations, and safeguard the public interest. Service providers are required to add explicit and implicit markings to AI-generated and synthesized content according to specific requirements. Additionally, the Compulsory National Standard Technical Specifications for Marking AI-Generated and Synthesized Content (網絡安全技術人工智能生成合成內容標識方法) has been officially approved and released by the State Administration for Market Regulation and the Standardization Administration of the People’s Republic of China (GB45438-2025), and was implemented simultaneously with the Marking Measures on September 1, 2025.

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However, since these laws and regulations are still relatively new and their interpretation and implementation continue to evolve, the corresponding security assessments or filing procedures shall be carried out in accordance with the applicable laws in force at the relevant time. If we are unable to comply with any new requirements or complete necessary registrations and filings in a timely manner, or at all, or if we have any dispute with any third party relating to intellectual property or data security, our reputation, business operation and financial condition may be materially and adversely affected.

We may not be able to maintain or renew all the permits, licenses, certificates and other regulatory filings required for our business.

We are subject to extensive government regulations. Any failure to obtain, renew or maintain necessary permits, licenses and certificates could disrupt our business operations. Interpretation of existing and new laws is subject to ongoing developments. We may be required to obtain additional licenses, and failure to do so could result in administrative penalties including fines and suspension of operations. Any such penalties may disrupt our business operations and materially and adversely affect our business, financial condition and results of operations.

We may not implement our growth strategies or manage our growth effectively.

Our future success depends, to a large extent, on our ability to implement our future plans. We intend to, among other things, enrich our solution functions and portfolio, expand customer base, enhance technological capabilities, and build our business ecosystem. See “Business — Strategies” and “Future Plans and Use of [REDACTED]” for details.

However, growth requires appropriate capital allocation implementing plans and human resources. Expansion increases business complexity, and we may encounter difficulties in developing operational controls, enhancing reporting systems, recruiting skilled personnel, retaining customer relationships, or maintaining customer satisfaction. Failure to implement growth strategies may hinder capturing new opportunities and maintaining competitive edge.

Our ability to provide high-quality customer services will affect our brand, business, financial condition and results of operations.

Our focus on customer services is critical to attracting and retaining customers. If we cannot provide effective ongoing support, ability to sell additional solutions and services to existing customers could be adversely affected, and our reputation with prospective customers or the industry could be damaged. Increased customer demand for support may increase costs. We may not be able to maintain customer satisfaction over time. Failure to provide efficient support services or if we need to hire additional support resources, potentially through third parties, our business, financial condition and results of operations could be adversely affected. Additionally, our ability to acquire new customers and users is highly dependent on our business reputation and on positive recommendations from existing customers. Any failure to maintain high-quality support, or a market perception that we do not maintain high-quality support, for our customers could materially affect our business, financial condition and results of operations.

Our business is subject to system and data security risks, and our security measures may be inadequate to address these risks, making our systems susceptible to compromise, which could materially adversely affect our business, financial condition and results of operations.

Cyberattacks, hacking, phishing, security breaches and malware continue to increase. While we have adopted security protocols, these measures may not prevent all attacks or breaches. We may not anticipate all techniques used to obtain unauthorized access. Attacks could delay or interrupt services, damage reputation, expose us to litigation and require significant resources to address.

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Customers store and transmit substantial data on our cloud platforms. We cannot assure you that third parties will not succeed in their attempts to obtain unauthorized access to any confidential information relating to our customers. If security incidents, human error or other malfeasance occurs in the future cause unauthorized access or disclosure, we may be subject to regulatory enforcement actions, litigation, indemnification obligations and negative publicity, which could materially and adversely affect our reputation, business, financial condition and results of operations.

Security incidents experienced by us, or by others, such as our competitors or customers may lead to public disclosures and widespread negative publicity for us, our customers, or the transaction digitalization market generally and, causing customers to lose confidence in the security of our cloud solutions. To the extent we do not effectively address these risks, our business, financial condition and results of operations could be materially and adversely affected.

We have been, and may continue to be involved, in claims, disputes and legal proceedings in our ordinary course of business.

From time to time, we may be involved in claims, disputes and legal proceedings in our ordinary course of business. These may concern issues relating to, among others, breach of contract, employment disputes, and infringement of intellectual property rights. If we are unsuccessful in any claims, disputes and legal proceedings, we may be subject to substantial damages. Any claims, disputes or legal proceedings initiated by us or brought against us, with or without merit, may result in substantial costs, diversion of resources and reputational harm. See “Risk Factors — We may be subject to intellectual property infringement claims from third parties, which may materially and adversely affect our business, financial condition and results of operations.”

Our employees, service providers, or any other third parties involved in our business operations may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements.

We are exposed to the risk that our employees, service providers, or any other third parties involved in our business operations may engage in fraudulent or illegal activities which could include intentional, reckless and/or negligent conducts or unauthorized activities violating laws, regulations, industry rules, or our internal policies. Misconduct could involve sensitive data, resulting in regulatory sanctions and reputational harm.

Our business is subject to anti-bribery and anti-corruption laws. While we have adopted internal controls, we cannot guarantee these will always prevent non-compliance. If employees or partners violate these laws, we may face fines, lawsuits and reputational damage.

We may be unable to identify and deter misconduct by employees or third parties in a timely manner, and precautions we take to detect and prevent these potential misconduct may not be effective in controlling unknown or unmanaged risks or losses, or protecting us from governmental investigations stemming from a failure to be in compliance with such laws or regulations, or claims or lawsuits initiated from our customers or business partners resulting from our contract breach due to such misconduct. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings and curtailment of our operations.

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Any interruptions or delays in services from third parties or from our inability to adequately plan for and manage service interruptions or infrastructure capacity requirements, may impair delivery of our services, and materially and adversely affect our business and results of operations.

We rely on computer hardware purchased from, and cloud computing platforms hosted by third parties in order to deliver our solutions and services. Any damage, disruption or failure of, our systems generally, including systems of our third-party service providers, could result in interruptions in our services. In the past, we have experienced interruptions in our services, and such interruptions may occur in the future. Interruptions in our services may have a material adverse effect on our ability to retain existing customers and attract new ones, which in turn would reduce our revenue. Our business and reputation may also be harmed if our customers, or potential customers, believe that our solutions and services are unreliable.

We do not control third-party facilities, which may be vulnerable to natural disasters, power loss, telecommunications failures, break-ins or regulatory actions.

Additionally, these hardware, software, data and cloud computing services may not continue to be available to us at reasonable prices, on commercially reasonable terms, or at all. If we lose our right to use any of these services, this could significantly increase our expenses or otherwise result in delays in the delivery of our solutions and services. If the performance of such third parties proves unsatisfactory, or if any of them violate contractual obligations to us, we may need to replace such third party and/or take other remedial action, which could result in additional costs and materially and adversely affect the solutions and services we provide to our customers. Furthermore, the financial condition of our third-party providers may deteriorate over the course of our contract term with them, which may also impact the ability of such third party to provide the agreed services and have a material adverse effect on our business operations.

We may have insufficient computing resources, transmission bandwidth and storage space, which could result in disruptions and our business, financial condition and results of operations could be adversely affected.

Our operations depend on transmission bandwidth and data centers from third-party providers. There is no assurance we are adequately prepared for unexpected increases in demand. Bandwidth or data centers may become unavailable due to service outages, payment disputes, natural disasters or regulatory changes. If bandwidth providers develop competing services, they may become unwilling to sell adequate bandwidth at fair prices. Failure to augment capacity could result in service reduction or disruption, customer loss, and inability to acquire new customers.

Our intellectual property rights are critical to our success and infringement of our intellectual property right by any third party may materially and adversely affect our business, reputation, financial condition and results of operations.

Our trade secrets, trademarks, copyrights, patents, domain names and other intellectual property rights are critical to our success. We rely on, and expect to continue to rely on, a combination of confidentiality and non-compete, invention assignment and license agreements with our employees, and third parties with whom we have relationships, as well as our trademark, domain name, copyrights, trade secrets, patent rights, and other intellectual property rights to protect our brand. However, various events beyond our control may pose a threat to our intellectual property rights and our solutions and services. Effective protection is expensive and difficult. While we have taken protective measures, these may not be sufficient. Our intellectual property may be infringed, misappropriated or challenged, resulting in narrowed scope or invalid action.

If we fail to register the necessary intellectual property rights to protect our patents and trademarks, our business operations may be materially and adversely affected.

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Our reliance on unpatented proprietary information and technology, such as trade secrets and confidential information, depends in part on our agreements with employees and third parties, which contain restrictions on the use and disclosure of such intellectual property. These agreements may be insufficient or breached, potentially resulting in unauthorized use or disclosure of our trade secrets and other intellectual property, including to our competitors. As a result, we could lose our crucial competitive advantage derived from such intellectual property. Significant impairments to our intellectual property rights, and limitations on our ability to assert our intellectual property rights against others, may result in a material adverse effect on our business.

We may be subject to intellectual property infringement claims from third parties, which may materially and adversely affect our business, financial condition and results of operations.

We depend on our ability to effectively develop and maintain intellectual property rights relating to our business. However, third parties may claim our business infringes their patents, copyrights or other intellectual property rights. As competition increases and litigation becomes more common in China, we face higher risk of infringement claims.

Additionally, the application and interpretation of intellectual property right laws and the procedures and standards for granting trademarks, patents, copyrights, know-how or other intellectual property rights are evolving, and we cannot assure you that courts or regulatory authorities would agree with our analysis. In January 2014, we were involved in an ongoing litigation in relation to the alleged ownership and infringement of computer software copyrights filed by Nanhua Skytech against Nanjing Skytech and us. We were added as a co-defendant as we were a subsidiary of Nanjing Skytech at the relevant time. As of the Latest Practicable Date, the lawsuit against us claiming the infringement of the eight software copyrights has not yet entered substantive hearing stage and remain pending further progress by the Supreme People’s Court.

According to the claim made by Nanhua Skytech, Nanhua Skytech has requested us to cease using eight software copyrights allegedly derived from their IP, which have long ceased to be used by our Group.

Our business relies on the proper operation of our IT systems, any malfunction of which for extended periods could materially and adversely affect our business, financial condition and results of operations.

Our business relies on the proper functioning of our IT systems. We use our IT systems to retrieve and analyze operational data, assist in planning, budgeting, human resources and financial reporting. Although we did not experience any IT system breakdown during the Track Record Period, we cannot assure you that our IT systems will always operate without interruption.

Any malfunction in a particular part of our IT systems may adversely affect operations. We need to constantly upgrade systems to keep pace with growth, and may not always successfully implement new software or advanced systems as required by our business development. All of these may have a material adverse effect on our business, financial condition and results of operations.

An occurrence of a natural disaster, widespread health epidemic or other outbreaks could have a material adverse effect on our business, financial condition and results of operations.

Our business could be materially and adversely affected by natural disasters, such as snowstorms, earthquakes, fires or floods, the outbreak of a widespread health epidemic or other events, such as wars, acts of terrorism, environmental accidents, power shortage or communication interruptions. The occurrence of such a disaster or prolonged outbreak of an epidemic illness or other adverse public health developments, including but not limited to the severe acute respiratory syndrome, or SARS, the H5N1 avian flu, the human swine flu, also known as Influenza A (H1N1), or the novel coronavirus (COVID-19), could materially disrupt our business and operations.

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The outbreak of COVID-19, which began in late 2019, has materially and adversely affected the global economy. During the COVID-19 pandemic, some employees were infected with the COVID-19 in December 2022, temporarily disrupting operations. Certain customers were adversely affected by the COVID-19 pandemic, and we experienced difficulty conducting marketing activities.

The occurrence of any of the foregoing or other natural or man-made disasters could cause damage or disruption to us, our employees, operations, markets, and customers, which could result in significant delays in deliveries or substantial shortages of our products and could adversely affect our business, financial condition, results of operations or prospects.

Our business depends substantially on the continuing efforts of our management and other key personnel, as well as competent employees that support our existing operations and future growth. If we fail to attract, motivate and retain talents, our operations and growth prospects may be severely disrupted.

Our future success heavily depends upon continuing services of management and key personnel, particularly our founders and senior management team. If any senior management or key personnel becomes unable or unwilling to continue to contribute their services to us, we may not be able to replace them within a reasonable time, our financial condition and results of operations may be materially and adversely affected, and we may incur additional expenses to recruit, train and retain key personnel.

Our existing operations and future growth require competent employees specializing in, among other things, AI, cloud computing, financial and tax solutions, big data analytics and sales and marketing so as to improve our solution functionality and anticipate and effectively respond to changing customer preferences and market trends. However, our industry is characterized by high demand and intense competition for talent. To attract and retain talent, we may need to offer higher compensation and benefits. We cannot assure you that we will be able to attract or retain qualified employees necessary to support our future growth. We may fail to manage relationships with current or former employees, and labor disputes may divert resources, reduce productivity or harm reputation. In addition, as our business has grown rapidly, our ability to train and integrate new employees into our operations may not meet our increasing business demands. Any of the above issues may materially and adversely affect our results of operations and growth prospects.

We may not be able to satisfy our working capital requirements if we experience significant delays or defaults in payments from customers or other counterparties, or significant delays in our billing and settlement process.

If any of our customers runs into financial difficulties or we have disputes with our customers which lead to the delay of payment by our customers to us, we may not be able to receive payments in a timely manner or at all. We typically grant our customers a credit period of up to 90 days. As of December 31, 2023, 2024 and 2025, our trade receivables, net of allowance for credit losses, were RMB21.0 million, RMB14.9 million and RMB52.7 million, respectively. The gross amount of our trade receivables aging over 181 days as of December 31, 2023, 2024 and 2025 was RMB1.6 million, RMB2.1 million and RMB6.2 million, respectively. We recorded allowance for credit losses of RMB0.8 million, RMB1.1 million and RMB2.0 million as of December 31, 2023, 2024 and 2025, respectively. If customers experience financial distress or are unable to settle their payments due to us in a timely manner or at all, our results of operations and financial condition may be materially affected.

We also recorded other receivables, deposits and prepayments of RMB0.9 million, RMB0.9 million and RMB0.9 million as of December 31, 2023, 2024 and 2025, respectively, primarily comprising notes receivables, prepayments in relation to purchases of goods and services, rent and

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property management fees and [REDACTED] expenses, VAT recoverable and deposits refundable within one year. Inability to recover such other receivables or receive products and services pursuant to the relevant terms of the prepayments and deposits may have adverse impact on our business operations.

We may not be able to fulfill our obligations in respect of contract liabilities, which may have an adverse effect on our results of operations and financial condition.

As of December 31, 2023, 2024 and 2025, our contract liabilities, primarily comprising non-refundable advance payments made by customers, were RMB44.8 million, RMB24.1 million and RMB29.2 million, respectively. See “Financial Information — Discussion of Certain Key Consolidated Statements of Financial Position Items — Contract Liabilities.” If we fail to fulfill our obligations under our contracts with customers, we may not be able to convert such contract liabilities into revenue, and our customers may also require us to refund the deposits we have received, which may adversely affect our cash flow and liquidity condition. In addition, it may adversely affect our relationship with such customers, which may also affect our reputation and results of operations in the future.

Our rights to use our leased properties could be challenged by third parties, or we may be forced to relocate due to title defects, or we may be liable for failure to register our lease agreements, which may result in a disruption of our operations and subject us to penalties.

We lease certain properties from third parties to be used mainly as office premises, R&D facilities and staff dormitories.

As of the Latest Practicable Date, we had not completed the administrative filings of 22 lease agreements. According to applicable PRC laws and regulations, the lessor and the lessee of a lease agreement are required to file the lease agreement with relevant government authorities within 30 days after the execution of the lease agreement. While the failure to complete the administrative filings may not affect the legality, validity or enforceability of the lease agreement, the government authorities may require that the filing be made within a stated period of time, failing which, they may impose a fine ranging from RMB1,000 to RMB10,000 for each agreement that has not been properly filed. It is not clear under PRC laws if the fine will be borne by the lessor or the lessee. According to applicable PRC laws and regulations, lessors of the related lease agreements need to provide us with certain documents (such as their business licenses or identification information) in order to complete the administrative filing. There can be no assurance that the lessors of our leased properties will be cooperative in the process of completing the filings. If we fail to complete the administrative filings for all non-registered leases within the period specified by the relevant government authorities, and the relevant authorities determine that we shall be liable for failing to complete the administrative filings of all the relevant lease agreements, we might be subject to a fine ranging from RMB22,000 to RMB220,000.

Future strategic alliances, acquisitions or investments may have a material adverse effect on our business, financial condition and results of operations.

We may enter into strategic alliances or investments, including joint ventures or minority equity investments, with third parties to further our business from time to time. These could subject us to risks including sharing proprietary information, non-performance by third parties and increased expenses. We may have limited ability to monitor third-party actions, and their negative publicity may harm our reputation by association. Acquisitions require significant management attention, may divert resources from existing business, and may not generate expected financial results. Acquisitions could result in substantial cash use, potentially dilutive equity issuances, goodwill impairment, and exposure to unknown liabilities.

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If we are not able to control our staff costs in an effective manner, our business, financial condition and results of operations may be adversely affected.

China, like other major economies, continues to face macroeconomic challenges such as inflation and increased labor costs. For the years ended December 31, 2023, 2024 and 2025, we incurred staff costs of RMB59.6 million, RMB65.2 million and RMB67.9 million, respectively, accounting for 37.0%, 38.0% and 38.6% of our total revenue for the respective periods. We are required by PRC laws and regulations to pay various statutory employee benefits. Any labor shortage may disrupt operations or delay expansion. Average wages in China continue to rise, putting upward pressure on our labor costs and employee salaries and benefits, which in turn will negatively affect our profit margins. Any failure to attract qualified employees at reasonable cost and in a timely manner, and any future disputes with our employees may materially and adversely affect our business, financial condition and results of operations.

Our limited insurance coverage could expose us to significant costs and business disruption.

We face various risks in connection with our business and may lack adequate insurance coverage. As of the Latest Practicable Date, we had not maintained property insurance, key employee insurance, product liability insurance or business interruption insurance. Neither had we maintained insurance policies covering damages to our technological infrastructure or litigation insurance. Any uninsured occurrence of business disruption, litigation or natural disaster, monetary liabilities or significant damages to our uninsured equipment, facilities or reputation could materially affect our results of operations.

We may not be able to insure against certain risks even if desired. If we were to incur substantial losses or liabilities due to fire, explosions, floods or other natural disasters, disruption in our network infrastructure or business operations, or any material litigation, our results of operations could be materially and adversely affected. Our current insurance coverage may not be sufficient to prevent us from any loss and there is no certainty that we will be able to successfully claim our losses under our current insurance policy on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial condition and results of operations could be materially and adversely affected.

Preferential tax treatment and government grants currently available to us in the PRC could be discontinued or reduced.

Under the EIT Law and its relevant regulations, PRC companies are typically subject to an income tax rate of 25% under the EIT Law. We were qualified as a high and new technology enterprise entitled to a preferential income tax rate of 15%, and further enjoyed 10% as a “Nationally Encouraged Key Software Enterprise”. We also recorded government grants of RMB0.7 million, RMB0.5 million and RMB0.3 million for the years ended December 31, 2023 and 2024 and 2025 respectively.

We cannot assure you that we will continue to qualify for such preferential tax treatments and government grants, or that the policies providing for the preferential tax treatments and government grants will continue to be effective. If we fail to provide requisite materials retained for future reference, we will not be entitled to enjoy the preferential tax treatments, as well as other benefits conferred under the accreditations. If we were not entitled to preferential tax treatments in the future, and our income tax expense would increase accordingly, which will adversely affect our net profit.

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Economic downturns or industry-wide fluctuations and depressions may decrease the demand for our product and service offerings.

Our business depends on demand for cross-border enterprises business-finance-taxation digital solutions, which depends on customers’ financial condition and spending capacity. Adverse macroeconomic conditions may lead to reduced corporate spending, prolonged sales cycles, shorter subscriptions, lower average spending and increased price competition. SME customers might be more susceptible to economic volatility. Should a substantial number of our customers encounter financial distress or fail to sustain operations as a result of economic depressions, our business operations, financial condition and results of operations could be materially and adversely affected.

We may incur additional costs to address any ESG risks, which may adversely affect our financial performance.

To identify, manage, and mitigate ESG risks, we may incur additional costs and expenses which could impact our financial performance. Given the nature of our business, we do not produce any material generation of emissions and wastes and no heavy pollution, our ESG-related initiatives during the Track Record Period mainly involved the establishment and enhancement of internal ESG management policies, reporting procedures and governance framework, as well as the promotion of environmentally friendly workplace practices and energy-saving awareness among employees. As such, no material costs or capital expenditures in relation to ESG initiatives were incurred during the Track Record Period. Nonetheless, we monitor environmental and climate-related risks that may impact on our business, strategy and financial performance and evaluate the magnitude of the resulting impact over the short-, medium- and long-term horizons. We monitor a wide range of indicators such as power consumption, emission of greenhouse gas and water consumption to manage our environmental and climate-related risks arising from our operations and are committed to providing adequate support to our employees to nurture a safe, comfortable and inclusive workplace environment. As the ESG regulatory landscape continues to evolve, we expect these costs to increase, but we are currently unable to estimate the magnitude of such increase with any degree of certainty. This commitment may entail incurring substantial additional costs and would potentially impact our profitability. See “Business — Environmental, Social and Corporate Governance” for details.

In addition, the increasing ESG-related regulatory requirements, including various ESG disclosure mandates in the jurisdictions where we operate, may lead to rising compliance costs and cost of sales may rise. Failure to adapt to new regulations or meet evolving industry expectations and standards could result in customers choosing products and services from other companies, which may materially and adversely affect our results of operations and financial conditions.

RISKS RELATING TO CONDUCTING BUSINESS IN CHINA

The economic, political and social conditions in China could affect our business, financial condition and results of operations.

We conduct all of our business operations in China. Our business, financial condition and results of operations are, to a material extent, subject to economic, political and legal developments in China, including consumer and government spending, business investment and resource allocation.

The PRC government has implemented economic reform measures emphasizing market forces. If the business environment changes, our business may be materially affected.

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The development of the PRC legal system and developments in the interpretation and enforcement of PRC laws, regulations and policies in China could materially and adversely affect us.

Currently, all of our assets and substantially a majority of our Directors and senior management are located in the PRC. As a result, it may be difficult for the [REDACTED] to directly affect service of process upon us or most of our Directors and senior management in the PRC.

On January 18, 2019, the Supreme People’s Court and the Government of the Hong Kong Special Administrative Region entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) (the “New Arrangement”), which came into effect on January 29, 2024. The New Arrangement generally allows Hong Kong court judgments to be recognized and enforced in the PRC without a choice of court agreement, subject to case-by-case examination by the relevant court. However, we cannot guarantee that all judgments made by Hong Kong courts will be recognized and enforced in the PRC.

Fluctuations in exchange rates of Renminbi could adversely affect the value of your investment.

Fluctuations in Renminbi exchange rates against Hong Kong dollar, U.S. dollar and other currencies are affected by PRC policies and international conditions. [REDACTED] from the [REDACTED] will be in Hong Kong dollars. Any Renminbi appreciation may decrease the value of foreign currency-denominated assets and [REDACTED]. Conversely, depreciation may adversely affect the value of H Shares and dividends. We have not utilized instruments to reduce foreign currency risk.

Governmental management of currency conversion could have a material adverse impact.

Remittance of currency in and out of China is subject to various regulations. Our revenues and expenses are substantially denominated in Renminbi, and the net [REDACTED] from the [REDACTED] and any dividends we pay on our H Shares will be in Hong Kong dollars. Under China’s existing foreign exchange regulations, following the completion of the [REDACTED], we will be able to make current account foreign exchange transactions, including paying dividends in foreign currencies without prior SAFE approval.

However, if the PRC government restricts access to foreign currencies, we may not be able to pay dividends in foreign currencies. Capital account transactions require SAFE approval, which could affect our ability to obtain foreign exchange through offshore financing.

Furthermore, the net [REDACTED] from the [REDACTED] are expected to be deposited in currencies other than Renminbi until we obtain necessary approvals from relevant PRC regulatory authorities to convert these [REDACTED] into onshore Renminbi. If the net [REDACTED] cannot be converted into onshore Renminbi in a timely manner, our ability to deploy these [REDACTED] efficiently may be affected as we will not be able to invest these [REDACTED] on Renminbi-denominated assets onshore or deploy them in uses onshore where Renminbi is required. All of these factors could materially and adversely affect our business, financial condition and results of operations.

[REDACTED] of our H Shares may become subject to PRC taxation on dividends received from us and gains from the disposition of our H Shares.

Non-Chinese resident individual holders of H Shares whose names appear on the register of members of H Shares (“Non-Chinese Resident Individual Holders”), are subject to Chinese individual income tax on dividends received from us. The tax rate applicable to dividends paid to Non-Chinese Resident Individual Holders of H Shares varies from 5% to 20% (usually 10%)

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depending on whether there is any applicable tax treaty between China and the jurisdiction in which the Non-Chinese Resident Individual Holder of H Shares resides, as well as the tax arrangement between China and Hong Kong. Non-Chinese Resident Individual Holders who reside in jurisdictions that have not entered into tax treaties with the PRC are subject to a 20.0% withholding tax on dividends received from us.

Under the EIT Law and its implementation regulations, a non-Chinese resident enterprise is generally subject to enterprise income tax at a rate of 10% with respect to its income sourced from China, including dividends received from a Chinese company and gains derived from the disposition of equity interests in a Chinese company. This rate may be reduced under any special arrangement or applicable treaty between China and the jurisdiction in which the non-Chinese resident enterprise resides. There are uncertainties as to the interpretation and implementation of the EIT Law and its implementation rules by the Chinese tax authorities, including whether and how enterprise income tax on gains derived upon the sale or other disposition of H Shares will be collected from non-Chinese resident enterprise holders of H Shares. If such tax is collected in the future, the value of such non-Chinese resident enterprise holders’ investments in H Shares may be materially and adversely affected.

Payment of dividends is subject to managements under PRC law.

Under PRC law, dividends may only be paid from distributable profits, defined as after-tax profits under PRC GAAP less recovery of accumulated losses and required reserves. We may not have sufficient distributable profits for dividends.

Because PRC GAAP differs from IFRS in certain respects, subsidiaries may not have distributable profits under PRC GAAP even with IFRS profits. Failure by subsidiaries to pay dividends could negatively impact our cash flows and ability to make distributions.

The SAT also issued certain circulars concerning employee share options and restricted shares. Under these circulars, our employees working in China who exercise share options or are granted restricted shares will be subject to PRC individual income tax. Our PRC subsidiaries have obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold individual income taxes of those employees who exercise their share options. If our employees fail to pay or we fail to withhold their income taxes according to relevant laws and regulations, we may face sanctions imposed by the tax authorities or other PRC governmental authorities.

RISKS RELATING TO THE [REDACTED]

There has been no prior [REDACTED] for our H Shares, and the [REDACTED] and [REDACTED] of our H Shares may be volatile.

Prior to the [REDACTED], there has been no [REDACTED] for our H Shares. The [REDACTED] range for our H Shares was the result of negotiations between us and the [REDACTED] (for themselves and on behalf of the [REDACTED]), and the [REDACTED] may differ significantly from the [REDACTED] for our H Shares following the [REDACTED]. We have applied for [REDACTED] of, and permission to [REDACTED], our H Shares on the Stock Exchange. A [REDACTED] on the Stock Exchange, however, does not guarantee that an active and liquid [REDACTED] market for our H Shares will develop, or if it does develop, that it will be sustained following the [REDACTED] or that the [REDACTED] of our H Shares will not decline following the [REDACTED]. Furthermore, the [REDACTED] and [REDACTED] volume of our H Shares may be volatile. The following factors may affect the [REDACTED] volume and [REDACTED] of our H Shares:

- our financial condition;
- actual or anticipated fluctuations in our operating performance;

RISK FACTORS

- news regarding recruitment or departure of key personnel by us or our competitors;
- the history of, and the prospects for, us and the industry in which we operate;
- announcements of competitive developments, acquisitions or strategic alliances in our industry;
- changes or proposed changes in laws or regulations, or differing interpretations thereof, affecting our ability to obtain or maintain regulatory approval for our services;
- potential litigation or regulatory investigations;
- general market conditions or other developments affecting us or our industry;
- inadequate protection of our intellectual property rights or legal proceedings brought against us for infringement of third parties’ intellectual property rights;
- the operating and stock price performance of other companies and industries, and other events or factors beyond our control; and
- general political, financial, social and economic conditions.

Moreover, the capital market has from time to time experienced significant [REDACTED] and [REDACTED] volume fluctuations that were unrelated or not directly related to the operating performance of the underlying companies in the market. These broad market and industry fluctuations may have a material adverse effect on the [REDACTED] and [REDACTED] volume of our H Shares.

An active and liquid [REDACTED] market for our H Shares may not develop.

Prior to the [REDACTED], our H Shares were not [REDACTED] on any other market. We cannot assure you that an active and liquid [REDACTED] market for our H Shares will be developed or be maintained after the [REDACTED]. Liquid and active [REDACTED] markets usually result in less [REDACTED] volatility and more efficiency in carrying out [REDACTED]’ [REDACTED] and [REDACTED] orders. The [REDACTED] of our H Shares could vary significantly as a result of a number of factors, some of which are beyond our control. In the event of a drop in the [REDACTED] of our H Shares, you could lose a substantial part or all of your [REDACTED] in our H Shares.

If the initial [REDACTED] of our H Shares is substantially higher than the consolidated net tangible assets [REDACTED] value per share, [REDACTED] of our H Shares in the [REDACTED] may experience immediate dilution upon such purchases.

As the [REDACTED] of our H Shares is higher than the consolidated net tangible assets per share immediately prior to the [REDACTED], purchasers of our H Shares in the [REDACTED] will experience an immediate dilution in [REDACTED] adjusted consolidated net tangible assets. Our existing shareholders will receive an increase in the [REDACTED] adjusted consolidated net tangible asset value per share of their shares. In addition, holders of our H Shares may experience further dilution of their interest if the [REDACTED] exercise the [REDACTED] or if we issue additional shares in the future to raise additional capital.

We have significant discretion as to how we will use the net [REDACTED] of the [REDACTED], and you may not necessarily agree with how we use them.

Our management may spend the net [REDACTED] from the [REDACTED] in ways you may not agree with or that do not yield a favorable return. For details of our intended use of [REDACTED], see “Future Plans and Use of [REDACTED].” However, our management will have discretion as to the actual application of our net [REDACTED]. You are entrusting your funds to our management, upon whose judgment you must depend, for the specific use we will make of the net [REDACTED] from this [REDACTED].

RISK FACTORS

Future sales or perceived sales or conversion of substantial amounts of our securities in the [REDACTED], including any future [REDACTED] in China or conversion of our Unlisted Shares into H Shares, could have a material adverse effect on the prevailing [REDACTED] of our H Shares and our ability to raise additional capital in the future, or may result in dilution of your shareholdings.

Future sales, or perceived sales, of substantial amounts of our securities or other securities relating to our H Shares, including part of any future offerings, could also materially and adversely affect the prevailing [REDACTED] of our H Shares and our ability to raise capital in the future.

The future [REDACTED] of a significant number of our H Shares in the [REDACTED] after the [REDACTED], or the perception or anticipation of such sales, by any one of our Shareholders could materially and adversely affect the [REDACTED] of our H Shares and could materially impair our future ability to raise capital at a time and price that we deem appropriate. Although our Controlling Shareholders have agreed to a lock-up of its Shares, any major disposal of our Shares by the Controlling Shareholders upon expiry of the relevant lock-up periods or the perception that these disposals may occur could cause the [REDACTED] of our H Shares to fall, which could negatively impact our ability to raise equity capital in the future.

We may not be able to pay any dividends on our H Shares.

Although we declared and paid dividend during the Track Record Period, we cannot guarantee when and in what form dividends will be paid on our H Shares following the [REDACTED]. The declaration of dividends is proposed by the Board and is based on, and limited by, various factors, including without limitation, our business and financial performance, capital and regulatory requirements, and general business conditions. We may not have sufficient or any profits to enable us to make dividend distributions to our Shareholders in the future, even if our financial statements indicate that our operations have been profitable. For details, see “Financial Information — Dividend.”

If securities or industry analysts do not publish research reports about our business, or if they adversely change their recommendations regarding our H Shares, the [REDACTED] and [REDACTED] volume of our H Shares may decline.

The [REDACTED] market of our H Shares may be influenced by research reports that industry or securities analysts publish about us or our business. If one or more analysts who cover us downgrade our H Shares or publish negative opinions about us, the [REDACTED] of our H Shares would likely decline regardless of the accuracy of the information. If one or more of these analysts cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which, in turn, could cause the [REDACTED] or [REDACTED] volume of our H Shares to decline.

Forward-looking statements contained in this document are subject to risks and uncertainties.

This document contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, and growth opportunities for existing operations, plans and objectives of management, certain [REDACTED] information and other matters.

The words “anticipate,” “believe,” “could,” “potential,” “continue,” “expect,” “intend,” “may,” “plan,” “seek,” “will,” “would,” “should” and the negative of these terms and other similar expressions identify a number of these forward-looking statements. These forward-looking statements, including, among others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessary estimates reflecting the best judgment of our Directors, supervisors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested

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by the forward-looking statements. As a result, these forward-looking statements should be considered in light of various important factors, including those set out in “Risk Factors” in this document. Accordingly, such statements are not a guarantee of future performance and you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to this cautionary statement.

Certain facts, forecasts and statistics contained in this document are derived from various official sources and may not be accurate, reliable, complete or up to date.

We have derived certain information and statistics in this document, particularly the section headed “Industry Overview,” from the report prepared by Frost & Sullivan, which was commissioned by us, and from, among others, various official government publications and other publicly available publications provided by the PRC government. The information from official government sources has not been independently verified by us, the Sole Sponsor, the [REDACTED], the [REDACTED], the [REDACTED], any of their respective directors and advisers, or any other persons or parties involved in the [REDACTED], and, therefore, we cannot assure you as to the accuracy and reliability of such information and statistics, which may not be consistent with other information compiled inside or outside the PRC. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics contained in such government sources may be inaccurate or may not be comparable with statistics produced for other economies, and you should not place undue reliance on them. In all cases, you should consider carefully how much weight or importance you should attach to or place on such information or statistics.

You should read the entire document carefully and we strongly caution you not to place any reliance on any information contained in press articles and other media regarding us and the [REDACTED].

Prior to the publication of this document, there has been and there may also be, subsequent to the date of this document but prior to the completion of the [REDACTED], press and media coverage regarding us, our business, our industries and the [REDACTED], which contained, among other things, certain financial information, projections, valuations and other forward-looking information about us and the [REDACTED]. We have not authorized the disclosure of any such information in the press or media and do not accept responsibility for the accuracy or completeness of such press articles or other media coverage. We make no representation as to the appropriateness, accuracy, completeness or reliability of any of such projections, valuations or other forward-looking information about us. To the extent such statements are inconsistent with, or conflict with, the information contained in this document, we disclaim responsibility for them. Accordingly, prospective [REDACTED] are cautioned to make their [REDACTED] decisions on the basis of the information contained in this document only and should not rely on any other information.

WAIVERS FROM STRICT COMPLIANCE WITH LISTING RULES

In preparation for the [REDACTED], our Company has sought and [has been granted] the following waivers from strict compliance with the relevant provisions of the Listing Rules and the following exemption from compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, our Company must have sufficient management presence in Hong Kong, which normally means that at least two executive Directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 may be waived by having regard to, among other considerations, the applicant’s arrangements for maintaining regular communication with the Stock Exchange.

Given that (i) our Company’s head office is located in Nanjing, Jiangsu, the PRC and our core business operations are principally located, managed and conducted in the PRC under the supervision of our executive Directors and senior management; and (ii) our executive Directors and senior management principally reside in the PRC, our Company considers that it would be more practical for the executive Directors and senior management of our Company to remain ordinarily resident in the PRC where our Group has substantial operations. For the above reasons, we do not have, and do not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rule.

Accordingly, pursuant to Rule 19A.15 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with Rules 8.12 and 19A.15 of the Listing Rules. We will ensure that there are adequate and efficient arrangements to achieve regular and effective communication between us and the Stock Exchange as well as compliance with the Listing Rules by way of the following arrangements:

- (a) we have appointed Mr. Ye Fei (“**Mr. Ye**”), an executive Director, the Board secretary and our joint company secretary, and Mr. Ho Pok Man (“**Mr. Ho**”), the other joint company secretary of our Company, as the authorized representatives (the “**Authorized Representatives**”) for the purpose of Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange and would be readily contactable by phone, facsimile and email to deal promptly with enquiries from the Stock Exchange. Although Mr. Ye resides in the PRC, he possesses valid travel documents and is able to renew such travel documents when they expire in order to visit Hong Kong, and Mr. Ho ordinarily resides in Hong Kong. According, they will be available to meet with the Stock Exchange to discuss any matters within a reasonable period.
- (b) to facilitate communication with the Stock Exchange, we have provided the Authorized Representatives and the Stock Exchange with the contact details of our Directors (i.e. mobile phone number, office phone number and email address (as applicable)). In the event that any of our Directors expects to travel or otherwise be out of office, he or she will provide the phone number of the place of his/her accommodation to the Authorized Representatives and the alternate authorized representative, so that the Authorized Representatives and the alternate authorized representative would be able to contact all our Directors (including the independent non-executive Directors) promptly at all times if and when the Stock Exchange wishes to contact our Directors. To the best of our knowledge and information, each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period after requested by the Stock Exchange.

WAIVERS FROM STRICT COMPLIANCE WITH LISTING RULES

- (c) we have appointed Rainbow Capital (HK) Limited as our compliance advisor (the “**Compliance Advisor**”) in compliance with Rule 3A.19 of the Listing Rules. The Compliance Advisor will, among other things and in addition to the Authorized Representatives, provide us with professional advice on continuing obligations under the Listing Rules and act as an additional channel of communication of our Company with the Stock Exchange during the period from the [REDACTED] to the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately after the [REDACTED]. The Compliance Advisor will be available to answer enquiries from the Stock Exchange and will act as an additional channel of communication with the Stock Exchange when the Authorized Representatives are not available.

WAIVER IN RELATION TO JOINT COMPANY SECRETARIES

Rule 8.17 of the Listing Rules provides that our Company must appoint a company secretary who satisfies the requirements under Rule 3.28 of the Listing Rules. According to Rule 3.28 of the Listing Rules, our Company must appoint an individual, who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary. Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Chartered Governance Institute;
- (b) a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong)); and
- (c) a certified public accountant (as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)).

In addition, pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing “relevant experience”, the Stock Exchange will consider the individual’s:

- (a) length of employment with the issuer and other issuers and the roles he played;
- (b) familiarity with the Listing Rules and other relevant laws and regulations including the Securities and Futures Ordinance, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;
- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

Our Company considers that while it is important for the company secretaries to be familiar with the relevant securities regulation in Hong Kong, they also need to have experience relevant to our Company’s operations, nexus to the Board and close working relationship with the management of our Company in order to perform the function of a company secretary and to take necessary actions in the most effective and efficient manner. It is for the benefit of our Company to appoint a person who has been a member of the senior management for a period of time and is familiar with our Company’s business and affairs as company secretary.

We have appointed Mr. Ye as one of the joint company secretaries of our Company. Mr. Ye currently serves as the board secretary of the Company and has substantial experience in handling corporate, legal and regulatory compliance and administrative matters but personally does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules and may not be able

WAIVERS FROM STRICT COMPLIANCE WITH LISTING RULES

to solely fulfill the requirements of the Listing Rules. Therefore, our Company has appointed Mr. Ho, an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as one of our joint company secretaries and to provide assistance to Mr. Ye for an initial period of three years from the [REDACTED] to enable Mr. Ye to acquire the “relevant experience” under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules. See “Directors and Senior Management” in this document for further biographical details of Mr. Ye and Mr. Ho. The following arrangements have been, or will be, put in place to assist Mr. Ye in acquiring the qualifications and experience as the company secretary of our Company required under Rule 3.28 of the Listing Rules:

- (a) Mr. Ye will endeavor to attend relevant training courses, including briefings on the latest changes to the relevant applicable Hong Kong laws and regulations and the Listing Rules which will be organized by our Company’s Hong Kong legal advisors on an invitation basis and seminars organized by the Stock Exchange for listed issuers from time to time.
- (b) Both Mr. Ye and Mr. Ho have confirmed that each of them will be attending a total of no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investors relation as well as the functions and duties of the company secretary of a Hong Kong listed issuer during each financial year as required under Rule 3.29 of the Listing Rules.
- (c) Mr. Ho will assist Mr. Ye to enable him to acquire the relevant experience (as required under Rule 3.28 of the Listing Rules) to discharge the duties and responsibilities as the company secretary of our Company.
- (d) Mr. Ho will communicate regularly with Mr. Ye on matters relating to corporate governance, the Listing Rules and any other laws and regulations which are relevant to our Company and its affairs. Mr. Ho will work closely with, and provide assistance to, Mr. Ye in the discharge of his duties as a company secretary, including organizing our Company’s Board meetings and Shareholders’ general meetings.
- (e) Prior to the expiry of Mr. Ye’s initial term of appointment as the company secretary of our Company, we will evaluate his experience to determine if he has acquired the qualifications required under Rule 3.28 of the Listing Rules, and whether on-going assistance should be arranged so that Mr. Ye’s appointment as the company secretary of our Company continues to satisfy the requirements under Rules 3.28 and 8.17 of the Listing Rules.
- (f) The Company has appointed Rainbow Capital (HK) Limited as its Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules which will act as the additional communication channel with the Stock Exchange (for a period commencing on the [REDACTED] and ending on the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately after the [REDACTED], or until the engagement is terminated, whichever is earlier) and provide professional guidance and advice to the Company (including Mr. Ye) as to the compliance with the Listing Rules and all other applicable laws and regulations.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with Rules 3.28 and 8.17 of the Listing Rules. Such waiver will be revoked immediately if and when (i) Mr. Ye ceases to be assisted by a person with qualifications under Rules 3.28 and 8.17 of the Listing Rules, or (ii) if there are material breaches of the Listing Rules by our Company. Before the end of the three years, we shall demonstrate to the Stock Exchange’s satisfaction and seek its confirmation that Mr. Ye, having had the benefit of Mr.

WAIVERS FROM STRICT COMPLIANCE WITH LISTING RULES

Ho’s assistance during the three-year period, has attained the relevant experience under Note 2 to Rule 3.28 of the Listing Rules and is capable of discharging the functions of company secretary so that a further waiver would not be necessary.

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

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[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

For further information on our Directors, please refer to the section headed “Directors and Senior Management” of this document.

DIRECTORS

Name	Residential Address	Nationality

Executive Directors

Ms. Xin Yingmei (辛穎梅)	Room 2202, Unit 1, Building 9 Agile Binjiang Garden Tianpu Road Dingshan Street, Pukou District Nanjing, Jiangsu PRC	Chinese

Mr. Zhang Liusong (張柳松)	Room 703, Block 32 Huahui Kangcheng Qilin Street Jiangning District Nanjing, Jiangsu PRC	Chinese

Mr. Ye Fei (葉飛)	Room 203, Building 17 Xuehai Xinyuan, East Block Yadong Cheng No. 21 Xianyin North Road Qixia District Nanjing, Jiangsu PRC	Chinese

Non-executive Directors

Mr. Shi Xin (史新)	Room 27C, Building 1 Bolin Tinerry, Nanshan District Shenzhen, Guangdong PRC	Chinese

Mr. Lu Yin (陸垠)	Room 1812, Building 8 Yard 5, Sanlihe Block 1 Xicheng District, Beijing PRC	Chinese

Independent non-executive Directors

Mr. Shi Seng Peng (徐成平)	258C Compassvale Road 07-573 Singapore	Singaporean

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

Ms. Dong Xiaolin (董曉林)	Room 202, Building 8 Dayu Villa No. 8, Daputang Road Qixia District Nanjing, Jiangsu PRC	Chinese
Mr. Chan Choo Tee (陳祖帝)	Flat E, 37/F, Tower 5 The Visionary 1 Ying Hong Street Tung Chung, Lantau New Territories Hong Kong	Singaporean

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor	ICBC International Capital Limited 37/F, ICBC Tower 3 Garden Road Hong Kong

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

[REDACTED]

Auditor and Reporting Accountants

Deloitte Touche Tohmatsu
*Certified Public Accountants and
Registered Public Interest Entity Auditor*
35/F, One Pacific Place
88 Queensway
Hong Kong

Legal Advisors to the Company

As to Hong Kong law
Jingtian & Gongcheng LLP
Suites 3203-3207, 32/F
Edinburgh Tower
The Landmark
15 Queen’s Road Central
Central
Hong Kong

As to PRC law
Jingtian & Gongcheng
34th Floor, Tower 3, China Central Place
77 Jianguo Road, Chaoyang District, Beijing
PRC

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

Legal Advisors to the Sole Sponsor and the [REDACTED]

As to Hong Kong law

Deacons

5/F, Alexandra House
18 Chater Road
Central
Hong Kong

As to PRC law

Commerce & Finance Law Offices

12-15th Floor, China World Office 2
No. 1 Jianguomenwai Avenue, Beijing
PRC

Industry Consultant

**Frost & Sullivan (Beijing) Inc.,
Shanghai Branch Co.**

Suite 2504, Wheelock Square
1717 Nanjing West Road, Shanghai
PRC

Compliance Advisor

Rainbow Capital (HK) Limited

Office No. 710, 7/F, Wing On House,
71 Des Voeux Road Central, Central
Hong Kong

[REDACTED]

CORPORATE INFORMATION

Registered Office	No. 26 Tianpu Road Jiangbei New Economic Development Zone Nanjing, Jiangsu PRC
Headquarters and Principal Place of Business in the PRC	No. 26 Tianpu Road Jiangbei New Economic Development Zone Nanjing, Jiangsu PRC
Principal Place of Business in Hong Kong	40/F, Dah Sing Financial Centre 248 Queen’s Road East Wanchai, Hong Kong
Company’s Website	<u>www.qstinfotech.com</u> <i>(The information on the website does not form part of this document)</i>
Joint Company Secretaries	Mr. Ye Fei (葉飛) Room 203, Building 17 Xuehai Xinyuan, East Block, Yadong Cheng No. 21 Xianyin North Road, Qixia District Nanjing, Jiangsu, PRC Mr. Ho Pok Man (何博文) <i>(Associate of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)</i> 40/F, Dah Sing Financial Centre 248 Queen’s Road East Wanchai, Hong Kong
Authorized Representatives	Mr. Ye Fei (葉飛) Room 203, Building 17 Xuehai Xinyuan, East Block, Yadong Cheng No. 21 Xiyin North Road, Qixia District Nanjing, Jiangsu PRC Mr. Ho Pok Man (何博文) <i>(Associate of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)</i> 40/F, Dah Sing Financial Centre 248 Queen’s Road East Wanchai, Hong Kong
Audit Committee	Mr. Shi Seng Peng (<i>Chairman</i>) Ms. Dong Xiaolin Mr. Chan Choo Tee

CORPORATE INFORMATION

Remuneration Committee

Mr. Chan Choo Tee (*Chairman*)
Ms. Dong Xiaolin
Mr. Ye Fei

Nomination Committee

Ms. Xin Yingmei (*Chairlady*)
Ms. Dong Xiaolin
Mr. Chan Choo Tee

[REDACTED]

Principal Bank

**Industrial and Commercial Bank of China
(Zhujiang Branch)**
No. 26 Longhua Road, Pukou District
Nanjing, Jiangsu
PRC

INDUSTRY OVERVIEW

The information and statistics set out in this section and other sections of this document were extracted from the Frost & Sullivan Report prepared by Frost & Sullivan, which was commissioned by us, and from various official government publications and other publicly available publications. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the [REDACTED]. We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. The information from official government sources has not been independently verified by us, the Sole Sponsor, the [REDACTED], the [REDACTED] or any other party involved in the [REDACTED] and no representation is given as to its accuracy.

SOURCE AND RELIABILITY OF INFORMATION

We have commissioned Frost & Sullivan, an Independent Third Party, to conduct a study of China’s business-finance-taxation digital solutions industry. We agreed to pay Frost & Sullivan a fee of RMB600,000 for the preparation of the Industry Report, and our Directors consider that such fee reflects market rates and are of the view that the payment of the fee does not affect the fairness of conclusions drawn in the Industry Report. Founded in 1961, Frost & Sullivan has over 45 global offices with more than 3,000 industry consultants, market research analysts, technology analysts and economists.

RESEARCH METHODOLOGY

During the preparation of the Frost & Sullivan Report, Frost & Sullivan conducted primary research that involved discussing the status of the industry with industry participants and industry experts, as well as secondary research that involved reviewing company reports, independent research reports and Frost & Sullivan’s own database.

BASIS AND ASSUMPTION

The Industry Report was compiled based on the following assumptions: (i) China’s economy is likely to maintain steady growth in the next decade; (ii) China’s social, economic, and political environment is likely to remain stable from 2026 to 2030 (“Forecast Period”); (iii) Market drivers like China’s strong import and export trade volume, reformation of accounting measurement standards and taxation, development of big data and digital electronics, intelligence promoted by AI, etc., are likely to further drive the development of China’s business-finance-taxation digital solutions industry.

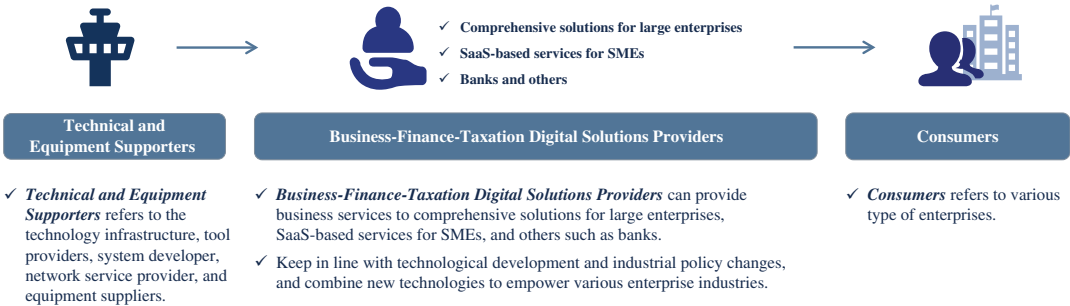
ANALYSIS OF CHINA’S BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

China’s business-finance-taxation digital solutions industry refers to the digital solution that closely integrates business processes, financial accounting and tax reporting. Through a high degree of information system integration, data sharing and process optimization can be achieved, thereby improving the efficiency and compliance of enterprises.

INDUSTRY OVERVIEW

The industry is characterized by the ability to integrate systems, automate processes, and ensure compliance.

Value Chain of China’s Business-Finance-Taxation Digital Solutions Market



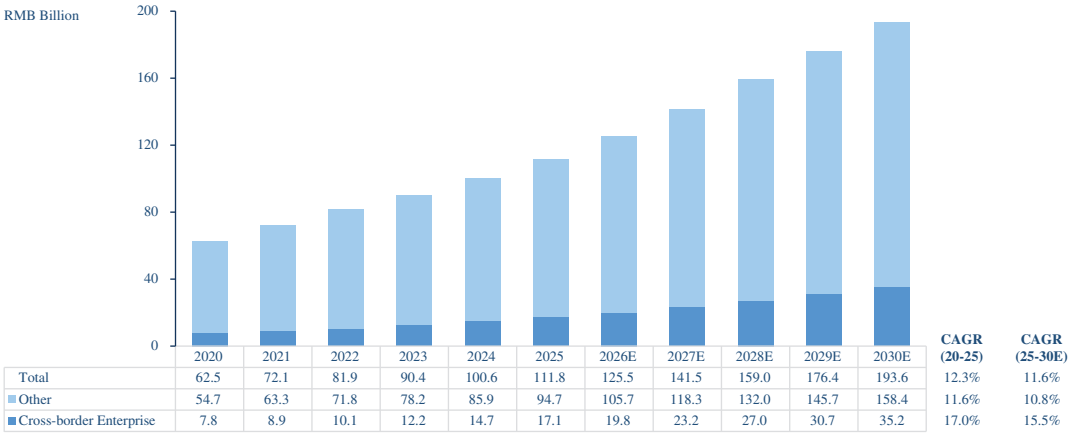
Source: Frost & Sullivan Analysis

MARKET SIZE OF CHINA’S BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

The business-finance-taxation digital solutions market in China is experiencing explosive growth, driven by the country’s rapid digital transformation, increasing adoption of cloud-based solutions, and government initiatives promoting digitalization across industries. This market encompasses a wide range of software and services designed to streamline and automate financial and tax-related processes for businesses of all sizes.

The market grew from RMB62.5 billion in 2020 to RMB111.8 billion in 2025, with a CAGR of 12.3%. Looking ahead, the industry is expected to maintain its growth and reach RMB193.6 billion by 2030 due to tax system upgrade, rapid economic development and favorable policies in the business-finance-taxation digital solutions market.

Market Size of China’s Business-Finance-Taxation Digital Solutions Industry (2020-2030E)



Source: Frost & Sullivan Analysis

INDUSTRY OVERVIEW

MARKET DRIVERS AND FUTURE TRENDS OF CHINA’S BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

Tax System Digital Upgrade: Tax system digital upgrade constantly improves tax collection and administration, implement the national audit and intelligent analysis of tax data, tax filing and management to enterprises put forward higher requirements. By forcing greater transparency in revenue and more rational pricing in transactions, digitalization is driving cross-border business-finance-taxation digital solutions towards compliant operations. For companies that can proactively adapt to change, digitalization also brings positive value such as improved tax administration efficiency and optimized tax management.

Complex Business Processes Brought by Rapid Economic Development: In recent years, the rapid economic development has made enterprises in various industries face more complex business processes and management challenges, thus the demand for high-quality digital solutions for business, finance and taxation has increased rapidly. At the level of digital technology, high-quality digital solutions for business, finance and taxation can ensure the timeliness, accuracy and traceability of business data through data analysis and visualization tools, and provide comprehensive and accurate information for enterprises. And help enterprises to establish a standardized, online supply chain and financial management system, to achieve efficient flow of business processes.

Favorable Policies: In recent years, the state has staged a series of policies to promote enterprise digital transformation, such as “Notice on Promoting the Application of Electronic Voucher Accounting Data Standards”, these policies inject core momentum into the industry finance-tax digitalization sector by mandating standardized application of electronic vouchers. When domestic and foreign customs declarations, contracts, invoices, and receipts become programmable structured data that can be monitored in real time, the reliance on manual labor and information asymmetry in traditional cross-border enterprise business-finance-taxation digital solutions will be significantly reduced. Compliance costs may increase in the short term, but standardization can also improve efficiency and provide a fairer competitive environment for compliant companies.

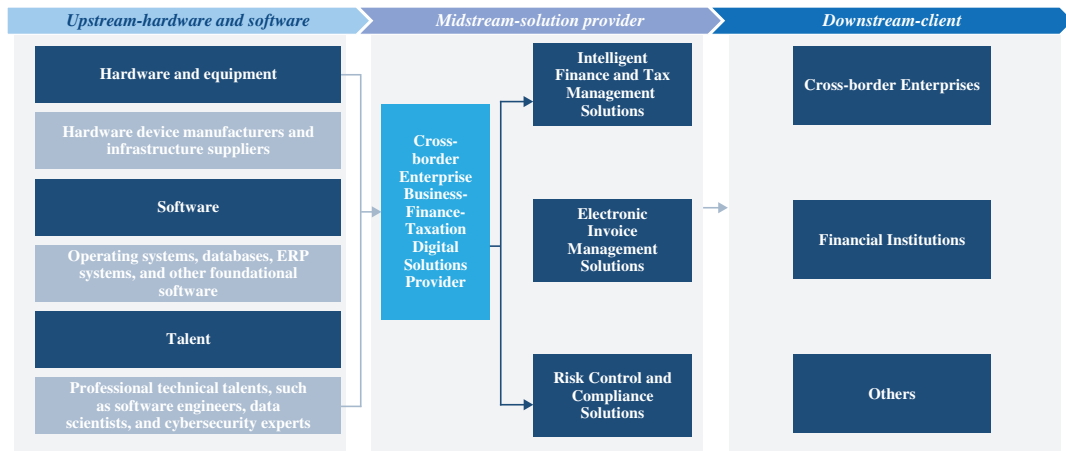
ANALYSIS OF CHINA’S CROSS-BORDER ENTERPRISE BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

Cross-border enterprise business-finance-taxation digital solutions refer to a digital solution that tightly integrates business processes, financial accounting, and tax filing. Through high-level information system integration, it achieves data sharing and process optimization, thereby enhancing enterprise efficiency and compliance. Cross-border enterprise business-finance-taxation digital solutions include intelligent finance and tax management solutions, electronic invoice management solutions, risk control and compliance solutions and others.

In January 2025, the policy of “tax refund upon departure” for cross-border e-commerce exports from overseas warehouses was introduced. The process of export tax refund includes filing, declaration, review, and refund. The taxes involved in export tax refunds include value-added tax and consumption tax.

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Industrial Chain of the Cross-border Enterprise Business-Finance-Taxation Digital Solutions Industry



The industrial chain of the cross-border enterprise business-finance-taxation digital solutions industry includes upstream hardware and software. Midstream includes cross-border enterprise business-finance-taxation digital solutions providers which can provide intelligent finance and tax management solutions, electronic invoice management solution, risk control, and compliance solutions and so on. Downstream terminal clients such as cross-border enterprise, financial institutions, and others. To clarify, downstream customers, for example, financial institutions need to buy risk control and compliance solutions externally to facilitate them in making risk compliance decisions.

The industrial chain thrives on collaboration, innovation and adaptability, ensuring that businesses efficiently navigate the complexities of global finance and taxation. The industry will continue to grow in the future as upstream products mature, mid-solution suppliers develop, and downstream customers increase.

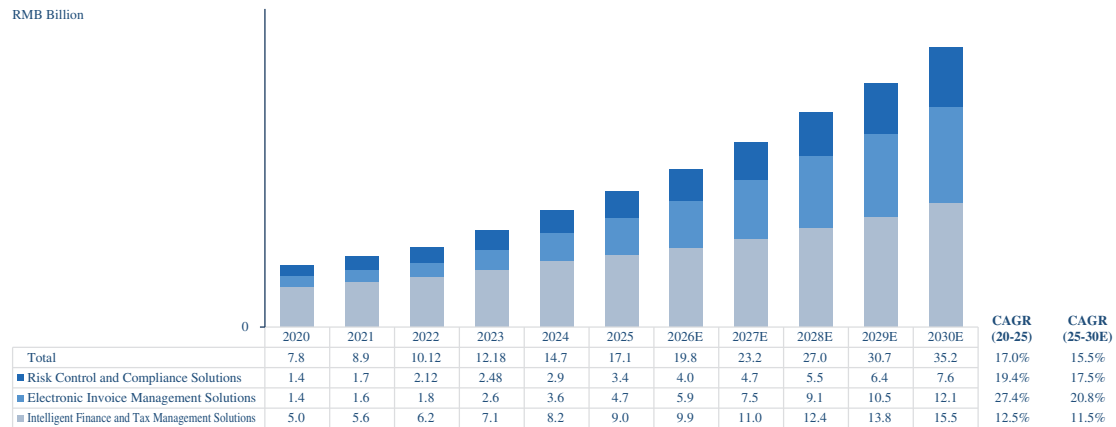
MARKET SIZE OF CHINA'S CROSS-BORDER ENTERPRISE BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

The cross-border enterprise business-finance-taxation digital solutions industry in China is a fast-growing industry. The industry is driven by the country's expanding global trade, increasing outbound investments, and the growing complexity of international tax regulations. This market caters to the unique needs of Chinese enterprises operating across borders, providing them with the tools and expertise to navigate the intricacies of global finance and taxation.

The market grew from RMB7.8 billion in 2020 to RMB17.1 billion in 2025, with a CAGR of 17.0%. Looking ahead, the industry is expected to maintain its growth and reach RMB35.2 billion by 2030.

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Market Size of China’s Cross-border Enterprise Business-Finance-Taxation Digital Solutions Industry (2020-2030E)

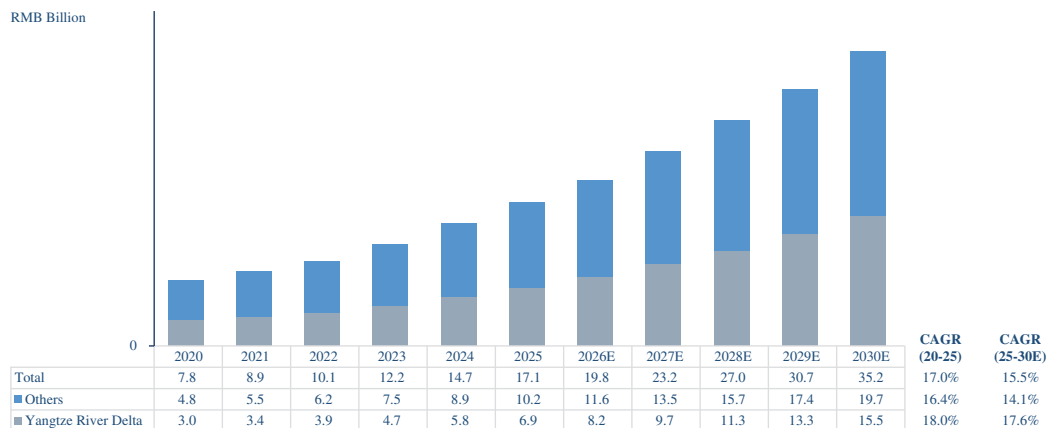


Source: Frost & Sullivan Analysis

The customers in cross-border enterprise business-finance-taxation digital solutions market in China is a dynamic and fast-growing sector, fueled by the rapid expansion of cross-border business, increasing globalization of Chinese businesses, and the growing complexity of international finance and tax regulations. This market provides digital solutions to help Chinese enterprises operating across borders manage their financial operations, comply with tax requirements, and optimize their global business strategies.

The distribution of customers in cross-border enterprise business-finance-taxation digital solutions market in China is closely related to regional economic strength, policy support and active import and export trade. Yangtze River Delta as the core regions of the country’s foreign trade, are leading in the number of cross-border enterprises, import and export volume and demand for tax digitization services. In 2025, Yangtze River Delta accounted for 40.4% of the national market size.

Market Size of China’s Cross-border Enterprise Business-Finance-Taxation Digital Solutions Industry, breakdown by province (2020-2030E)



Source: Frost & Sullivan Analysis

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MARKET DRIVERS OF CHINA’S CROSS-BORDER ENTERPRISE BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

China’s Strong Import and Export Trade Volume: In 2025, China’s export scale exceeded 27.0 trillion yuan for the first time, with a year-on-year growth of 6.1%, maintaining growth for eight consecutive years, showing strong international competitiveness. Cross-border enterprise itself to improving efficiency, compliance and cost management ability demand is growing, which prompted the development of the industry tax digital solution provider.

Reformation of Accounting Measurement Standards and Taxation: The government has gradually formulated standards to regulate accounting measurement, carried out tax reform, and encouraged cross-border enterprises to seek professional fiscal and tax services. For example, the implementation of replacing business tax with value-added tax has made the tax treatment of enterprises more complicated, requiring enterprises to have a higher level of tax management. Intelligent online tax system and large data such as the establishment of risk administration, makes the tax authority to enterprise’s tax more strict requirement, companies need to pay more attention to tax related compliances. The comprehensive promotion of digital electronic invoice requires enterprises to have more efficient invoice management ability. These tax reform policies make it urgent for import and export enterprises to fill the gap of tax digitalization, and improve the ability of tax risk response and management and overall efficiency with the help of digital system.

Client’s Brand Awareness: When choosing solution providers, customers often tend to select enterprises with high market recognition and good reputation. This is mainly because these enterprises usually offer more reliable service quality and stronger market competitiveness. As leading solution providers strengthen their market position through mergers and acquisitions, the industry concentration will continue to increase. This trend helps to create a more stable and efficient market environment and promotes the healthy development of the entire industry. For instance, in the context of complex and risky customs declaration processes, large cross-border companies can effectively reduce risks and improve efficiency by choosing qualified cross-border enterprise business-finance-taxation digital solutions providers. Therefore, when choosing solution providers, customers are more inclined to select those enterprises with high market recognition and good reputation. This not only helps to protect their own interests but also promotes the healthy development of the industry.

Raised Regulatory Authorities’ Attention to Compliance Issues: Regulatory authorities have paid significantly more attention to compliance issues in the cross-border e-commerce industry. Announcement No. 194 clarifies the regulatory requirements for cross-border ecommerce retail imports, emphasizes the importance of enterprise qualification and filing, and requires enterprises to ensure that goods are of legal origin, qualified quality, and responsible for the authenticity of the declared information. Announcement No. 167 further optimizes the regulatory measures for cross-border e-commerce exports, including canceling enterprise filing, simplifying declaration procedures, and promoting the supervision mode of cross-customs returns.

FUTURE TRENDS OF CHINA’S CROSS-BORDER ENTERPRISE BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

Development of Big Data and Digital Electronics: Policy continues to shift in the direction of big data and electronic invoices. The Opinions on Further Deepening the Reform of Tax Collection and Administration clearly proposes to build an efficient and intelligent tax system driven by tax big data and with the reform of electronic invoice as the breakthrough point. The current digitization level of export tax refunds remains low but holds significant growth potential. Concurrently, policy orientation actively explores implementing tax collection and service measures to foster new forms and models of foreign trade, optimizing the relevant tax environment. It supports businesses in these sectors to apply for paperless tax refund filing. These changes in policy and technology on the cross-border enterprise business-finance-taxation digital solutions providers also puts forward the new requirements, so as to adapt to the change of policy and technology.

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Intelligence promoted by AI: Leading providers of cross-border enterprise business-finance-taxation digital solutions have begun to actively promote their own AI systems to promote the overall industry towards intelligence and automation. Through the analysis of large amounts of data, artificial intelligence can provide accurate prediction and decision support, ensure the timeliness of business process, optimize the allocation of enterprise resources, thus reducing operating costs. Blockchain records each transaction in real time, which can ensure the transparency and security of information and reduce the risk of tax fraud.

Increase of Internet Penetration Rate: The increase in China’s internet penetration rate and the continuous improvement of its infrastructure have strongly promoted the digital transformation of cross-border trade. As of 2025, the number of internet users in China has reached 1.1 billion, with the internet penetration rate rising to 80.1%. This has provided small and medium-sized enterprises and merchants with a broader market space, enabling them to participate in cross-border trade through cross-border e-commerce. Data shows that in 2025, China’s cross-border e-commerce imports and exports reached 2.8 trillion yuan, growing by 15.5% year-on-year. With the continuous expansion of the cross-border e-commerce market, compliance management has become a new market development direction. Enterprises need to establish a complete compliance system to cope with the increasingly complex international trade environment.

MARKET CHALLENGES OF CHINA’S CROSS-BORDER ENTERPRISE BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

Pressure from Technological Iteration and R&D Innovation: The R&D challenges in cross-border enterprise business-finance-taxation digital solutions industry are essentially a combination of technological complexity, regulatory fragmentation, and market uncertainty. This type of R&D is no longer simply about developing features, but about building traceable, verifiable, and sustainably deliverable compliance solutions within a highly fragmented and rapidly changing global tax and finance environment. This complex innovation logic means that R&D investment is no longer optional, but a strategic necessity for industry participants to maintain their survival threshold in a competitive market.

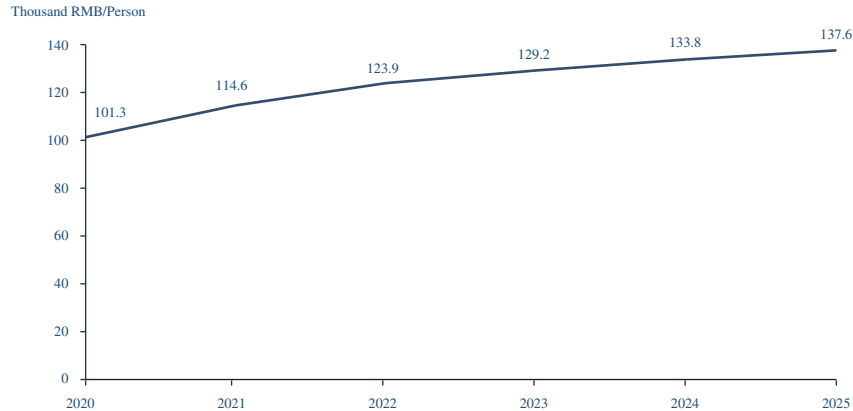
Rising Labor Costs: The industry is relatively dependent on experienced professionals, and the supply of such talent remains limited. The continued rigid increase in national labor costs has exacerbated the pressure on market participants’ labor expenditures. The digital upgrade of cross-border enterprise business-finance-taxation digital solutions companies to employ multi-skilled professionals who understand tax law, are familiar with the practical rules of multiple countries, and are proficient in using digital tools. This further intensifies competition for high-quality talent and drives up labor costs.

COST ANALYSIS OF CHINA’S CROSS-BORDER ENTERPRISE BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

In line with macroeconomic growth, the average annual salary of employees in China’s cross-border enterprise business-finance-taxation digital solutions industry increased steadily from 2020 to 2025, rising from RMB101.3 thousand to RMB137.6 thousand, with a CAGR of 6.3%. Looking ahead, labor costs are expected to resume an upward trajectory over the next five years, driven by sustained macroeconomic expansion, rising disposable incomes, and inflationary pressures. The industry’s salary levels are projected to align with China’s nominal GDP growth in the long term.

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Average Annual Salary of China’s Cross-border Enterprise Business-Finance-Taxation Digital Solutions Industry (China), 2020-2025



COMPETITIVE LANDSCAPE OF CHINA’S CROSS-BORDER ENTERPRISE BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

In 2025, the total revenue in cross-border enterprise business-finance-taxation digital solutions industry in China reached RMB17.1 billion, with the top five market participants accounting for approximately 5.2% of the market share. In 2025, the Group is the 2nd largest enterprise in the cross-border enterprise business-finance-taxation digital solutions industry in China with approximately 1.1% market share. In 2025, the total revenue in cross-border enterprises intelligent finance and tax management solutions industry in China reached RMB9.0 billion, with the top five market participants accounting for approximately 4.8% of the market share. In 2025, the Group is the largest enterprise in the cross-border enterprises intelligent finance and tax management solutions industry in China with approximately 1.6% market share.

Ranking of Top 5 Providers in China’s Cross-border Enterprise Business-Finance-Taxation Digital Solutions Industry in 2025 by Revenue

Ranking	Enterprise	Revenue during the year ended 2025 (100 million RMB)	Market share during the year ended 2025 (%)	Intelligent Tax and Finance Solutions	Electronic Invoice Management Solutions	Risk Control and Compliance Solutions	Cross-border E-commerce Intelligent Finance and Taxation
1	Company A	2.5	1.5%	✓	✓	–	✓
2	The Company	1.8	1.1%	✓	✓	✓	✓
3	Company B	1.7	1.0%	✓	✓	✓	✓
3	Company C	1.7	1.0%	✓	✓	✓	✓
5	Company D	1.1	0.6%	✓	✓	–	–
	Top 5	8.8	5.2%				
	Others	162.2	94.8%				
	Total	171.0					

INDUSTRY OVERVIEW

Ranking of Top 5 Providers in China’s Cross-border Enterprises Intelligent Tax and Finance Management Solutions Industry in 2025 by Revenue

Ranking	Enterprise	Revenue during the year ended 2025 (100 million RMB)	Market share during the year ended 2025 (%)
1	The Company	1.4	1.6%
2	Company C	0.9	1.0%
3	Company D	0.7	0.8%
4	Company A	0.6	0.7%
4	Company B	0.6	0.7%
	Top 5	4.2	4.8%
	Others	85.8	95.2%
	Total	90.0	

Source: Frost & Sullivan Analysis

Notes:

- (1) Company A: Established in 1995, this company is a listed company headquartered in Beijing, China. The main businesses of the company are software and service business, enterprise Internet services, Internet financial services, etc. Its main services are cloud service business, software business, and financial service business.
- (2) Company B: Established in 1999, this company is a listed company headquartered in Shenzhen, China. The company provides enterprise resource planning (ERP) services. The ERP and Cloud Services segment is engaged in the sales and implementation of enterprise management software and provision of related services, sales of hardware related to enterprise management software arrangements, middleware software business, and provision of e-commerce and other online management services.
- (3) Company C: Established in 2017, this company is a private company headquartered in Shenzhen, China. The company focuses on the rigid demand scenarios of the overseas industry and provides enterprises with AI cross-border digital solutions such as export declaration, tax refund declaration, industrial and financial services based on large models.
- (4) Company D: Established in 2000, this company is a listed company headquartered in Beijing, China. It provides comprehensive services to government procurement, urban engineering construction, medical institutions, large enterprises and small and medium-sized enterprises in the supply chain.

ENTRY BARRIERS OF CHINA’S CROSS-BORDER ENTERPRISE BUSINESS-FINANCE-TAXATION DIGITAL SOLUTIONS INDUSTRY

Technical Barrier: Cross-border enterprise business-finance-taxation digital solutions providers need to process a large amount of data, which puts forward high requirements for the technology integration ability of enterprises. Now, big data analysis and artificial intelligence (AI) is one of the most current enterprise application technologies, but should give full play to the potential of these technologies, enterprises need to invest a lot of resources to research and development and system integration technology and need to have a powerful data processing and analysis ability.

Professional Talent Barrier: Cross-border enterprise business-finance-taxation digital solutions industry need interdisciplinary talents who not only understand international trade, finance and taxation laws and regulations, but also master digital technology. Industry professionals need to long-term practical experience and continuous learning ability, in the field of scientific research and service to maintain high quality, in response to changing policies and regulations and technical innovation.

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Experience Barrier: Enterprises in the field of cross-border enterprise business-finance-taxation digital solutions need to accumulate rich experience in the industry, including the trade policies of different countries and regions, tax laws and regulations. Only those who have a long service experience can accumulate a large number of customer resources and good market reputation, new entrants find it difficult to get the trust of the customers in a short period of time.

Capital Barrier: Develop efficient cross-border enterprise business-finance-taxation digital solutions needs a lot of money, for recruitment, technology research and development, system maintenance and upgrade. As a result, the industry has a high financial barrier.

Management Barrier: Cross-border enterprise business-finance-taxation digital solutions include data collection, processing, declaration, risk management, etc., which require efficient management processes and strict internal control. Enterprises need to establish a sound compliance system to cope with complex international trade and tax regulations and ensure the legality and security of their business.

Brand Barrier: The digitalization of finance and taxation involves sensitive data, and enterprises are more inclined to choose the brands that have passed the authoritative certification or have a well-known reputation, which will further strengthen the market position of the head brand. Well-known brand, with its reputation attracted large multinational companies and cross-border enterprises, form is highly dependent on users.

First Mover Barrier: Through long-term market operation, first-mover enterprises have accumulated rich customer resources and a large amount of business data. Such data can help enterprises better understand customer needs, optimize products and services, and improve customer satisfaction. The accumulation of customer resources also enables enterprises to form scale effect, reduce unit cost, and further enhance competitiveness.

Scale Barrier: Through gathering a large number of sellers and buyers, the head platform forms a closed loop of transaction data, which can better integrate resources, realize the synergistic effect of business, technology, data and other resources, and further optimize the accuracy of the intelligent tax refund algorithm.

REGULATORY OVERVIEW

Our business operations are based in the PRC and are subject to extensive supervision and regulation by the PRC government. This section summarizes the major laws, rules and regulations which may impact key aspects of our business.

REGULATIONS ON CORPORATION

The establishment, operation, and management of companies in China are mainly governed by the Company Law of the PRC (《中華人民共和國公司法》) (the “Company Law”), which was promulgated by the Standing Committee of the National People’s Congress of the PRC (the “SCNPC”) on December 29, 1993 and came into effect on July 1, 1994. The Company Law was subsequently amended and revised in 1999, 2004, 2005, 2013, 2018 and 2023. The latest amended Company Law came into effect on July 1, 2024. The Company Law generally governs two types of companies – limited liability companies and joint stock limited companies. Both types of companies have the status of legal persons, and the liability of shareholders of a limited liability company and a joint stock limited company is limited to the amount of registered capital they committed to contribute. The Company Law also applies to foreign investment companies. Where laws on foreign investment have other stipulations, such stipulations shall prevail.

General

A “joint stock limited company” refers to an enterprise legal person incorporated in China under the PRC Company Law with independent legal person properties and entitlements to such legal person properties and with its registered capital divided into shares. The liability of the company for its own debts is limited to all the properties it owns and the liability of its shareholders for the company is limited to the extent of the shares they subscribe for.

Transfer of Shares

Shares held by shareholders may be transferred legally. Under the PRC Company Law, a shareholder should effect a transfer of his/her shares on a stock exchange established in accordance with laws or by any other means as required by the State Council. Shares may be transferred by shareholders through endorsement or in any other manner stipulated by the laws or administrative regulations. Following the transfer, the company shall record the names and domiciles of the transferees into its register of shareholders. No changes to the register of shareholders shall be made within twenty days prior to convening a shareholders’ meeting or within five days prior to the base date on which the company decides to distribute dividends, unless otherwise stipulated by laws, administrative regulation or the securities regulatory authority of the State Council on the changes to the register of shareholders for listed companies.

Under the PRC Company Law, shares of the company issued prior to the public issuance of shares may not be transferred within one year of the date of the company’s listing on a stock exchange. Directors, supervisors and the senior management of a company shall declare to the company the shares they hold and any changes in their shareholdings. During the term of office as determined at the time of their appointment, they may transfer no more than 25% of the total number of shares they hold in the company every year. They shall not transfer the shares they hold within one year of the date of the company’s listing on a stock exchange, nor within six months after they leave their positions in the company. The articles of association may set out other restrictive provisions in respect of the transfer of shares in the company held by its directors, supervisors and the senior management.

REGULATIONS ON FOREIGN INVESTMENT

On March 15, 2019, the National People’s Congress of the PRC (“NPC”) approved the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》), and on December 26, 2019, the State Council promulgated the Implementation Regulations for the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》), or the Implementing Rules, to further clarify and

REGULATORY OVERVIEW

elaborate the relevant provisions of the Foreign Investment Law. The Foreign Investment Law and the Implementing Rules both took effect on January 1, 2020 and replaced three previous major laws on foreign investments in China, namely the Law of the People’s Republic of China on Sino-foreign Equity Joint Ventures (《中華人民共和國中外合資經營企業法》), the Law of the People’s Republic of China on Sino-foreign Contractual Joint Ventures (《中華人民共和國中外合作經營企業法》) and the Law of the People’s Republic of China on Wholly Foreign-owned Enterprises (《中華人民共和國外資企業法》), together with their respective implementing rules. Pursuant to the Foreign Investment Law, “foreign investments” refer to investment activities conducted by foreign investors (including foreign natural persons, foreign enterprises or other foreign organizations) directly or indirectly in the PRC, which include any of the following circumstances: (i) foreign investors setting up foreign-invested enterprises in the PRC solely or jointly with other investors, (ii) foreign investors obtaining shares, equity interests, property portions or other similar rights and interests of enterprises within the PRC, (iii) foreign investors investing in new projects in the PRC solely or jointly with other investors, and (iv) investment of other methods as specified in laws, administrative regulations, or as stipulated by the State Council. The Implementing Rules introduce a see-through principle and further provide that foreign-invested enterprises that invest in the PRC shall also be governed by the Foreign Investment Law and the Implementing Rules.

The Foreign Investment Law and the Implementation Regulation apply the administrative system of pre-establishment national treatment and negative list to foreign investment, and clarify the state shall develop a catalogue of industries for encouraging foreign investment to specify the industries, fields, and regions where foreign investors are encouraged and directed to invest. Investment activities in the PRC of foreign investors were principally governed by the Catalogue of Industries for Guiding Foreign Investment (《外商投資產業指導目錄》), which was promulgated by the Ministry of Commerce of the People’s Republic of China (the “MOFCOM”) and the National Development and Reform Commission (the “NDRC”) and was replaced by the Special Administrative Measures (Negative List) for the Access of Foreign Investment (Negative List) (2024 Version) (《外商投資准入特別管理措施(負面清單) (2024年版)》), or the 2024 Negative List, and Catalogue of Industries for Encouraging Foreign Investment 2025 version (《鼓勵外商投資產業目錄(2025年版)》), or the Encouraging List. The 2024 Negative List, which came into effect on November 1, 2024, sets out special administrative measures in respect of the access of foreign investment and the Encouraging List, which came into effect on February 1, 2026, sets out the encouraged industries for foreign investment. The negative list is subject to review and update by the PRC government from time to time, and the fields that were not included in the negative list shall be regulated according to the principle of equal treatment of domestic and foreign investments.

REGULATIONS ON FINANCE AND TAXATION MANAGEMENT

Electronic invoice services

According to the Administrative Measures of the PRC on Invoices (中華人民共和國發票管理辦法), which was promulgated by the State Council on December 23, 1993 and amended on December 20, 2010, March 2, 2019 and July 20, 2023, invoices shall mean proof of receipt and payment issued and collected for purchase and sale of commodities, provision or acceptance of services and other business activities. In order to further promote the application and promotion of electronic invoices and support the development of China’s digital economy, on February 6, 2023, the National Archives Administration of China, the MOF, the Ministry of Commerce (the “MOC”) and the SAT promulgated the Guide to the Whole-Process Electronic Management of Electronic Invoices (電子發票全流程電子化管理指南). According to the Guide to Whole-Process Electronic Management of Electronic Invoices, electronic Invoices refer to the receipt and payment vouchers issued and received in data messages during the purchase and sale of commodities, provision or acceptance of services and other business activities. Electronic invoices are available in layout document format and non-layout document format, which can be downloaded and stored in electronic storage devices and circulated in the form of digital messages.

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On March 21, 2017, in order to satisfy the needs of taxpayers in using electronic general invoice for VAT and promote the electronic general invoice for VAT, SAT promulgated the Guidelines of the State Administration of Taxation on Promotion of Electronic General Invoice for VAT (國家稅務總局關於進一步做好增值稅電子普通發票推行工作的指導意見). Pursuant to such guidelines, electronic invoice service platform shall be mainly based on self-established by taxpayers, or provided by third parties. Electronic invoice service platform shall provide the generation, printing, search, delivery and other basic services of the layout documents of electronic invoice free of charge. SAT is in charge of developing the unified technical standards and management system for the electronic invoice service platform, and build the tax supervision platform to carry out supervision and management to the service platform. The electronic invoice service platform shall observe the unified technical standards and management system. The technical plan and management plan for the platform development shall be filed with the state taxation authorities for record. For the promotion of the use of digitalized electronic invoices nationwide, the SAT promulgated the Announcement on Promoting the Use of Fully Digitalized Electronic Invoices (《關於推廣應用全面數字化電子發票的公告》) on November 12, 2024, which came into effect on December 1 2024. According to the Announcement on Promoting the Use of Fully Digitalized Electronic Invoices, digitalized electronic invoices are a type of “electronic invoice” as defined in the Administrative Measures the PRC on Invoices (《中華人民共和國發票管理辦法》). It is a new type of invoice where all invoice elements are fully digitalized, the invoice numbers are uniformly assigned nationwide, the invoice limit is intelligently granted, and the information is automatically transferred between taxpayers and tax authorities through digital tax accounts. Digitalized electronic invoices have the same legal effect as paper invoices.

According to the Announcement of the MOF, SAT, NDRC, State-owned Assets Supervision and Administration Commission of the State Council, State Administration for Market Regulation and National Archives Administration on the Notice of Cracking down on Arbitrary Charges imposed by Third Parties in the Name of Tax and Fee Deductions (國家稅務總局、國家發展改革委、財政部、國務院國有資產監督管理委員會、國家市場監督管理總局、國家檔案局關於堅決查處第三方涉稅服務借減稅降費巧立名目亂收費行為的通知) which was promulgated and became effective on April 4, 2019, third-party platforms for electronic invoices are required to go through record-filing of the names of operators, technical plans and management plans with provincial tax authorities. Where any operator fails to go through record-filing as required or fails to truthfully submit record-filing information, such operator shall be ordered to make correction within the specified time limit; if it fails to make correction within the time limit, it shall be prohibited from engaging in the services of third-party platforms for electronic invoices and subject to joint punishment imposed by relevant departments in accordance with laws and regulations.

According to the Provisional Regulations of the PRC on Value-Added Tax (《中華人民共和國增值稅暫行條例》) which was promulgated by the State Council on December 13, 1993 and most recently amended on November 19, 2017 and effective from the same date, where taxpayers export goods that are eligible for VAT refund (exemption), they shall complete export formalities with the customs and, based on the export declaration form and other relevant supporting documents, apply to the competent tax authorities on a monthly basis within the prescribed period for export VAT refund (exemption) declaration. Chinese Mainland entities and individuals that provide cross-border services or transfer intangible assets eligible for VAT refund (exemption) shall also apply to the competent tax authorities within the prescribed period for refund (exemption) procedures.

According to the Administrative Measures for the VAT Refund (Exemption) of Export Goods (Trial) (《出口貨物退(免)稅管理辦法(試行)》) which was promulgated by the SAT on March 16, 2005 and effective from May 1, 2005, exporters shall, within the prescribed time limit, collect all necessary documents for export VAT refund (exemption), use the electronic declaration system for export VAT refund (exemption) approved by the SAT to generate electronic declaration data, and truthfully fill out the export VAT refund (exemption) declaration form to declare and apply for refund (exemption) with the tax authorities. If the declaration is submitted after the prescribed period, unless otherwise provided, the tax authorities will no longer accept the VAT refund (exemption) application for the relevant export goods, and any taxes that should be recovered shall

REGULATORY OVERVIEW

be collected in accordance with the relevant regulations. After accepting the exporter’s VAT refund (exemption) declaration, the tax authorities shall, within the prescribed time limit, review the legality and accuracy of the declaration documents and materials, and verify the logical consistency among the declared data.

REGULATIONS ON PRODUCT LIABILITY AND CONSUMER RIGHTS PROTECTION

According to the Civil Code, if defective products are identified after they have been put into circulation, the manufacturers or the sellers shall take remedial measures such as issuance of a warning, alerts, calls and recall of products in a timely manner. In the event of damage arising from a defective product or the failure to take timely remedial actions, the infringed party may seek compensation from either the manufacturer or seller of such a product. If the defect is caused by the seller, the manufacturer shall be entitled to seek reimbursement from the seller upon compensation of the victim.

Pursuant to the PRC Product Quality Law (《中華人民共和國產品質量法》), which was promulgated on February 22, 1993 and amended on July 8, 2000, August 27, 2009, and December 29, 2018, a manufacturer is prohibited from producing or selling products that do not meet applicable standards and requirements for safeguarding human health and ensuring human and property safety. Products must be free from unreasonable dangers threatening human and property safety. Where a defective product causes physical injury to a person or property damage, the infringed party may make a claim for compensation from the manufacturer or the seller of the product. Manufacturers and sellers of non-compliant products may be ordered to cease the production or sale of the products and could be subject to confiscation of the products and/or fines. A seller of a product shall be responsible for repairing, replacing or returning the product with the specified defects, and shall compensate for the damages incurred by consumers who bought such defective product. After the seller performs its obligation of repairing, replacing and returning the defective product and/or compensating for the customers’ damages, such seller is entitled to seek reimbursement from the manufacturer of such product, if it could be proved that the defect is caused by the manufacturer. Earnings from sales in contravention of such standards or requirements may also be confiscated, and in severe cases, the business license may be revoked.

A variety of consumer protection laws are also applicable to regulate our business including the Consumer Rights and Interests Protection Law of the PRC (《中華人民共和國消費者權益保護法》), which was amended on October 25, 2013 and became effective on March 15, 2014. It imposes stringent requirements and obligations on business operators, who are required to guarantee that the products and services they provide satisfy the requirements for personal or property safety. Business operators are also required to provide consumers with authentic information about the quality, function, usage and term of validity of the products or services. Failure to comply with these consumer protection laws could result in a wide range of penalties including administrative sanctions, such as the issuance of a warning, confiscation of illegal income, imposition of fines, an order to cease business operations, revocation of business licenses, as well as potential civil or criminal liabilities.

REGULATIONS ON CYBERSECURITY, DATA SECURITY AND PERSONAL INFORMATION PROTECTION

PRC Cybersecurity and Data Security

On November 7, 2016, the SCNPC issued the PRC Cybersecurity Law (《中華人民共和國網絡安全法》) (the “Cybersecurity Law”), which came into effect on June 1, 2017. This is the first PRC law that focuses exclusively on cybersecurity. The Cybersecurity Law provides that network operators must set up internal security management systems that meets the requirements of a classified protection system for cybersecurity, including appointing dedicated cybersecurity personnel, taking technical measures to prevent computer viruses, network attacks and intrusions, taking technical measures to monitor and record network operation status and cybersecurity

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incidents, and taking data security measures such as data classification, backups and encryption. The Cybersecurity Law emphasizes that any individuals and organizations that use networks must not endanger network security or use networks to engage in unlawful activities such as those endangering national security, economic order and social order or infringing the reputation, privacy, intellectual property rights and other lawful rights and interests of others. Any violation of the provisions and requirements under the Cybersecurity Law may subject the Internet service providers to warnings, fines, confiscation of illegal gains, revocation of licenses, shutdown of websites or even criminal liabilities.

On December 28, 2021, the Ministry of Industry and Information Technology of the People’s Republic of China (the “MIIT”) and several other PRC governmental authorities jointly promulgated the Cybersecurity Review Measures (《網絡安全審查辦法》), which provide that (i) network platform operators in possession of over one million users’ personal information shall apply with the Cybersecurity Review Office for a cybersecurity review when listing in a foreign country; (ii) operators of “critical information infrastructure” that intend to purchase network products and services that will or may affect national security shall apply for a cybersecurity review; and (iii) network platform operators carrying out data processing that will affect or may affect national security shall apply for a cybersecurity review. The Cybersecurity Review Measures became effective on February 15, 2022 and replaced the Measures for Cybersecurity Review promulgated in April 2020.

On June 10, 2021, the SCNPC issued the PRC Data Security Law (《中華人民共和國數據安全法》), which has taken effect on September 1, 2021. The PRC Data Security Law provides a national data security review system, under which data processing activities that affect or may affect national security shall be reviewed. In addition, it clarifies the data security protection obligations of organizations and individuals carrying out data activities and implementing data security protection responsibility. Data processors shall establish and improve the whole-process data security management rules, organize and implement data security trainings as well as take appropriate technical measures and other necessary measures to protect data security. Any organizational or individual data processing activities that violate the PRC Data Security Law shall bear the corresponding civil, administrative or criminal liabilities depending on specific circumstances. On September 24, 2024, the State Council published the Regulations on Network Data Security Management (《網絡數據安全管理條例》), which became effective on January 1, 2025. The Network Data Security Management provides that data processors conducting the data processing activities that affect or may affect national security shall apply for cybersecurity review in accordance with the relevant laws and regulations.

On July 22, 2020, the Ministry of Public Security published the Guiding Opinions on the Implementation of Cybersecurity Hierarchical Protection System and Critical Information Infrastructure Security Protection System (《貫徹落實網絡安全等級保護制度和關鍵信息基礎設施安全保護制度的指導意見》), which requires, among others, to determine the cybersecurity protection level in a scientific manner based on the importance of network (including network facilities, information system, and data resources) in national security, economic construction, and social life, as well as factors such as the degree of harm after its destruction, and to implement hierarchical protection and supervision, with emphasis on ensuring the security of critical information infrastructure and networks at or above the third level.

On July 30, 2021, the State Council promulgated the Regulations for the Security Protection of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》), which became effective on September 1, 2021, referring “critical information infrastructures” as important network facilities and information systems in important industries including public communications and information services, as well as those that may seriously endanger national security, national economy, people’s livelihood, or public interests in the event of damage, loss of function, or data breach. Pursuant to the Regulations for the Security Protection of Critical Information Infrastructure, the relevant government authorities are responsible for stipulating rules for the identification of critical information infrastructures with reference to several factors set forth

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therein and further identifying the critical information infrastructure in the related industries in accordance with such rules. The relevant authorities must also notify operators of the determination as to whether they are categorized as critical information infrastructure operators.

Personal Information Protection

The Civil Code of the PRC (《中華人民共和國民法典》) (the “Civil Code”) that was issued on May 28, 2020 and became effective on January 1, 2021, provides that a natural person’s personal information shall be protected by the law. Any organization or individual shall legally obtain the personal information of others when necessary and ensure the security of such personal information, and shall not illegally collect, use, process or transmit the personal information of others, or illegally trade, provide or make public the personal information of others.

The Cybersecurity Law imposes certain data protection obligations on network operators, including that network operators may not disclose, tamper with, or damage users’ personal information that they have collected, and are obligated to delete unlawfully collected information and to amend incorrect information. Moreover, internet operators may not provide users’ personal information to others without consent. Exempted from these rules is information irreversibly processed to preclude identification of specific individuals. In addition, the Cybersecurity Law imposes breach notification requirements that will apply to breaches involving personal information.

Pursuant to the Ninth Amendment to the Criminal Law (《中華人民共和國刑法修正案(九)》) issued by the SCNPC on August 29, 2015 that became effective on November 1, 2015, any internet service provider that fails to fulfill the obligations related to the internet information security administration as required by the applicable laws and refuses to rectify upon orders, shall be subject to criminal penalty. Pursuant to the Notice of the Supreme People’s Court, the Supreme People’s Procuratorate and the Ministry of Public Security on Legally Punishing Criminal Activities Infringing upon the Personal Information of Citizens (《最高人民法院、最高人民檢察院、公安部關於依法懲處侵害公民個人信息犯罪活動的通知》) issued on April 23, 2013, Article 253 of the Criminal Law of the PRC (《中華人民共和國刑法》), and the Interpretation of the Supreme People’s Court and the Supreme People’s Procuratorate on Several Issues regarding Legal Application in Criminal Cases Infringing upon the Personal Information of Citizens (《最高人民法院、最高人民檢察院關於辦理侵犯公民個人信息刑事案件適用法律若干問題的解釋》), which was issued on May 8, 2017 and became effective on June 1, 2017, the following activities may constitute the crime of infringing upon a citizen’s personal information: (i) providing a citizen’s personal information to specified persons or releasing a citizen’s personal information online or through other methods in violation of relevant national provisions; (ii) providing legitimately collected information relating to a citizen to others without such citizen’s consent (unless the information is processed, not traceable to a specific person and not recoverable); (iii) collecting a citizen’s personal information in violation of applicable rules and regulations when performing a duty or providing services; or (iv) collecting a citizen’s personal information by purchasing, accepting or exchanging such information in violation of applicable rules and regulations.

On August 20, 2021, the SCNPC promulgated the Personal Information Protection Law of the People’s Republic of China (《中華人民共和國個人信息保護法》) (the “Personal Information Protection Law”), which became effective on November 1, 2021. According to the Personal Information Protection Law, personal information refers to any kind of information related to an identified or identifiable natural person as electronically or otherwise recorded, excluding information that has been anonymized. Processing of personal information includes the collection, storage, use, processing, transmission, provision, disclosure and deletion of personal information. Processing of personal information shall be for a specified and reasonable purpose, and shall be conducted for a purpose directly relevant to the purpose of processing and in a way that has the least impact on personal rights and interests. Collection of personal information shall be limited to the minimum scope necessary for achieving the purpose of processing and shall not be excessive. In addition, the Personal Information Protection Law specifically specifies the rules for processing

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sensitive personal information, i.e., personal information that, once leaked or illegally used, may easily cause harm to the dignity of natural persons or grave harm to personal or property security, including information on biometric characteristics, financial accounts, individual location tracking, etc., as well as the personal information of minors under the age of 14. Entities processing personal information shall bear responsibility for their personal information processing activities and adopt the necessary measures to safeguard the security of the personal information they process. Otherwise, entities processing the personal information will be ordered to correct or suspend or terminate the provision of services, confiscation of illegal income, fines or other penalties.

REGULATIONS ON PROPERTY LEASING

Pursuant to Administrative Measures on the Lease of Commodity Housing (《商品房屋租賃管理辦法》) issued by the Ministry of Housing and Urban-Rural Development on December 1, 2010, parties to a lease agreement shall complete the lease registration and filing process with the competent construction (real estate) departments of the municipalities directly under the PRC governments of cities and counties where the property is located within 30 days after the lease agreement is signed. For those who fail to comply with the above regulations, such competent departments may impose a fine ranging from RMB1,000 and RMB10,000 per lease.

REGULATIONS ON FOREIGN EXCHANGE

The principal regulations governing foreign currency exchange in the PRC are the PRC Foreign Exchange Administration Regulations (《中華人民共和國外匯管理條例》), or the Foreign Exchange Administration Regulations, which were promulgated by the State Council on January 29, 1996, and last amended on August 5, 2008. Under the Foreign Exchange Administration Regulations, Renminbi is generally freely convertible for payments of current account items, such as trade and service-related foreign exchange transactions and dividend payments, but not freely convertible for capital account items, such as direct investment, loan, or investment in securities outside of China, unless prior approval of SAFE or its local counterparts has been obtained.

The SAFE promulgated the Notice of the State Administration of Foreign Exchange on Reforming the Administration of Foreign Exchange Settlement of Capital of Foreign Invested Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》), or the SAFE Circular 19, in replacement of the Circular on the Relevant Operating Issues Concerning the Improvement of the Administration of the Payment and Settlement of Foreign Currency Capital of Foreign-Invested Enterprises (《國家外匯管理局綜合司關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的通知》). The SAFE further promulgated the Notice of the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》), or the SAFE Circular 16, effective on June 9, 2016, which, among other things, amended certain provisions of the SAFE Circular 19. According to the SAFE Circular 19 and the SAFE Circular 16, the flow and use of the Renminbi capital converted from foreign currency denominated registered capital of a foreign investment company is regulated such that Renminbi capital may not be used for business beyond its business scope or to provide loans to persons other than affiliates unless otherwise permitted under its business scope. Violations of the SAFE Circular 19 or the SAFE Circular 16 could result in administrative penalties.

On October 23, 2019, the SAFE promulgated the Circular of the State Administration of Foreign Exchange on Further Promoting Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) (the “SAFE Circular 28”), which cancels the restrictions on domestic equity investments by capital fund of non-investment foreign invested enterprises and allows non-investment foreign invested enterprises to use their capital funds to lawfully make equity investments in China, on the premise of no violation of the existing special administrative measures for access of foreign investments (negative list) and the authenticity and compliance with the laws. According to the Circular of the State Administration of Foreign Exchange on Optimizing Administration of Foreign Exchange to Support the Development of

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Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) (the “SAFE Circular 8”), issued by the SAFE on April 10, 2020, on the premise of ensuring that the use of funds is genuine and compliant and in line with the existing regulations on use of income under the capital account, eligible enterprises are allowed to make domestic payments by using their capital account income such as capital funds, foreign debt, fund raising from overseas listings, without providing the authenticity proof materials to the bank in advance for each payment. The handling bank shall conduct spot check afterwards in accordance with the relevant requirements. The interpretation and implementation in practice of the SAFE Circular 28 and the SAFE Circular 8 are still subject to substantial uncertainties.

According to the Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) promulgated by the SAFE on December 26, 2014, a domestic company shall, within 15 business days from the date of completion of its overseas listing and offering, deal with registration formalities for the overseas listing with the local branch of the State Administration of Foreign Exchange at the place of its registration. The proceeds raised by the domestic company from overseas listing may be repatriated or be deposited overseas. The usage of such proceeds shall be consistent with the relevant content mentioned in the publicly disclosed documents such as the document, explanation on offering of corporate bonds, circulars to shareholders, resolutions of the board of directors or the general meetings.

REGULATIONS ON INTELLECTUAL PROPERTY RIGHTS

Copyright and Software Registration

According to the Copyright Law of the PRC (《中華人民共和國著作權法》) which was promulgated by the SCNPC on September 7, 1990 and implemented on June 1, 1991, and finally revised on November 11, 2020 and came into effect on June 1, 2021, and the Implementation Regulations of the Copyright Law of the PRC (《中華人民共和國著作權法實施條例》) promulgated by the State Council on August 2, 2002 and implemented on September 15, 2002, and finally revised on January 30, 2013. Copyright holders enjoy a variety of personal and property rights, including the right of publication, the right of authorship, the right of reproduction, and the right of communication of information on networks.

Pursuant to the Regulations on Computer Software Protection (《計算機軟件保護條例》) promulgated on June 4, 1991 by the State Council and last amended on January 30, 2013 and the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated on April 6, 1992 and last amended by the National Copyright Administration on February 20, 2002, the National Copyright Administration is mainly responsible for the registration and management of software copyright in China and recognizes the China Copyright Protection Center as the software registration organization. The China Copyright Protection Center shall grant certificates of registration to computer software copyright applicants in compliance with the regulations of the Measures for the Registration of Computer Software Copyright and the Regulations on Computers Software Protection.

Trademark

According to the Trademark Law of the PRC (《中華人民共和國商標法》), promulgated by the SCNPC on August 23, 1982 and last amended on April 23, 2019 and came into effect on November 1, 2019, and the Implementing Regulations of the Trademark Law of the People's Republic of China (《中華人民共和國商標法實施條例》), which was promulgated by the State Council on August 3, 2002 and revised on April 29, 2014, and became effective on May 1, 2014, the Trademark Office of China National Intellectual Property Administration (the “Trademark Office”) is responsible for the registration and administration of trademarks and resolving trademark disputes in the PRC. Registered trademarks are valid for ten years from the date the registration is approved. A registrant may apply to renew a registration within twelve months before

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the expiration date of the registration. If the registrant fails to apply in a timely manner, a grace period of six additional months may be granted. If the registrant fails to apply before the grace period expires, the registered trademark shall be deregistered. Renewed registrations are valid for ten years. A trademark registrant may, by entering into a trademark licensing contract, license another party to use its registered trademark. Where another party is licensed to use a registered trademark, the licensor shall report the license to the Trademark Office for recordation, and the Trademark Office shall publish it. An unrecorded license may not be used as a defense against a third party in good faith.

Patents

According to the Patent Law of the People’s Republic of China (《中華人民共和國專利法》) (the “Patent Law”), which was promulgated by the SCNPC on March 12, 1984 and revised on September 4, 1992, August 25, 2000, December 27, 2008 and October 17, 2020 respectively, and became effective on June 1, 2021, and the Rules for Implementation of the Patent Law of the People’s Republic of China (《中華人民共和國專利法實施細則》), which was promulgated by the State Council on June 15, 2001 and revised on December 28, 2002, January 9, 2010, December 11, 2023, and became effective on January 20, 2024, the patent administration department under the State Council shall be responsible for the patent-related work in China. It accepts and examines patent applications in a uniform way and grants patent rights in accordance with the law. The Patent Law and its implementation rules provide for three types of patents, namely “inventions,” “utility models” and “designs”. Invention patents are valid for twenty years, utility model patents are valid for ten years, and since June 1, 2021, the term of protection for design patents whose application date is after June 1, 2021 has been extended to fifteen years in each case from the date of application. The Chinese patent system adopts a “first-to-file” principle, which means that where more than one person files a patent application for the same invention, utility model or design, a patent will be granted to the person who files the application first. An invention or a utility model must possess novelty, inventiveness and practical applicability to be patentable. Third Parties must obtain consent or a proper license from the patent owner to use the patent. Otherwise, the unauthorized use constitutes an infringement on the patent rights.

Domain Names

The Administrative Measures on Internet Domain Names (《互聯網域名管理辦法》) (the “Domain Name Measures”) was promulgated by the MIIT on August 24, 2017, and came into effect on November 1, 2017. According to the Domain Name Measures, any party that has domain name root servers, and the institution for operating domain name root servers, the domain name registry, and the domain name registrar within the territory of the PRC, shall obtain a permit from the MIIT (for root server operators and registries) or the communications administration of the local province (for registrars), autonomous region or municipality directly under the PRC central government. The registration of domain names generally follows a “first-come, first-served” basis and a domain name applicant will become the domain name holder upon the completion of the application procedure.

Trade Secrets

According to the PRC Anti-Unfair Competition Law (《中華人民共和國反不正當競爭法》), promulgated by the SCNPC in September 1993, as most recently amended on June 27, 2025 and effective from October, 15 2025, the term “trade secrets” refers to technical information, business information, or other commercial information that is not publicly known, has commercial value, and is subject to confidentiality measures taken by the rights holder. Under the PRC Anti-Unfair Competition Law, business persons are prohibited from infringing others’ trade secrets by: (1) obtaining the trade secrets from the legal owners or holders by any unfair methods such as theft, bribery, fraud, coercion, electronic intrusion, or any other illicit means; (2) disclosing, using or permitting others to use the trade secrets obtained illegally under item above; (3) disclosing, using or permitting others to use the trade secrets, in violation of any contractual agreements or any

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requirements of the legal owners or holders to keep such trade secrets in confidence; or (4) instigate, induce or assist others to violate confidentiality obligation or to violate a rights holder’s requirements on keeping confidentiality of commercial secrets, so as to disclose, use or allow others to use the commercial secrets of the rights holder. If a third party knows or should have known of the above-mentioned illegal conduct but nevertheless obtains, uses or discloses trade secrets of others, the third party may be deemed to have committed a misappropriation of the others’ trade secrets. The parties whose trade secrets are being misappropriated may petition for administrative corrections, and regulatory authorities may stop any illegal activities and fine infringing parties.

REGULATIONS ON TAX IN THE PRC

Principal Taxation of Our Company

Enterprise Income Tax

According to the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》) promulgated by the National People’s Congress on March 16, 2007, and most recently amended on December 29, 2018 and effective from the same date and the Enterprise Income Tax Implementation Regulations (《中華人民共和國企業所得稅法實施條例》) promulgated by the State Council on December 6, 2007, and most recently amended on December 6, 2024 and effective from January 20, 2025, enterprises are divided into resident enterprises and non-resident enterprises. Resident enterprises are enterprises which are set up in China in accordance with the law, or which are set up in accordance with the law of a foreign country (region) but are actually under the administration of institutions in China. Non-resident enterprises are enterprises which are set up in accordance with the law of a foreign country (region) and whose actual administrative institution is not in China, but which have institutions or establishments in China, or have no such institutions or establishments but have income generated from inside China. Resident enterprises are subject to a uniform 25% enterprise income tax rate on their worldwide income. The enterprise income tax rate is reduced by 20% for qualifying small low-profit enterprises. The high-tech enterprises that need full support from the PRC’s government will enjoy a 15% tax rate reduction for Enterprise Income Tax.

Value-added Tax

Pursuant to the Provisional Regulations on Value-Added Tax of the People’s Republic of China (《中華人民共和國增值稅暫行條例》), which was promulgated by the State Council on December 13, 1993 and most recently amended on November 19, 2017 effective from the same date, and the Detailed Rules for the Implementation of the Interim Regulations of the People’s Republic of China on Value-added Tax (《中華人民共和國增值稅暫行條例實施細則》) which was promulgated by the Ministry of Finance on December 25, 1993 and most recently amended on October 28, 2011, and effective from November 1, 2011, all entities or individuals in the PRC engaged in the sale of goods, processing services, repair and replacement services, and the provision of services, sales of intangible assets, real estate and importation of goods are required to pay value-added tax (“VAT”). Unless otherwise provided, taxpayers engaged in the provision of services and sales of intangible assets are subject to a tax rate of 6%, 9% or simplified rates (3%/5%) depending on the category.

According to the Notice of the MOF and the SAT on Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax in an All-round Manner (Caishui [2016] No. 36) (《財政部、國家稅務總局關於全面推開營業稅改徵增值稅試點的通知》(財稅[2016]36號)) promulgated by the Ministry of Finance and the State Administration of Taxation promulgated on March 23, 2016 and effective from May 1, 2016, and amended on July 11, 2017, and March 20, 2019, respectively, with the approval of the State Council, as of May 1, 2016, the pilot program of replacing business tax with VAT shall be implemented across the country, all business tax taxpayers in the construction industry, the real estate industry, the financial industry, and the living service industry shall be included in the scope of the pilot program, and the payment of business tax shall be replaced by the payment of VAT.

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According to the Circular on Policies for Simplifying and Consolidating Value-Added Tax Rates (Cai Shui [2017] No. 37) (《關於簡並增值稅稅率有關政策的通知》(財稅[2017]37號)), announced by the Ministry of Finance and the State Administration of Taxation on April 28, 2017, and effective from July 1, 2017, the structure of value-added tax (VAT) rates will be simplified from July 1, 2017, and the 13% VAT rate will be canceled. The scope of goods with an 11% tax rate and the provisions for deducting input tax are specified.

According to the Circular on Adjusting Value-Added Tax Rates of Ministry of Finance and the State Administration of Taxation (Cai Shui [2018] No. 32) (《財政部、稅務總局關於調整增值稅稅率的通知》(財稅[2018]32號)) announced by the Ministry of Finance and the State Administration of Taxation on April 4, 2018 and effective May 1, 2018, from May 1, 2018, where a taxpayer engages in a taxable sales activity for value-added tax (VAT) purpose or imports goods, the previous applicable 17% and 11% tax rates are adjusted to be 16% and 10% respectively.

According to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs (《財政部、稅務總局、海關總署關於深化增值稅改革有關政策的公告》) (“Announcement of the Ministry of Finance of the PRC, the State Taxation Administration and the General Administration of Customs of the PRC [2019] No. 39”) announced by the Ministry of Finance, the State Taxation Administration, and the General Administration of Customs on March 20, 2019 and effective from April 1, 2019, with respect to VAT taxable sales or imported goods of a VAT general taxpayer, the originally applicable VAT rate of 16% shall be adjusted to 13%, and the originally applicable VAT rate of 10% shall be adjusted to 9%.

Dividends Distribution

Pursuant to the PRC Company Law, when a company distributes its after-tax profits for the current year, it shall set aside 10% of the profits to be included in the company’s statutory reserve. A company may elect not to do so if its aggregate statutory reserve reaches 50% or more of its registered capital. If a company’s statutory reserve is insufficient to cover previous years’ losses, the current year’s profits shall first be used to cover such losses before statutory reserve is set aside. After a company sets aside an amount for statutory reserve from its after-tax profits, it may, subject to a resolution of the shareholders’ meeting, set aside an amount for discretionary reserve from its after-tax profits. Furthermore, the EIT Law provides that dividends paid by a PRC entity to a non-resident enterprise for income tax purposes are subject to PRC withholding tax at a rate of 10%, subject to reduction by an applicable tax treaty with China.

Taxation on Dividends

Individual Investors

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) which was promulgated on September 10, 1980 and last amended on August 31, 2018 by the SCNPC, and which came into effect on January 1, 2019, and the Regulations for the Implementation of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法實施條例》), which were last amended by the State Council on December 18, 2018 and which came into effect on January 1, 2019, dividends paid by PRC enterprises to individual investors are generally subject to a proportional tax rate of 20%. For a foreign individual who is not a resident of the PRC, the receipt of dividends from an enterprise in the PRC is normally subject to individual income tax of 20% unless specifically exempted by the tax authority of the State Council or reduced by a relevant tax treaty. In addition, pursuant to the Circular on Certain Policy Questions Concerning Individual Income Tax (《關於個人所得稅若干政策問題的通知》) issued by the MOF and SAT on May 13, 1994, the income gained by individual foreigners from dividends of foreign-invested enterprises is exempted from individual income tax for the time being.

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Corporate Investors

According to the EIT Law, non-resident enterprises that have not set up institutions or establishments in China, or have set up institutions or establishments but the income obtained by the said enterprises has no actual connection with the set-up institutions or establishments, shall pay enterprise income tax in relation to their income originating from China (including dividends received from a PRC resident enterprise), and the enterprise income rate is generally 10%. The aforesaid income tax payable by a non-resident enterprise must be withheld at source. The payer of the income is the withholding obligator. When making such payment or when such payment becomes due and payable, the withholding obligator shall withhold the income tax from the payment or the amount due and payable.

The Circular of the SAT on Issues Relating to Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Distributed to Overseas Non-PRC Resident Enterprise Holding H Shares of the Enterprises (《國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》), which was promulgated by the SAT and which came into effect on November 6, 2008, further clarifies that PRC resident enterprises should, in distributing dividends for year 2008 or any year thereafter to non-resident enterprises holding H-shares of the enterprises, withhold enterprise income tax for such dividends at a tax rate of 10%. The Reply from the SAT on Issues Concerning Levying Enterprise Income Tax on Dividends of B Shares and Other Shares Obtained by Non-resident Enterprises (《國家稅務總局關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》), which was promulgated by the SAT on July 24, 2009, further provides that where PRC resident enterprises that have shares (A shares, B shares and overseas shares) publicly issued and listed in and outside of the PRC distribute dividends of year 2008 or any year thereafter to non-resident enterprise shareholders, enterprise income tax at the rate of 10% shall be withheld. Where non-resident enterprise shareholders need to enjoy tax treatments specified in tax treaties, relevant provisions of tax treaties shall apply.

Taxes on Income from Share Transfer

Individual Investors

According to the relevant regulations on individual income tax, individuals shall pay the individual income tax at the rate of 20% on their income from the sale of shares of PRC resident enterprises.

In accordance with the Circular of the MOF and the SAT on the Continued Exemption of Individual Income Taxes Levied on Income Obtained from the Transfer of Shares (《財政部、國家稅務總局關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) that was promulgated by the MOF and the SAT on March 30, 1998, since January 1, 1997, income of individuals from the transfer of shares of listed companies remains exempted from individual income tax. The Circular of Issues Concerning the Imposition of Individual Income Tax on Income from the Transfer of Restricted Shares of Listed Companies by Individuals (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》) which was jointly promulgated on December 31, 2009 by the MOF, the SAT and the CSRC, provides that income from the transfer of shares of listed companies on relevant domestic stock exchanges by individuals shall continue to be exempted from individual income tax, except for the relevant restricted shares as defined in Supplemental Circular of the MOF, the SAT and the CSRC of Issues Concerning the Imposition of Individual Income Tax on Income from the Transfer of Restricted Shares of Listed Companies by Individuals (《財政部、國家稅務總局、證監會關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的補充通知》). As of the Latest Practicable Date, the foresaid provisions don't specify whether individual income tax on transfer of shares of a PRC resident enterprise listed on an overseas stock exchange by non-resident individual shareholders would be levied.

REGULATORY OVERVIEW

Corporate Investors

According to the EIT Law, non-resident enterprises that have not set up institutions or establishments in China, or have set up institutions or establishments but the income obtained by the said enterprises has no actual connection with the set-up institutions or establishments, shall pay enterprise income tax in relation to their income originating from China (including gains from the disposal of shares of PRC resident enterprises) and the enterprise income tax rate is generally 10%. Such tax may be reduced or eliminated under applicable tax treaties or arrangements.

REGULATIONS ON LABOR

Labor Law and Labor Contracts

The Labor Law of the PRC (《中華人民共和國勞動法》), or the Labor Law, which became effective in January 1995 and was last amended on December 29, 2018, and the Employment Contract Law of the PRC (《中華人民共和國勞動合同法》), or the Employment Contract Law, effective in January 2008 and amended on December 28, 2012, require employers to provide written contracts to their employees, restrict the use of temporary workers and aim to give employees long-term job security. Employers must pay their employees' wages equal to or above local minimum wage standards, establish labor safety and workplace sanitation systems, comply with state labor rules and standards, and provide employees with appropriate training on workplace safety. On September 18, 2008, the State Council promulgated the Implementing Regulations for the PRC Employment Contract Law (《中華人民共和國勞動合同法實施條例》), which became effective immediately, interpreting and supplementing the provisions of the Employment Contract Law.

Social Insurance and Housing Fund

Employers in the PRC are required to contribute, for and on behalf of their employees, to a number of social insurance funds, including funds for pension, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance and housing fund. The various laws and regulations that govern the employers' obligations to contribute to the social insurance funds include the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), which was promulgated by the SCNPC on October 28, 2010 and amended on December 29, 2018, the Interim Regulations on the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》), which were promulgated by the State Council on January 22, 1999 and amended on March 24, 2019, the Regulations on Work-related Injury Insurance (《工傷保險條例》), which were promulgated by the State Council on April 27, 2003 and amended on December 20, 2010, and the Regulations on Management of the Housing Fund (《住房公積金管理條例》), which were promulgated and became effective on April 3, 1999 and were amended on March 24, 2002 and on March 24, 2019. According to the Social Insurance Law of the PRC, when an employer fails to pay social insurance contributions on time and in full, the social insurance contributions collecting agency shall place an order with the employer demanding full payment within a prescribed period, and an overdue payment fine at the rate of 0.05% per day shall be levied as of the date of indebtedness. If the payment is not made at the expiry of the prescribed period, a fine of more than the overdue amount but not more than triple the overdue amount shall be imposed by the authoritative administrative department. Under the Regulations on Management of the Housing Fund, if an entity fails to conduct registration of deposit of housing provident fund or fails to go through the formalities of opening housing provident fund accounts for its employees, the housing provident fund management center shall order it to go through the formalities within a prescribed time limit; if the entity fails to do so by the expiration of the time limit, a fine ranging from RMB10,000 to RMB50,000 shall be imposed. If an entity is overdue in the payment and deposit of, or underpays, the housing provident fund, the housing provident fund management center shall order it to make the payment and deposit within a prescribed time limit; where the payment and deposit has not been made after the expiration of the time limit, an application may be made to a people's court for compulsory enforcement.

REGULATORY OVERVIEW

REGULATIONS ON ANTI-UNFAIR COMPETITION AND ANTI-MONOPOLY

According to the Anti-unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》), which was promulgated by the SCNPC on September 2, 1993 and was last amended on June 27, 2025, while carrying out production or business activities, a business operator shall follow the principles of voluntariness, equality, fairness, and good faith, abide by laws and observe business ethics, and participate fairly in market competition. Unfair competition act refers to an act of disrupting market competition order and harming the lawful rights and interests of another business operator or consumers conducted by a business operator in violation of the provisions of the Anti-unfair Competition Law in the course of its production or business activities.

The Anti-Monopoly Law (《中華人民共和國反壟斷法》), promulgated by the SCNPC on August 30, 2007 and amended on June 24, 2022 with effect on August 1, 2022, requires that monopoly agreements between business operators who are in competition with each other are prohibited, and a business operator must not organize other business operators to enter into a monopoly agreement or provide substantive assistance to another business operator in entering into a monopoly agreement. A business operator who holds a dominant market position shall be prohibited from engaging in the conduct by abusing its dominant market position. When a concentration of undertakings occurs and reaches statutory thresholds, the undertakings concerned shall file a prior notification with the State Council’s anti-monopoly law enforcement authority. In the absence of such notification, such concentration may not be carried out. Where any business operator carries out a concentration of undertakings in violation of the Anti-Monopoly Law, the business operator shall be ordered to end the concentration, dispose of the shares or assets and transfer business within a time limit, take other necessary measures to restore its status to the pre-concentration state, and impose on it a fine of not more than ten percent of its last year’s sales revenue if the concentration of undertakings has or may have an effect of excluding or limiting competition; or a fine of not more than RMB5,000,000 if the concentration of undertakings does not have an effect of excluding or limiting competition. Mergers, acquisitions, contractual arrangements or other means that allow one undertaking to take control of or to exert decisive impact on another undertaking must also be notified in advance to the anti-monopoly law enforcement authority when the threshold under the Provisions of the State Council on Thresholds for Declaration of Concentrations of Undertakings (《國務院關於經營者集中申報標準的規定》), issued by the State Council in August 2008 and amended in September 2018 and January 2024, is triggered.

REGULATIONS ON SECURITIES AND OVERSEAS LISTINGS

Securities Laws and Regulations

The Securities Law of the PRC (《中華人民共和國證券法》), which was promulgated by the SCNPC on December 29, 1998, and was last amended on December 28, 2019 and came into effect on March 1, 2020, comprehensively regulating activities in the PRC securities market including issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities, etc. The Securities Law further regulates that a domestic enterprise issuing securities overseas directly or indirectly or listing its securities to be traded overseas shall comply with the relevant provisions of the State Council and for subscription and trading of shares of domestic companies which are denominated in foreign currencies, specific measures shall be stipulated by the State Council separately. The CSRC is the securities regulatory body set up by the State Council to implement centralized, unified supervision and administration of the securities markets nationwide. Currently, the issue and trading of H shares are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

REGULATORY OVERVIEW

Overseas Listings

On July 6, 2021, the General Office of the Communist Party of China Central Committee and the General Office of the State Council jointly issued the Opinions on Strictly Cracking Down on Illegal Securities Activities (《關於依法從嚴打擊證券違法活動的意見》) to crack down on illegal activities and promote high-quality development of the securities market, which, among other things, requires relevant governmental authorities to strengthen cross-border oversight of law-enforcement and judicial cooperation, to enhance supervision over China-based companies listed overseas, and to establish and improve the system of extraterritorial application of the PRC securities laws.

On February 17, 2023, the CSRC issued the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the “Overseas Listing Trial Measures”), and five relevant supporting guidelines (together with the Overseas Listing Trial Measures, collectively referred to as the “New Regulations on Filing”), which took effect on March 31, 2023. The New Regulations on Filing refine the regulatory system for domestic company’s overseas offering and listing by subjecting both direct and indirect overseas offering and listing activities to the filing-based administration, and clearly define the circumstances where provisions for direct and indirect overseas offering and listing apply and relevant regulatory requirements. According to the Overseas Listing Trial Measures, where a domestic company seeks to directly offer and list securities in overseas markets, the issuer shall file with the CSRC. Initial public offerings or listings in overseas markets shall be filed with the CSRC within three (3) working days after the relevant application is submitted overseas. Failure to complete the filing required by the Overseas Listing Trial Measures may result in a warning and a fine between RMB1 million and RMB10 million as for the domestic entity.

In addition, on February 24, 2023, the CSRC, the MOF, the National Administration of State Secrets Protection and the National Archives Administration of China jointly promulgated the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》), or the Confidentiality and Archives Administration Provisions, which took effect on March 31, 2023. According to the Confidentiality and Archives Administration Provisions, where a PRC domestic company provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall first obtain approval from competent authorities according to law and file with the secrecy administrative department at the same level. To provide accounting archives or copies to relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, a PRC domestic company shall perform the corresponding procedures in compliance with applicable national regulations. Working papers produced in the PRC by securities companies and securities service institutions in the process of undertaking businesses related to overseas offering and listing by PRC domestic companies shall be retained in the PRC. Where such documents need to be transferred or transmitted to outside of the PRC, relevant approval procedures stipulated by regulations shall be followed.

Full Circulation of H Shares

“Full circulation” means listing and circulating on the stock exchange of the domestic unlisted shares of an H-share listed company, including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares additionally issued after overseas listing, and unlisted shares held by foreign shareholders. On November 14, 2019, the CSRC issued the Guidelines for the “Full Circulation” Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請“全流通”業務指引》) (the “**Guidelines for the Full Circulation**”), which was amended on August 10, 2023.

REGULATORY OVERVIEW

According to the Guidelines for the Full Circulation, shareholders of domestic unlisted shares may determine by themselves through consultation the amount and proportion of shares, for which an application will be filed for circulation, provided that the requirements laid down in the relevant laws and regulations and set out in the policies for state-owned asset administration, foreign investment and industry regulation are met, and the corresponding H-share listed company may be entrusted to file the said application for full circulation. To apply for full circulation, an H-share listed company shall file the application with the CSRC according to the filing procedures necessary for the Overseas Listing Regulations. After the application for full circulation has been approved by the CSRC, the H-share listed company shall submit a report on the relevant situation to the CSRC within 15 days after the registration with China Securities Depository and Clearing Limited (the “**CSDC**”) of the shares related to the application has been completed. After domestic unlisted shares are listed and circulated on the Hong Kong Stock Exchange, they may not be transferred back to China.

On December 31, 2019, CSDC and the Shenzhen Stock Exchange jointly announced the Measures for Implementation of H-share Full Circulation Business (《H股“全流通”業務實施細則》) (the “**Measures for Implementation**”) to regulate the H-share full circulation business, such as cross-border transfer registration, maintenance of deposit and holding details, transaction entrustment and instruction transmission, settlement, management of settlement participants, services of nominal holders, etc.

In addition, the Shenzhen Branch of CSDC released the Guide for “Full Circulation” Business of H Shares by the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (《中國證券登記結算有限責任公司深圳分公司H股“全流通”業務指南》) on September 20, 2024 and amended it on June 27, 2025 which clearly provides for business arrangements and procedures related to H-share full circulation business, including business preparation, cross-border transfer registration, overseas depository of shares and initial maintenance and change in maintenance of domestic holding details, corporate behavior processing, clearing and settlement, risk management and business charges.

Pursuant to the Overseas Listing Regulations, in respect of a domestic company directly listed overseas, shareholders holding its unlisted domestic shares who apply to convert such shares held by them into listed overseas shares and to be listed in an overseas stock exchange, shall comply with the relevant regulations of the CSRC and entrust domestic enterprises to file with the CSRC.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

Our history can be traced back to December 18, 2012, when our Company was established in the PRC by Nanjing Skytech, where Ms. Xin was a co-founder, with the strategic goal of offering cross-border intelligent finance and tax services to corporate clients. At that time of our inception, Nanjing Skytech was a principal operating subsidiary of Sinsoft Technology, which was subsequently listed on the Stock Exchange on July 9, 2013 under stock code 1297. On November 27, 2020, to better align our business development with long-term vision for the cross-border digital sector, a strategic restructuring was implemented whereby Nanjing Skytech transferred the entire equity interest in our Company to Skytech Venture Capital, an investment vehicle controlled by Ms. Xin and one of our Controlling Shareholders. Concurrently, our Company’s registered capital was increased with the additional capital being subscribed by Ms. Xin, marking the point at which our Company became independently controlled by her. On July 15, 2025, our Company was converted from a limited liability company into a joint stock limited company. After more than 13 years of development, we have become a digital service provider for cross-border enterprises in China, dedicated to providing multifaceted digital solutions for cross-border enterprises with import and export trade business. For more details of our business, see the section headed “Business”. For details of Ms. Xin’s biography, see the section headed “Directors and Senior Management”.

KEY MILESTONES

The following table sets out the key milestones of our corporate and business development:

2012	Our Company was established to provide business-finance-taxation digital solutions for cross-border enterprises.
2013	We launched our first VAT invoicing software product.
2015	We established our initial regional coverage in the Yangtze River Delta, including involvement in departure tax refund pioneered in Shanghai.
2016	We introduced our flagship product Agile Cloud, representing our first integrated business-finance-taxation solution.
2018	We were certified under CMMI Level 5, demonstrating our world-class research and development capabilities.
2019	We introduced Zumoo Enterprises Compliance Service Platform, our cross-border e-commerce compliance product.
2020	We launched Acumen Invoice Management Cloud, our second-generation intelligent invoice management solution.
2021	We launched our Export Trade Document Management System, China’s first paperless document management product, and we expanded our operation in Shandong and Guangdong.
2022	We launched our Smart Cert FTA Digital Platform, China’s first comprehensive FTA solution.
2023	We launched our Digitalized Electronic Invoice Management Cloud.
2024	We launched our AI assistant TaxMate, leveraging artificial intelligence technologies to automate operations and deliver intelligent tax advisory services, cementing our position as the market leader.
2025	We were converted into a joint stock limited company.
	We initiated a pilot sale of Smart Expense Product, a solution focused on corporate expense control and reimbursement management.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OUR SUBSIDIARIES

As of the Latest Practicable Date, we carried out our business through our Company and our three subsidiaries in the PRC. The following table sets out certain information of each of our subsidiaries as of the Latest Practicable Date.

Name	Place of establishment	Date of establishment	Principal business	Ownership as of the Latest Practicable Date
Skytech Zumoo	PRC	July 26, 2018	Research and development of software and provision of information technology management services	100%
Guangzhou Skytech	PRC	October 21, 2021	Sales of software	100%
Shandong Skytech	PRC	May 12, 2021	Sales of software	100%

MAJOR SHAREHOLDING CHANGES

Our Company

Our Company was established in the PRC as a limited liability company with an initial registered capital of RMB10,000,000 on December 18, 2012. Upon establishment, our Company was wholly owned by Nanjing Skytech.

Since its establishment, our Company has undergone a series of shareholding changes as detailed below.

Equity Transfer and Capital Increase in November 2020

On November 27, 2020, Nanjing Skytech disposed of its entire equity interest in our Company to Skytech Venture Capital at a consideration of RMB503,497,750. The consideration was settled on November 30, 2020. The amount of consideration was determined based on arm’s length negotiations of the parties considering, among other things, (i) a valuation conducted using the market approach, and (ii) the proven track record and the historical financial performance of our Company. The disposal was effected as Sinsoft Technology wished to focus on its government big data software and low carbon & ecology software and related services businesses, as part of Sinsoft Technology’s internal restructuring to dispose of all assets relevant to export enterprise cloud-based software and services in order to better streamline its business portfolio.

On the same day, pursuant to shareholders’ resolutions, the registered capital of our Company was increased from RMB10,000,000 to RMB10,000,001, where Ms. Xin subscribed for the additional registered capital of RMB1.0. The aforesaid subscription at nominal consideration was effected in order to comply with the said legal requirement, such that Ms. Xin retained a direct holding of equity interests. Upon completion of the equity transfer and capital increase, our Company was owned as to 99.99999% by Skytech Venture Capital and 0.00001% by Ms. Xin.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Capital Increase in January 2021

On November 27, 2020, Skytech Venture Capital and our Company entered into a debt capitalisation agreement, pursuant to which Skytech Venture Capital agreed to convert an amount of RMB201,170,950 owing by our Company due to an account payable arising from the disposal of assets by Sinosoft Technology as described above into additional capital of our Company, resulting in an increase of RMB1,183,379.72 in the registered capital and RMB199,987,570.28 in capital reserves of our Company. The debt capitalisation was effected on January 14, 2021. Upon completion of the capital increase, our Company remained owned as to 99.99999% by Skytech Venture Capital and 0.00001% by Ms. Xin.

Equity Transfers to Pre-[REDACTED] Investors and Other Investors in 2021

Pursuant to various equity transfer agreements entered into by Skytech Venture Capital and the respective investors, Skytech Venture Capital disposed of part of its equity interests to broaden our shareholder base. On January 27, 2021, Skytech Venture Capital transferred approximately 5.26% of equity interest in our Company to CICC Qihong, one of our Pre-[REDACTED] Investors, at a consideration of RMB100,000,000, which was settled on February 2, 2021.

On June 30, 2021, Skytech Venture Capital further transferred approximately 1.05% of equity interest in our Company to Zhangjiagang SIH, one of our Pre-[REDACTED] Investors, at a consideration of RMB20,000,000, which was settled on July 21, 2021. On September 17, 2021, Skytech Venture Capital further transferred approximately 5.21% of equity interest in our Company to Guozhong Fund, one of our Pre-[REDACTED] Investors, at a consideration of RMB99,000,000, which was settled on September 22, 2021. On October 17, 2021, Skytech Venture Capital further transferred 1.58% of equity interest in our Company to Huaifu Growth, an Independent Third Party, at a consideration of RMB30,000,000 (which was settled on October 19, 2021), and 2.11% of equity interest in our Company to Tietou Jushi Fund, an Independent Third Party, at a consideration of RMB40,000,000 (which was settled on October 22, 2021). On October 26, 2021, Skytech Venture Capital further transferred 0.53% of equity interest in our Company to Rudong Jushi, an Independent Third Party, at a consideration of RMB10,000,000, which was settled on November 8, 2021.

The consideration amounts of the above equity transfers were determined based on arm’s length negotiations among the parties with reference to (i) the historical operating performance and business prospects of our Company; (ii) the timing of the respective investments; and (iii) the then valuation and net assets of our Company.

Upon completion of the aforesaid transfers, as of December 31, 2021, the shareholding structure of our Company was as follows:

Shareholder	Registered capital (RMB)	Approximate percentage of shareholding (%)
Skytech Venture Capital	9,423,468.74	84.26
CICC Qihong	588,598.99	5.26
Guozhong Fund	582,713.00	5.21
Tietou Jushi Fund	235,439.59	2.11
Huaifu Growth	176,579.70	1.58
Zhangjiagang SIH	117,719.80	1.05
Rudong Jushi	58,859.90	0.53
Ms. Xin	1	0.00 ^{Note}
	11,183,380.72	100

Note: As of December 31, 2021, the percentage shareholding of Ms. Xin (excluding her interest held through Skytech Venture Capital) was approximately 0.00001%.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Equity Transfer in 2025

Pursuant to a compensatory equity transfer agreement entered into by all of the then Shareholders on December 17, 2024, Skytech Venture Capital agreed to transfer an aggregate of approximately 6.10% equity interests in our Company held by it to the then Shareholders at a total nominal consideration of RMB6.0 as payment to them as the performance targets for the years 2021 to 2023 stipulated in the original shareholders’ agreement dated October 26, 2021 had not been met by our Company. As approved by the shareholders’ resolution of our Company, the equity transfers were completed on January 9, 2025. Upon completion of the aforesaid transfers, the shareholding structure of our Company was as follows:

Shareholder	Registered capital (RMB)	Approximate percentage of shareholding (%)
Skytech Venture Capital	8,741,039.90	78.17
CICC Qihong	816,836.06	7.30
Guozhong Fund	808,667.70	7.23
Tietou Jushi Fund	326,734.42	2.92
Huafu Growth.	245,050.82	2.19
Zhangjiagang SIH	163,367.21	1.46
Rudong Jushi	81,683.61	0.73
Ms. Xin	1.00	0.00 ^{Note}
	11,183,380.72	100

Note: As of January 8, 2025, the percentage of shareholding of Ms. Xin (excluding her interest held through Skytech Venture Capital) was approximately 0.00001%.

Conversion into Joint Stock Company with Limited Liability and Further Increase of Registered Capital

Upon approval by our Shareholders’ general meeting held on June 30, 2025, the then Shareholders of our Company agreed to convert our Company into a joint stock limited company. On July 15, 2025, our Company completed the registration with a registered capital of RMB25,000,000 divided into 25,000,000 Shares with a nominal value of RMB1.0 each. The value of capital contribution by our promoters (comprising all the then Shareholders) was determined with reference to our Company’s audited carrying amount of net assets of RMB40,816,876.67 as of January 31, 2025 pursuant to the valuation report prepared by an independent valuer, of which RMB25,000,000 was injected into our Company as registered capital and the balance of RMB15,816,876.67 was accounted for as capital reserves of our Company. Our PRC Legal Advisors confirmed that we have obtained all the necessary approvals from the relevant PRC government authorities with respect to the conversion of our Company into a joint stock limited liability company and have completed all the necessary filing procedures in compliance with the relevant PRC laws and regulations.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Upon completion of the conversion, the shareholding structure of our Company was as follows:

Shareholder	Registered capital	Approximate percentage of shareholding
	(RMB)	(%)
Skytech Venture Capital ¹	19,540,245	78.17
CICC Qihong	1,826,004	7.30
Guozhong Fund	1,807,744	7.23
Tietou Jushi Fund	730,402	2.92
Huafu Growth	547,801	2.19
Zhangjiagang SIH	365,201	1.46
Rudong Jushi	182,601	0.73
Ms. Xin	2	0.00 ^{Note}
	25,000,000	100

Note: As of July 15, 2025, the percentage of shareholding of Ms. Xin (excluding her interest held through Skytech Venture Capital) was approximately 0.00001%.

Share Transfers in August 2025

On August 19, 2025, Tietou Jushi Fund transferred the entire Shares held by it to Focus Technology at a consideration of RMB40,000,000, which was settled on August 21, 2025. On August 19, 2025, Rudong Jushi transferred the entire Shares held by it to Xingnahe Heying at a consideration of RMB10,000,000, which was settled on August 19, 2025. On August 25, 2025, Huafu Growth transferred the entire Shares held by it to Focus Technology at a consideration of RMB30,000,000, which was settled on August 26, 2025. Upon completion of the aforesaid transfers, Tietou Jushi Fund, Rudong Jushi and Huafu Growth ceased to be shareholders of our Company and, consequently, are no longer considered as our Pre-[REDACTED] Investors. Each of Focus Technology and Xingnahe Heying is one of our Pre-[REDACTED] Investors. For further details of its Pre-[REDACTED] Investment, please refer to “— Pre-[REDACTED] Investments” in this section below. The shareholding structure of our Company after the aforesaid share transfers was as follows:

Shareholder	Registered capital	Approximate percentage of shareholding
	(RMB)	(%)
Skytech Venture Capital	19,540,245	78.17
CICC Qihong	1,826,004	7.30
Guozhong Fund	1,807,744	7.23
Focus Technology	1,278,203	5.11
Zhangjiagang SIH	365,201	1.46
Xingnahe Heying	182,601	0.73
Ms. Xin	2	0.00 ^{Note}
	25,000,000	100

Note: As of August 26, 2025, the percentage shareholding of Ms. Xin (excluding her interest held through Skytech Venture Capital) was approximately 0.00001%.

For further details of the Pre-[REDACTED] Investments by CICC Qihong, Zhangjiagang SIH and Guozhong Fund, please refer to “— Equity Transfers to Pre-[REDACTED] Investors and Other Investors in 2021” in this section above and “— Pre-[REDACTED] Investments” in this section below.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

[REDACTED]

Our Subsidiaries

Skytech Zumoo

Skytech Zumoo was established in the PRC as a limited liability company on July 26, 2018. As of the date of its establishment, the registered capital of Skytech Zumoo was RMB10,000,000, which was owned as to 60% by Nanjing Skytech and as to 40% in aggregate by three Independent Third Parties. On November 18, 2020, Nanjing Skytech disposed of 45% equity interest in Skytech Zumoo to our Company at a consideration of RMB22,502,250, which was settled on November 30, 2020, as part of Sinosoft Technology’s internal restructuring to dispose of all assets relevant to export enterprise cloud-based software and services in order to better streamline its business portfolio. The consideration was determined based on arm’s length negotiations between the parties with reference to, among other things, (i) a valuation conducted using the market approach, and (ii) the proven track record and the historical financial performance of Skytech Zumoo.

On December 31, 2021, Skytech Investment transferred 36% equity interests in Skytech Zumoo to our Company at a consideration of RMB18,901,890. On the same day, Nanjing Xinlan Venture Capital Enterprise (Limited Partnership) (南京鑫嵐創業投資企業有限合夥), with Ms. Xin as the largest limited partner holding 24.5% and Mr. Huang Lei, an Independent Third Party, as the general partner holding 3.0%, transferred an additional 19% equity interest in Skytech Zumoo to our Company for a total consideration of RMB 9,970,747.5. The consideration amounts, which were settled on December 27, 2021, were determined based on arm’s length negotiations between the parties with reference to the financial position and business prospects of Skytech Zumoo. Since then, Skytech Zumoo has been our directly wholly-owned subsidiary.

Guangzhou Skytech

Guangzhou Skytech was established in the PRC as a limited liability company on October 21, 2021. As of the date of its establishment, the registered capital of Guangzhou Skytech was RMB5,000,000, being owned as to 70.0%, 15.0% and 15.0% by our Company, Mr. Gong Chao (鞏超) (“**Mr. Gong**”), our employee and an Independent Third Party, and Mr. Su Jianjun (蘇建軍), an Independent Third Party, respectively. On October 16, 2024, Mr. Gong and Mr. Su Jianjun transferred their respective 15% equity interests in Guangzhou Skytech to our Company at a total consideration of RMB229,000, which was settled on October 23, 2024, was determined based on arm’s length negotiations between the parties with reference to the actual paid-up capital contributed by each of Mr. Gong and Mr. Su Jianjun at the time and the financial position and business prospects of Guangzhou Skytech. Since then, Guangzhou Skytech has been our directly wholly-owned subsidiary.

Shandong Skytech

Shandong Skytech was established in the PRC as a limited liability company on May 12, 2021. As of the date of its establishment, the registered capital of Shandong Skytech was RMB5,000,000, being owned as to 70.0% by our Company and 30.0% by Chaotuo Enterprise Management (Jinan) Co., Ltd. (超拓企業管理(濟南)有限公司) (“**Chaotuo Enterprise Management**”), which is owned as to 99.9% by Mr. Gong, our employee and an Independent Third Party. On December 29, 2024, Chaotuo Enterprise Management transferred its 30.0% equity interest in Shandong Skytech to our

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Company at a total consideration of RMB250,000, which was determined based on arm’s length negotiations between the parties with reference to the valuation report issued by independent valuer and was settled on December 27, 2024. Since then, Shandong Skytech has been our directly wholly-owned subsidiary.

Mr. Gong’s initial shareholding in Guangzhou Skytech and Shandong Skytech (through Chaotuo Enterprise Management) was a strategic arrangement to leverage his regional expertise and incentivize local management for our expansion in Guangdong and Shandong provinces. Save as disclosed above, there are no other side agreements or arrangements between Mr. Gong and our Group in this regard.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

We had not conducted any acquisitions, disposals or mergers that we considered to be material to us during the Track Record Period and up to the Latest Practicable Date.

PRE-[REDACTED] INVESTMENTS

A summary of the Pre-[REDACTED] Investments by way of acquiring equity interest from the then existing Shareholders since our inception as described above is set out below.

Name of Pre-[REDACTED] Investor	Date of Agreement	Date of Settlement of Consideration in Full	Amount of Registered Capital Acquired	Number of Shares (Assuming the completion of the [REDACTED])	Consideration	Cost Per Share	Discount/ (Premium) to the [REDACTED] ⁽²⁾	Approximate shareholding in our Company upon [REDACTED] (Assuming [REDACTED] is not exercised)
			(RMB)		(RMB)	(RMB) ⁽¹⁾	(%)	(%)
CICC Qihong . .	January 27, 2021	February 2, 2021	1,826,004	[REDACTED]	100,000,001	6.85 ⁽³⁾	[REDACTED]	[REDACTED]
Guozhong Fund .	September 17, 2021	September 22, 2021	1,807,744	[REDACTED]	99,000,001	6.85 ⁽³⁾	[REDACTED]	[REDACTED]
Zhangjiagang SIH	June 30, 2021	July 21, 2021	365,201	[REDACTED]	20,000,001	6.85 ⁽³⁾	[REDACTED]	[REDACTED]
Xingnahe Heying	August 19, 2025	August 20, 2025	182,601	[REDACTED]	10,000,000	6.85 ⁽³⁾	[REDACTED]	[REDACTED]
Focus Technology .	August 19, 2025	August 21, 2025	730,402	[REDACTED]	40,000,000	6.85 ⁽³⁾	[REDACTED]	[REDACTED]
	August 25, 2025	August 26, 2025	547,801	[REDACTED]	30,000,000	6.85 ⁽³⁾	[REDACTED]	[REDACTED]

Notes:

- (1) Calculated based on the consideration paid and the number of Shares as adjusted after the joint stock conversion in July 2025 and assuming the [REDACTED] is completed.
- (2) Calculated based on the assumption that the [REDACTED] is HK\$[REDACTED] per Share (being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED]).
- (3) The consideration for the Pre-[REDACTED] Investments by CICC Qihong, Guozhong Fund, Zhangjiagang SIH, Xingnahe Heying and Focus Technology was determined after arm’s lengths negotiations after taking into account the timing of the transfers and the fact that no special rights were granted to the transferees.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Further Details of the Pre-[REDACTED] Investments

Lock-up period Pursuant to the applicable PRC laws, all existing Shareholders (including the Pre-[REDACTED] Investors) will be subject to the relevant PRC statutory transfer restriction for a period of one year from the [REDACTED].

Strategic benefits Our Directors are of the view that our Group can benefit from the Pre-[REDACTED] Investors’ commitment to our Group and their investment demonstrate their confidence in the operation of our Group and serves as an endorsement of our Group’s performance and prospects.

Special Rights of the Pre-[REDACTED] Investors

Pursuant to the shareholders’ agreement dated October 26, 2021 (together with the first supplemental agreement dated December 17, 2024 and the second supplemental agreement dated December 20, 2024) entered into by (among others) Ms. Xin, Skytech Venture Capital, the Company and the Pre-[REDACTED] Investors, the Pre-[REDACTED] Investors have been granted special rights including:

- (i) the redemption right, anti-dilution right, most favoured nation right and priority liquidation rights granted by the Company shall be terminated by way of the second supplemental agreement;
- (ii) the redemption right, anti-dilution right, most favoured nation right and priority liquidation rights granted by Ms. Xin and Skytech Venture Capital shall be terminated on the day prior to submission of the [REDACTED] application to the Stock Exchange; and
- (iii) board nomination right, right of first refusal, right of co-sale, drag-along right, information right and veto right shall be terminated on the day before the Company submits its [REDACTED] application to the Stock Exchange.

Upon the earlier of (a) the Company voluntarily withdrawing the [REDACTED] application; (b) the Company not obtaining [REDACTED] approval-in-principle from the Stock Exchange within eighteen (18) months after submission of the [REDACTED] application to the Stock Exchange; (c) the Company’s [REDACTED] application having been formally rejected by the Stock Exchange; or (d) the Company failing to complete the [REDACTED] and the [REDACTED] within one month after receipt of the [REDACTED] approval-in-principle, the special rights in (ii) and (iii) above shall be reinstated.

Background of the Pre-[REDACTED] Investors

CICC Qihong

CICC Qihong is a limited partnership established in the PRC on November 28, 2018, which is principally engaged in private equity investment management and related services. CICC Qihong is held as to 39.52% by Xiamen Yukai Enterprise Management Consultancy Co., Ltd. (廈門鈺楷企業管理諮詢有限公司) (“**Xiamen Yukai**”) as its largest limited partner, which is wholly owned by Xiamen Longpeng Investment Co., Ltd. (廈門龍鵬投資有限公司) (“**Xiamen Longpeng**”), which is in turn owned as to 30.0% by Mr. Zhang Ruimin (as its single largest shareholder) and three other Independent Third Parties. The general partner of CICC Qihong is CICC Capital Management Co., Ltd.* (中金資本運營有限公司) (“**CICC Capital**”), which directly holds 1.0% interest in CICC Qihong and indirectly controls approximately 19.8% interest in CICC Qihong as the general partner of CICC Qirong (Xiamen) Equity Investment Fund Partnership (L.P.) (中金啓融(廈門)股權投資基金合夥企業(有限合夥)) (a limited partner of CICC Qihong). CICC Capital is a wholly-owned

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

subsidiary of China International Capital Corporation Limited (中國國際金融股份有限公司) (“CICC”), a company listed on the Stock Exchange (stock code: 3908) and on the Shanghai Stock Exchange (stock code: 601995). CICC is owned as to 40.11% by Central Huijin Investment Ltd. (中央匯金投資有限責任公司) (“**Central Huijin**”). The remaining shareholders of CICC include HKSCC Nominees Limited and shareholders who each holds less than 2.0% of its equity interests. Central Huijin is a wholly-owned subsidiary of China Investment Corporation (中國投資有限責任公司), which is the sovereign wealth fund of China and ultimately controlled by the State Council of the PRC. As of the Latest Practicable Date, each of CICC Qihong, Xiamen Yukai, Xiamen Longpeng, CICC Capital, CICC, Central Huijin, China Investment Corporation and their respective ultimate beneficial owner(s) is an Independent Third Party.

Guozhong Fund

Guozhong Fund is a limited partnership established in the PRC on May 14, 2021, which is principally engaged in equity investments, investment management and asset management activities through private equity funds. The general partner of Guozhong Fund is Shenzhen Guozhong Changrong Asset Management Co., Ltd. (深圳國中常榮資產管理有限公司) (“**Guozhong Changrong**”), which holds 1.0% of its equity interests. Guozhong Changrong is ultimately controlled by Mr. Shi Anping. Guozhong Fund is held as to 33.33% by National Small and Medium Sized Enterprise Development Fund Co., Ltd. (國家中小企業發展基金有限公司) as its largest limited partner, which is ultimately controlled by Ministry of Finance of the People’s Republic of China (中華人民共和國財政部). Except for National Small and Medium Sized Enterprise Development Fund Co., Ltd., none of the other eight limited partners of Guozhong Fund hold a partnership interest of 30% or more. As of the Latest Practicable Date, each of Guozhong Fund, Guozhong Changrong, Mr. Shi Anping and their respective ultimate beneficial owner(s) is an Independent Third Party.

Focus Technology

Focus Technology is a joint stock limited company established in the PRC on January 9, 1996, which is principally engaged in the provision of business-to-business (B2B) e-commerce solutions. Focus Technology is listed on the Shenzhen Stock Exchange with stock code 002315. Its single largest shareholder was Mr. Shen Jinhua, who held 45.42% of its equity interests as of March 31, 2026. Hong Kong Securities Clearing Company Limited held 1.96% of its equity interests as of March 31, 2026. The remaining shareholders of Focus Technology each holds less than 2% of its equity interests. As of the Latest Practicable Date, each of Focus Technology and Mr. Shen Jinhua is an Independent Third Party.

Zhangjiagang SIH

Zhangjiagang SIH is a limited partnership established in the PRC on April 20, 2021, which is principally engaged in equity investments, investment management and asset management activities through private equity funds. Zhangjiagang SIH is held as to (i) approximately 9.38% by its general partner, Shenzhen Investment Holdings Capital Co., Ltd.* (深圳市投控資本有限公司), which is wholly owned by Shenzhen Investment Holdings Co., Ltd.* (深圳市投資控股有限公司) and the ultimate beneficial owner of which is Shenzhen Municipal People’s Government State-owned Assets Supervision and Administration Commission (深圳市人民政府國有資產監督管理委員會); and (ii) approximately 90.62% by seven limited partners, none of which holds more than 30% partnership interests in Zhangjiagang SIH. As of the Latest Practicable Date, all of these entities are Independent Third Parties.

Xingnahe Heying

Xingnahe Heying is a limited partnership established in the PRC on March 14, 2025, which is principally engaged in the provision of corporate management, consulting and information technology advisory services. Xingnahe Heying is held as to 0.10% by its general partner, Jiangsu

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Xingnahe Investment Management Co., Ltd. (江蘇星納赫投資管理有限公司), the ultimate beneficial owner of which is Mr. Wang Jianguo, and 99.90% by its limited partner, Nanjing Ruiyuan Investment Management Co., Ltd. (南京睿遠投資管理有限責任公司), which is in turn owned as to 90% by Mr. Gu Bin and 10% by Ms. Yang Ying. As of the Latest Practicable Date, each of Xingnahe Heying, Jiangsu Xingnahe Investment Management Co., Ltd., Nanjing Ruiyuan Investment Management Co., Ltd., Mr. Wang Jianguo, Mr. Gu Bin and Ms. Yang Ying is an Independent Third Party.

Confirmation from the Sole Sponsor

On the basis that (i) the consideration for each of the Pre-[REDACTED] Investments was settled at least 28 clear days prior to the date of the first submission of the [REDACTED] application, (ii) all the special rights granted to the Pre-[REDACTED] Investors had been terminated prior to the submission of the application of the [REDACTED], the Sole Sponsor is of the view that the Pre-[REDACTED] Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

SHAREHOLDING STRUCTURE OF OUR COMPANY

The table below set forth the shareholding structure of our Company as of the Latest Practicable Date and the [REDACTED] (assuming the [REDACTED] is not exercised):

Shareholder	As of the Latest Practicable Date		As of the [REDACTED]			
	Number of Shares	Approximate shareholding percentage (%)	Number of Shares		Approximate shareholding percentage (%) (assuming the [REDACTED] is not exercised)	
			Unlisted Shares	H Shares	Unlisted Shares	H Shares
Skytech Venture Capital . .	19,540,245	78.17	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
CICC Qihong	1,826,004	7.30	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Guozhong Fund	1,807,744	7.23	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Focus Technology	1,278,203	5.11	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Zhangjiagang SIH	365,201	1.46	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Xingnahe Heying	182,601	0.73	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Ms. Xin	2	0.00 ^{Note}	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Other [REDACTED] taking part in the [REDACTED]	–	–	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	25,000,000	100	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Note: As of the Latest Practicable Date and the [REDACTED], the percentage shareholding of Ms. Xin (excluding her interest held through Skytech Venture Capital) was approximately 0.00001%.

CONFIRMATION BY THE PRC LEGAL ADVISORS

Our PRC Legal Advisors have confirmed that the above-mentioned equity transfers, capital increases and conversion from a limited company to a joint stock company with limited liability have been properly and legally completed in all material respects and all requisite regulatory approvals have been obtained in accordance with the applicable PRC laws and regulations in all material respects.

REASONS FOR THE [REDACTED]

For reasons for our [REDACTED] and details of our future plans, see “Future Plans and Use of [REDACTED]” in this document.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

PUBLIC FLOAT

Following the conversion of Unlisted Shares into H Shares and upon completion of the [REDACTED] (taking into account the [REDACTED] and assuming that the [REDACTED] is not exercised), our Company will have [REDACTED] Unlisted Shares and [REDACTED] H Shares, among which:

- (i) the [REDACTED] Unlisted Shares (representing approximately [REDACTED]% of our total issued Shares upon [REDACTED]) will not be considered as part of the public float as such Unlisted Shares will not be converted into H Shares; and
- (ii) the [REDACTED] H Shares to be converted from Unlisted Shares pursuant to the Full Circulation Application of the Company and [REDACTED] H Shares are allotted and issued in the [REDACTED] will be [REDACTED] on the Stock Exchange (representing approximately [REDACTED]% of our total issued Shares upon [REDACTED]). The H Shares held by each of CICC Qihong, Guozhong Fund, Focus Technology, Zhangjiagang SIH and Xingnahe Heying, being our Pre-[REDACTED] Investors, will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules after the [REDACTED] as these entities are not core connected persons of our Company upon the [REDACTED].

Immediately following completion of the [REDACTED], assuming that (i) [REDACTED] H Shares are allotted and issued in the [REDACTED]; and (ii) [REDACTED] Unlisted Shares are converted into H Shares. As such, a total number of [REDACTED] H Shares, representing approximately [REDACTED]% of the total number of issued Shares of our Company will be counted towards the public float. Therefore, our Company will be able to meet the minimum public float requirement under Rules 8.08 of the Listing Rules.

FREE FLOAT

Pursuant to Rule 19A.13C of the Listing Rules, there must be sufficient H shares where an applicant is a PRC issuer with no other listed shares at the time of listing, held by the public and available for trading upon listing. This would normally mean that the portion of the H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (where under contract, the Listing rules, applicable laws or otherwise), at the time of listing, must: (1) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK\$50,000,000; or (2) have an expected market value at the time of listing of not less than HK\$600,000,000.

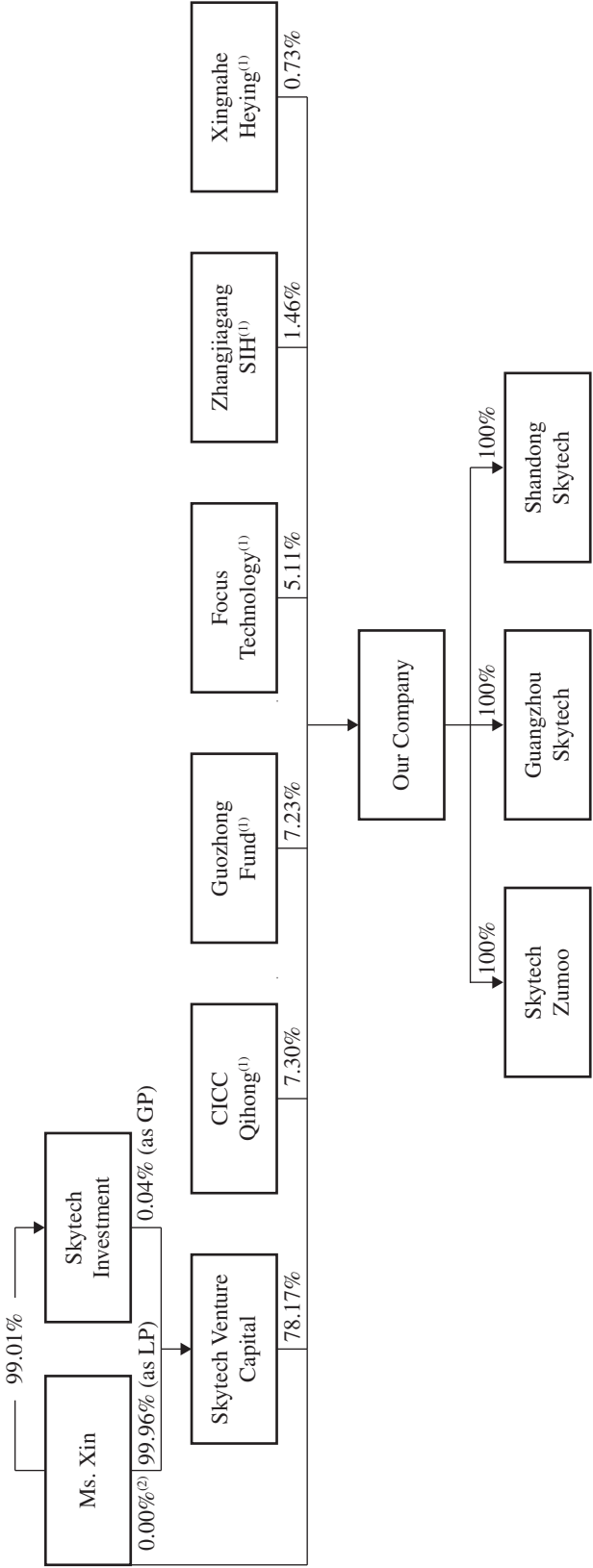
Immediately upon completion of the [REDACTED], assuming the [REDACTED] is not exercised, a total of [REDACTED] H Shares held by the existing Shareholders will be subject to a lock-up period of 12 months following the [REDACTED] according to the applicable PRC laws. The remaining [REDACTED] H Shares to be issued pursuant to the [REDACTED], representing [REDACTED]% of our total number of issued Shares upon the completion of the [REDACTED], with a market value of approximately HK\$[REDACTED] million (as calculated based on the [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range), will not be subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of the [REDACTED]. Accordingly, our Company will be able to satisfy the free float requirement under Rule 19A.13C(1) of the Listing Rules.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Corporate Structure before the [REDACTED]

The diagram below sets out our simplified shareholding structure immediately prior to the completion of the [REDACTED]:



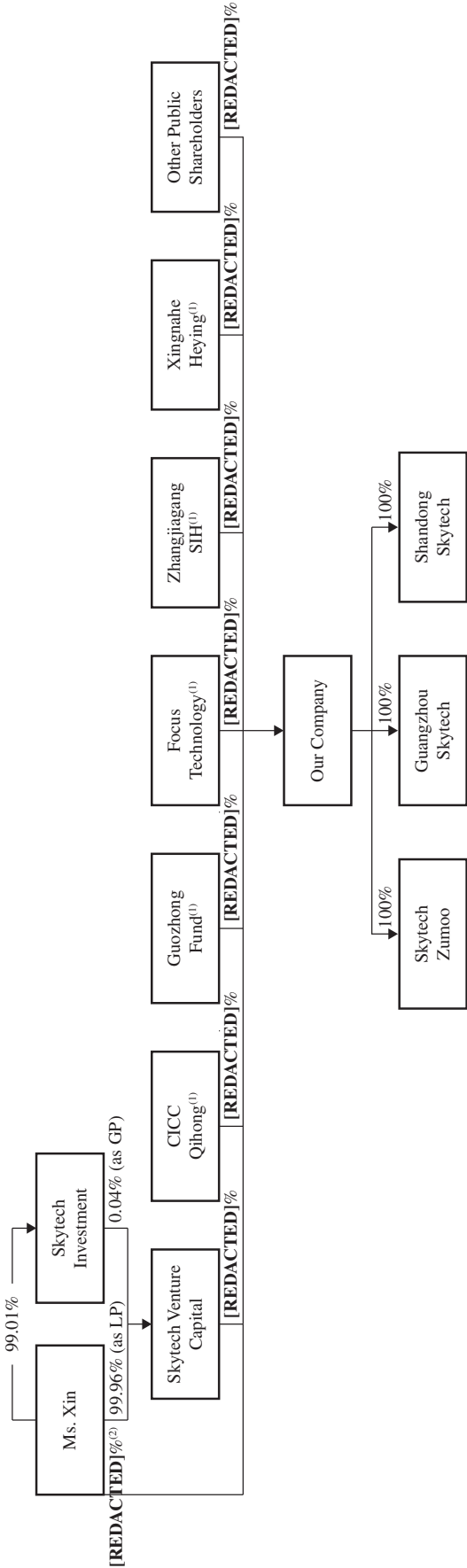
Notes:

- (1) Please see “— Pre-[REDACTED] Investments — Background of the Pre-[REDACTED] Investors” in this section for details.
- (2) The percentage shareholding of Ms. Xin (excluding her interest held through Skytech Venture Capital) is approximately 0.00001%.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Corporate Structure immediately following the [REDACTED]

The diagram below sets out our simplified shareholding structure immediately after the completion of the [REDACTED] (assuming the [REDACTED] is not exercised):



Notes:

- (1) Please see “— Pre-[REDACTED] Investments — Background of the Pre-[REDACTED] Investors” in this section for details.
- (2) The percentage shareholding of Ms. Xin (excluding her interest held through Skytech Venture Capital) is approximately [REDACTED] %.

BUSINESS

OVERVIEW

We are a digital service provider for cross-border enterprises in China, dedicated to providing finance, tax, invoice management, and compliance solutions for cross-border enterprises with import and export trade business. To address core industry pain points including lengthy business workflow chains, compliance risks and inefficient data collaboration, we leverage more than 10 years of industry experience and use big data, AI and other advanced information technologies to provide cross-border enterprises with a full range of synergistic solutions covering business, finance and tax. Through a modular product matrix, we drive our customers’ business data through our solutions including cross-border enterprises intelligent finance and tax management solutions, invoice document integrated management solutions, and cross-border enterprises risk management and compliance solutions. We aim to empower Chinese enterprises to conduct cross-border trade and enhance their digital capabilities in cross-border business operations.

According to Frost & Sullivan, we ranked first in China’s cross-border enterprises intelligent finance and tax management solutions market in 2025, with a market share of 1.6% in terms of revenue and ranked second in China’s cross-border enterprises business-finance-taxation digital solutions market in 2025, with a market share of 1.1% in terms of revenue.

Since our establishment, we have cumulatively reached over 430,000 cross-border enterprises and cross-border e-commerce enterprises, including approximately 160,000 users, we served and completed over 2.2 million service transactions, becoming one of the leading cross-border enterprises digital solution providers in terms of customer base. During the Track Record Period, revenue generated from cross-border enterprises accounted for approximately 97.6%, 90.4% and 90.5% of our total revenue for 2023, 2024 and 2025, respectively. In 2025, we had more than 60,000 active users, including approximately 24,000 paying customers.

Our business operates in Jiangsu, Shanghai, Guangdong, Shandong, Shenzhen, Qingdao, Chongqing and other provinces and cities. In particular, in the Yangtze River Delta region, where more than 314,000 cross-border enterprises reside, our market penetration rate is approximately 7.5% as of December 31, 2025. In addition, during the Track Record Period, our customers included Fortune Global 500 companies, and we have established extensive cooperation with these players.

OUR BUSINESS MODEL

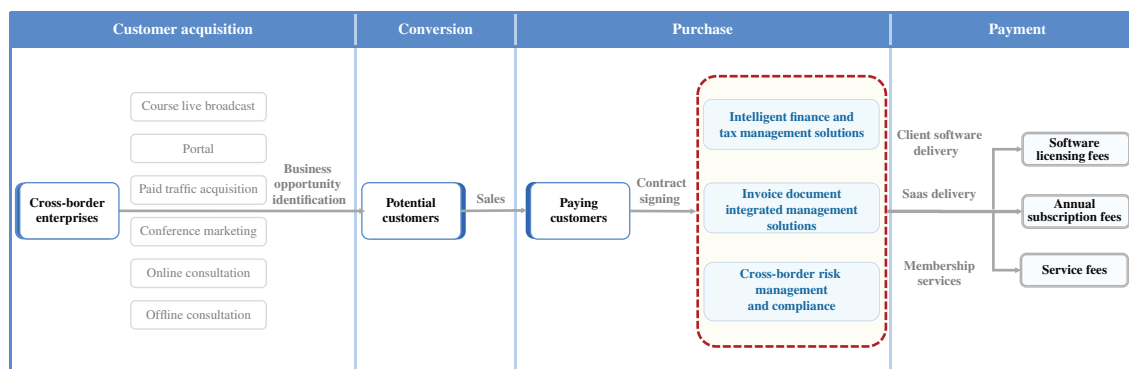
Leveraging our strong technical capabilities and extensive experience in the cross-border trade industry, we have launched our comprehensive cross-border enterprise business-finance-taxation digital solutions covering cross-border enterprises intelligent finance and tax management, invoice document integrated management and cross-border enterprises risk management and compliance, achieving full coverage of tax and financial operations for cross-border enterprises across all scenarios.

We market and sell our solutions through a dedicated direct sales force, supported by integrated online and offline initiatives designed to effectively generate and convert sales leads. For a detailed description of our sales and marketing strategies and activities, please refer to “Sales and Marketing.”

BUSINESS



To further illustrate the end-to-end operation of our solutions, the following diagram outlines our customer acquisition, conversion and service delivery process:



Cross-border Enterprises Intelligent Finance and Tax Management Solutions: Our cross-border enterprises intelligent finance and tax management solutions provide an all-scenario collaborative export-related finance and tax solution to achieve integrated tax and finance management for cross-border enterprises. Particularly, it provides end-to-end capabilities from data collection and intelligent document matching to automated discrepancy resolution, bookkeeping and document filings, effectively solving the pain points of cross-border enterprises, including difficult traceability, challenging integration, high error propensity, and cumbersome declaration, all of which arise from the complexity of business documentation and information as well as the fragmentation of data across different platforms. With export tax refund integration as the core capability and leveraging OCR and AI technologies, our solution addresses industry pain points including lengthy business chains spanning order management, procurement logistics, customs declaration, foreign exchange settlement and tax refund filing, unifying data standards to break internal data silos. With the comprehensive promotion of digital electronic invoices and electronic voucher accounting data standards, our solution meets the urgent need for integrated “business, customs, finance and tax” declaration. Key products include:

BUSINESS

- *Agile Cloud:* Our Agile Cloud provides an integrated panoramic collaborative export tax and financial solution for efficient, accurate and compliant export tax refund declaration. By deeply integrating enterprise business, customs, invoice, finance and foreign exchange data, and relying on a standardized rule engine, our solution covers data collection, intelligent order allocation, tax refund declaration data generation and verification, automatic discrepancy resolution, and bookkeeping and accounting voucher generation.
- *Export Trade Document Management System:* Our Export Trade Document Management System enables full lifecycle management of filing documents for export tax refund declaration. It automatically collects, recognizes, classifies and digitally archives various documents in accordance with export tax refund regulations, forming traceable document records that satisfy the strict compliance and completeness requirements of both internal management and regulatory authorities.

Customers may purchase Agile Cloud and Export Trade Document Management System separately on the basis of their cross-border financial and tax management demands, or purchase a combination of them to enable collaborative management of the whole tax processing process for import and export business.

The following chart illustrates the transaction and fund flows of our intelligent finance and tax management solutions



Invoice Document Integrated Management Solutions: Our invoice document integrated management solutions comprehensively cover all invoice application scenarios of cross-border enterprises and supply chain enterprises and achieve the integration of invoice issuance and management. Key products include:

- *Acumen Invoice Management Cloud:* Our Acumen Invoice Management Cloud is an all-in-one invoice issuance management system. Equipped with our Intelligent Invoice Engine, it supports diverse invoicing methods, including export customs declarations of enterprises, import of table templates, interface integration and AI recognition, to meet the invoicing needs of cross-border and domestic sales in various scenarios.
- *Digitalized Electronic Invoice Management Cloud:* Our Digitalized Electronic Invoice Management Cloud, centered on integrated invoice management, constructs a centralized digital repositories through multi-scenario information collection mode. In addition, it conducts a comprehensive inspection of the invoice pool for the authenticity and normal status of the invoices, and then confirms the utilization by batches based on the invoice type to ensure that the invoices can be used for deduction and tax refund. It enhances cross-border enterprises’ efficiency in input tax management, mitigates tax-related risks, strengthens data collaboration capabilities, and meets regulatory requirements for compliant invoice management.

Customers may purchase Acumen Invoice Management Cloud and Digitalized Electronic Invoice Management Cloud separately on the basis of their invoice document management demands, or purchase a combination of them to enable collaborative management of the whole processing process for input and output invoices and documents.

BUSINESS

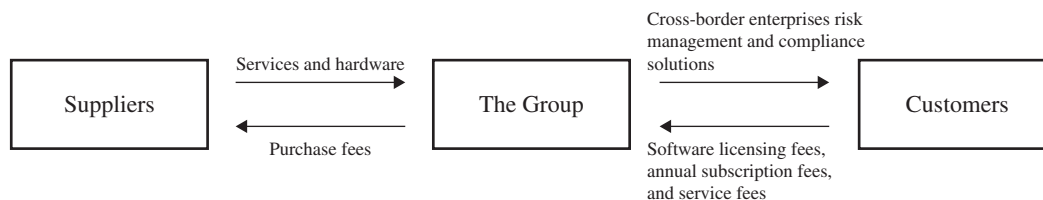
The following chart illustrates the transaction and fund flows of our invoice document integrated management solutions



Cross-border Enterprises Risk Management and Compliance Solutions: Our cross-border enterprises risk management and compliance solutions provides a multi-functional and all-scenario services integrating customs, tax, invoice processing, and certificate authentication of origin management for export in the cross-border e-commerce compliance. Key products include:

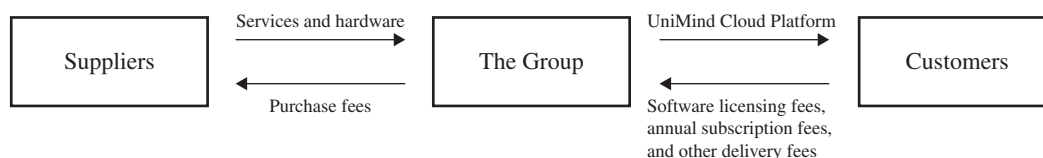
- *Zumoo Enterprises Compliance Service Platform:* Zumoo is a digitized integrated compliance platform for cross-border e-commerce, enabling “one-click customs clearance and one-click tax return” through full regulatory digitization. It integrates the procurement, sales, customs declaration and tax return in the cross-border e-commerce business, and covers full-mode declaration scenarios such as cross-border customs clearance and cross-border tax-finance integration, forming a “four in one” flow of orders, goods, funds and invoices, as well as offering secure, efficient, and compliant digital collaborative SaaS services for cross-border e-commerce enterprises.
- *Smart Cert FTA Digital Platform:* Smart Cert is a comprehensive solution for global tariff calculation and export origin certification compliance for cross-border enterprises. This digital platform provides functionalities including optimal global tariff rule determination, one-stop management of customs and CCPIT certificates of origin, and empowers enterprises to master FTA rule applications and gain competitive advantages in cross-border trade.

The following chart illustrates the transaction and fund flows of our cross-border enterprises risk management and compliance solutions



Our UniMind Cloud Platform is a SaaS-based platform that delivers comprehensive modular functions, offering intelligent finance and tax management solutions, invoice document integrated management solutions, and risk management and compliance solutions. It allows cross-border enterprises to flexibly subscribe to required features based on their needs, optimizing tax and finance management efficiency in the most appropriate manner. In addition, we launched our AI assistant TaxMate, enabling streamlined automation of business processes and intelligent finance and tax Q&A services within our products to further enhance operational efficiency.

The following chart illustrates the transaction and fund flows of our UniMind Cloud Platform



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OUR MARKET OPPORTUNITY

In 2025, China’s export scale exceeded RMB27.0 trillion for the first time, representing a year-on-year growth of 6.1%, and maintaining its growth for eight consecutive years. Currently, China has over 700,000 cross-border enterprises, primarily distributed across coastal provinces and cities including Guangdong, Zhejiang, Jiangsu, Shandong, and Shanghai. Among them, there are more than 314,000 cross-border enterprises in the Yangtze River Delta region where we are based as of December 31, 2025.

Cross-border enterprises increasingly demand improved efficiency, compliance, and cost management capabilities, which drives the growth of our digital tax and finance solutions business. Many cross-border enterprises currently face challenges such as complexity of business documentation and information as well as the fragmentation of data across different platforms. Digital solutions can significantly reduce compliance risks through functionalities like intelligent invoice recognition and automated compliance validation. Digital tax and finance services are evolving from “compliance tools” to carriers of corporate core competitiveness. Driven by efficiency improvements, data assetization, and technological innovation, the market scale will continue to expand. As business environments become more complex, enterprises will further elevate their requirements for refined tax and finance compliance. According to Frost & Sullivan, China’s cross-border enterprises business-finance-taxation digital solutions industry is growing at a CAGR of 17.0%, with the market size projected to reach approximately RMB35.2 billion by 2030.

Digital tax and finance solutions with their “low-cost, high-return” characteristics demonstrate particularly significant benefits for SMEs. Compared to enterprises with established scale, SMEs often bear higher proportions of income spent on traditional tax and finance processing methods. Digital tax and finance solutions effectively assist cost-sensitive SMEs in reducing expenses, enhancing operational efficiency, and driving demand among these enterprises, serving as a key driving force for market growth.

According to Frost & Sullivan, leading provider of cross-border enterprise business-finance-taxation digital solutions have begun to actively promote own AI systems to promote the overall industry towards intelligence and automation. AI system can help enterprises to reduce costs by means of automatic and intelligent. By automating repetitive tasks, it frees up manpower and improves productivity. Our full-chain AI solutions leverage AI technology to convert unstructured data (e.g., invoices, documents) into structured information. Through AI algorithms, tax policies and transaction data are automatically matched to achieve tax compliance and automate business processes. Our AI products TaxMate are deeply integrated with tax and finance scenarios, creating new business value. With our AI-driven solutions, operation times are significantly reduced.

Macro-level policy background also creates significant space for our future development. China’s policies continue shifting toward big data and electronic invoicing. The “Opinions on Further Deepening Tax Collection and Management Reforms” 《關於進一步深化稅收徵管改革的意見》 explicitly state the need to build an intelligent tax system driven by tax big data and centered on electronic invoicing reforms. Additionally, the “Notice on Promoting and Applying Accounting Data Standards for Electronic Vouchers” 《關於推廣應用電子憑證會計數據標準的通知》 further clarifies and promotes standardized accounting data protocols for electronic vouchers. These policy and technological shifts impose new requirements on cross-border tax solution providers like us, while simultaneously creating unprecedented development opportunities. We are continuously optimizing our solutions, focusing on end-to-end digitalization of invoice issuance, transmission, receipt, reimbursement, accounting, and archiving. By integrating with business systems, we empower organizations to achieve seamless integration of tax, invoice, and archive management, adapting to evolving policy and technological landscapes.

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OUR FINANCIALS

Our financial performance demonstrates our success and achievements in business development. In the year ended December 31, 2023, 2024, and 2025, our revenue amounted to RMB161.1 million, RMB171.4 million and RMB175.9 million. During the Track Record Period, we recorded net profits of RMB152.5 million, RMB47.6 million, RMB57.5 million, respectively.

STRENGTHS

First-Mover Advantage and Extensive Industry Experience

As one of the earliest domestic software enterprises to develop, sell, and service export tax and finance products, we were established in 2012, and began providing business-finance-taxation digital solutions for cross-border enterprises. In 2016, we launched our comprehensive cross-border enterprise business-finance-taxation digital solutions covering cross-border enterprises intelligent finance and tax management, invoice document integrated management and cross-border enterprises risk management and compliance, achieving full coverage of tax and financial operations for cross-border enterprises across all scenarios. Having accumulated over a decade of deep expertise in the export tax and finance industry, we have cumulatively reached over 430,000 cross-border enterprises and cross-border e-commerce enterprises, and including approximately 160,000 users, with over 2.2 million service transactions. Our business operates across multiple provinces and cities, including Jiangsu, Shanghai, Guangdong, Shandong, Shenzhen, Qingdao, and Chongqing. Particularly in the Yangtze River Delta region, which is home to over 314,000 cross-border enterprises we have achieved a market penetration rate of approximately 7.5% as of December 31, 2025. Furthermore, during the Track Record Period, our customer base has included Fortune Global 500 companies, with whom we have established extensive collaborations.

We are committed to advancing digital, intelligent, and compliant business finance and tax management for cross-border enterprises. Through our integrated digital solutions, we empower businesses to achieve digitalization of finance and tax management, invoice management, risk management and compliance. Through this, we have accumulated deep industry insights and rich service experience, which has enabled us to establish significant competitive advantages over peers. In 2025, we served over 60,000 active users, including approximately 24,000 paying customers, demonstrating a highly engaged and loyal client base with strong retention rates and long-term stability. According to Frost & Sullivan, we ranked the second in the China’s cross-border enterprises business-finance-taxation digital solutions industry in 2025, with a market share of 1.1% in terms of revenue, and ranked the first in the China’s cross-border intelligent finance and tax solutions market, with a market share of 1.6% in terms of revenue.

In 2025, China’s export scale exceeded 27.0 trillion yuan for the first time, with a year-on-year growth of 6.1%. Currently, there are over 700,000 cross-border enterprises in China, primarily concentrated in coastal provinces and municipalities such as Guangdong, Zhejiang, Jiangsu, Shandong, and Shanghai. Among these, the Yangtze River Delta region, where we are deeply rooted, is home to more than 314,000 cross-border enterprises as of December 31, 2025. According to a report by Frost & Sullivan, the market size of digital solutions for business, finance, and tax management among cross-border enterprises in China is growing at a compound annual growth rate (CAGR) of 17.0%, and is projected to reach approximately RMB35.2 billion by 2030. Leveraging our established market position, extensive experience, and technological capabilities, we are confident in capturing the opportunities presented by this market expansion.

Comprehensive Product Mix Addressing Pain Points of Cross-border Enterprises

We deliver a robust ecosystem of products designed to meet customers’ full business cycle needs.

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Our cross-border enterprises intelligent finance and tax management solutions provide end-to-end capabilities from data collection and intelligent document matching to automated discrepancy resolution and bookkeeping, effectively solving the pain points of cross-border enterprises, including difficult traceability, challenging integration, high error propensity, and cumbersome declaration, all of which arise from the complexity of business documentation and information as well as the fragmentation of data across different platforms. Our flagship product Agile Cloud provides an integrated panoramic collaborative export tax and financial solution covering data collection, intelligent order allocation, declaration data generation, automatic inquiry resolution. Since 2023, the solution has successfully facilitated the processing of over 1,000,000 workflows for more than 100,000 enterprises.

Our invoice document integrated management solutions comprehensively cover all invoice application scenarios and achieve the integration of invoice issuance and management, eliminating duplicate, fraudulent or missing invoices. Our Acumen Invoice Management Cloud specifically solves issues such as slow data entry and complex procedures, enabling rapid VAT invoice generation, while our Digitalized Electronic Invoice Management Cloud creates centralized digital repositories. Since 2023, our Digitalized Electronic Invoice Management Cloud has served more than 30,000 paying customers, processing 8 million invoices totaling RMB11 trillion.

Our cross-border enterprises risk management and compliance solutions provide a multi-functional and all-scenario services integrating customs, tax, invoicing, and certificate of origin management, addressing both expertise gaps and operational inefficiencies. We consolidate customs clearance, tax filing, documentation filing, and risk analytics into an integrated workflow, enabling seamless data sharing and business process integration across multiple functions and accounts. This approach solves critical pain points including fragmented compliance systems, complex multi-step processes, and lack of operational synergy, empowering enterprises with truly connected finance-tax-compliance operations.

Extensive Customer Network

With our tax and finance digitalization solutions, we have built a broad customer base. We have cumulatively reached over 430,000 cross-border enterprises and cross-border e-commerce enterprises, and including approximately 160,000 users. Since our establishment, we have served customers over 2,200,000 times.

We have served Fortune Global 500 and other well-known enterprises, establishing strategic partnerships with these industry leaders. This demonstrates our strong service capabilities and industry recognition, continuously expanding our customer base and increasing our penetration rate in the cross-border tax and finance digitalization services industry.

In 2025, we have more than 60,000 active users, including approximately 24,000 paying customers, contributing to continuous improvements in our profitability.

Our extensive customer network and customer satisfaction outcome was a result of our ability to solve customers' problem. For example, Customer T is a global sports retail chain giant with multiple subsidiaries involved in foreign trade and manufacturing in China. Its massive export business scale involves tens of thousands of customs declarations and related documents annually, with hundreds of thousands of tax refund filing documents involved. Customer T's tax and finance operations previously relied heavily on manual processes, facing issues such as lack of effective system integration, delayed information transmission, and fragmented data across platforms. Their financial staff spent significant efforts on reconciliation and error correction during tax refunds, severely delaying the refund process. In 2023, Our business and technical experts conducted on-site and online project investigations for Customer T, after gaining an understanding of Customer T's specific business processes and operational needs, the team jointly planned and configured modules and functions tailored to address Customer T's pain points and provided an integrated tax and finance solution tailored to its business processes based on our UniMind Cloud platform. Our

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solution unifies workflows and data across business, logistics, customs, and finance departments, integrating functions such as customs documentation, shipment management, invoicing, receipt management, tax refund declarations, document filing, foreign exchange receipt management, and statistical reporting. This solution saved substantial labor costs, reduced the tax refund cycle, and improved Customer T’s internal management standardization. Our solutions and services have been highly recognized by Customer T, which remained our customers ever since.

Strong R&D and Technology Innovation Capabilities

For over a decade, our cross-border enterprises business-finance-taxation digital solutions have remained a leader in export tax refund informatization, with a strong technical foundation. We have built a comprehensive technology system covering both foundational general technologies and proprietary core technologies. Based on technologies such as cloud computing, big data, OCR, low-code, AI and blockchain, we have developed a highly elastic, reliable, and scalable underlying capability platform. This platform achieves efficient decoupling, reuse, and rapid iteration of technical components, providing robust support for intelligent solutions in cross-border tax scenarios.

In the field of foundational general technologies, we have built a comprehensive technical foundation: Cloud computing technology adopts a cloud-native architecture to achieve high elasticity scaling and high peak concurrency handling, with annual service availability reaching 99.99%; Big data technology covers full lifecycle data management, realizing multi-source heterogeneous data integration, automated preprocessing, and deep feature engineering to provide high-quality data support for business model training; OCR technology integrates image preprocessing and deep text feature engineering to accurately recognize multi-type and multi-format documents, significantly improving document recognition accuracy; Low-code technology takes visual configuration as its core to reduce development barriers and achieve efficient application system building and seamless third-party supporting hardware; AI technology focuses on industry knowledge large model construction through knowledge structuring, industry-specific NLP, retrieval augmentation, and scenario-based prompt engineering to address professional gaps in general-purpose large models; Blockchain technology is based on HyperLedger Fabric with an independently developed infrastructure service platform to provide secure and trusted data storage for cross-border scenarios.

Based on the foundational general technology base, we have developed six core proprietary technical components: (i) Intelligent order matching technology leverages data cleansing and multi-dimensional modeling to achieve automated association matching between customs declarations and invoices, enhancing tax refund declaration efficiency; (ii) Document and invoice recognition and matching technology integrates OCR and AI semantic parsing to complete structural conversion and business association of multi-type, multi-language documents, reducing manual input costs and error rates; (iii) Automated invoice issuance technology combines semantic understanding, intelligent tax calculation, and rule engines to realize full-process automation of invoicing; (iv) Certificate of origin authentication technology utilizes AI modeling and blockchain-based trust mechanisms to construct an origin determination knowledge graph, accurately identifying product origin eligibility and ensuring compliance with FTA preferential tariff rates; (v) Export enterprise classification technology employs multi-dimensional feature extraction and adaptive clustering to achieve dynamic enterprises categorization and export trend prediction, supporting cross-border enterprises factory and product selection decisions; (vi) Cross-border enterprise risk control technology builds a full-process risk identification system based on big data and AI, enhancing regulatory compliance through anomaly detection via association rules, fluctuation analysis, and product abnormality monitoring.

Based on our deep understanding of cross-border tax industry demands, we have deeply integrated the foundational technology base with core proprietary technical components to form (i) the Intelligent Tax and Finance Engine, (ii) the Intelligent Invoice Engine, and (iii) the Intelligent Risk Control Engine. We have built cross-border enterprises intelligent finance and tax management

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solutions, invoice document integrated management solutions, and cross-border enterprises risk management and compliance solutions with fully independent intellectual property rights, providing cross-border enterprises with efficient, precise, and compliant full-scenario tax solutions while continuously leading cross-border tax digitalization upgrades through technological innovation.

With our continuous R&D investment, we have established a solid intellectual property barrier. As of the December 31, 2025, we have obtained 195 software copyrights, among which 82 are for cross-border enterprises intelligent finance and tax management, 36 are for invoice document integrated management, and 77 are for cross-border enterprises risk management and compliance. As of December 31, 2025, we have five patents, including one patent for invoice document integrated management and four patents for cross-border enterprises risk management and compliance.

As a key demonstration of our core competitiveness, we successfully obtained the CMMI Level 5 certification in 2018, the highest level of software development process maturity certification. This authoritative certification serves as a critical qualification threshold for multinational enterprises and key industry clients when selecting high-end software service providers. Achieving this top-tier certification not only signifies international recognition of our R&D management system maturity by authoritative institutions but also significantly enhances our brand image and professional reputation in domestic and global markets. With this certification, we gain a distinct competitive advantage in participating in major project tenders and expanding high-end client partnerships.

As of the December 31, 2025, our product and R&D team has 206 members, accounting for 64.8% of our total employees. Among them, 137 are professional R&D personnel, accounting for 43.1% of our total employees. During the Track Record Period, our R&D expenses amounted to RMB32.3 million, RMB34.5 million, and RMB35.5 million, representing 20.1%, 20.1%, and 20.2% of our revenue, respectively. These investments continuously improve recognition accuracy, matching engine efficiency, and product experience optimization, while developing applications such as AI technology, blockchain technology, natural language query technology, and low-code technology. These efforts ultimately enhance our service efficiency and drive business expansion.

Experienced Management Team with Industry Insights

We have a professional and diversified management team, with core executives who have accumulated profound expertise and extensive practical experience in the field of intelligent tax and finance for exports. Ms. Xin, founder and Chairlady of our Company, possesses over 30 years of experience in the information technology industry, is renowned in the sector, and holds the title of Professor-Level Senior Engineer certified by the Jiangsu Provincial Higher Technical Qualification Review Committee. Ms. Xin has been awarded multiple honors, including “Pioneer of China’s Software Industry Development”, “Outstanding Entrepreneur of China’s Software Industry”, and “Outstanding Software Entrepreneur of Jiangsu Province”. Our management team consists of seasoned experts with over 20 years of experience in tax and finance digitalization. Mr. Zhang Liusong, our Chief Technology Officer, holds a master’s degree in computer application technology and has long focused on cross-border enterprises tax and finance informatization research. Mr. Zhang has led the development of multiple cross-border tax refund management and risk control platforms and serves as the Project Leader of the Nanjing Smart Tax Integration Engineering Technology Research Center, demonstrating strong technical expertise and industry experience. Mr. Zhou Jianhui, our Chief Technology Director, also holds a master’s degree in computer application technology and has 17 years of full-stack R&D and technical team management experience. Mr. Zhou’s professional expertise spans big data, cloud computing, microservices, cloud-native architecture, blockchain, and artificial intelligence, with a commitment to integrating advanced technological solutions with business needs to achieve synergy between technological innovation and business growth. Our core team members all possess practical experience from traditional tax and finance services to digital transformation, offering strategic insights to drive business development. By continuously monitoring industry trends, technological advancements, and

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national foreign trade development directions as well as tax administration reform policies, the management team guides the company in exploring innovations, ensuring products align with market demands and policy orientations.

In building our R&D team, we have gathered multiple tax and finance domain professionals and industry veterans. Team members possess diverse academic backgrounds spanning computer science, tax and finance, statistics, management, and other disciplines, enabling them to provide robust support for product development and technological innovation from multidimensional perspectives. Our team closely tracks technological trends, driving continuous research and product iterations to optimize system architecture and user experience. This ensures our solutions maintain technological leadership, system stability, and user-friendliness, precisely empowering enterprises’ intelligent tax and finance transformation.

STRATEGIES

As a service provider leveraging advanced information technology to deliver professional digital solutions, our strategic core is continuous innovation. Through innovation goals across technology, product, market, and talent domains, we deliver more competitive products and expand our reach to target customers, empowering Chinese enterprises to conduct cross-border trade and enhance their digital capabilities in cross-border business operations while accelerating our business growth. In addition to organic growth, we will also proactively pursue strategic partnerships and investment acquisition opportunities. Our strategies are as follows:

Technology Innovation: Enhancing Product Competitiveness

We prioritize R&D investment and will continue to strengthen technological innovation, continuously optimizing product performance and system architecture. Focusing on core business scenarios, we drive iterative upgrades and deep application of key technologies, dedicated to delivering more efficient, intelligent, and compliant solutions to clients.

We plan to further enhance low-code technology research and application to improve platform adaptability. We aim to build a more flexible and scalable low-code technical foundation, supporting modular integration to achieve out-of-the-box functionality and rapid deployment. By establishing a low-code workflow engine configuration, we will enable the easy construction of customized business workflows tailored to client requirements, while integrating automated data integration components to seamlessly connect with existing systems. This reduces implementation costs, ensures business quality, and significantly improves delivery efficiency.

We will continuously strengthen foundational technological capabilities, reinforcing our expertise in AI, big data, and blockchain. Through deepening core technology R&D and scenario-based implementation, we aim to build a more resilient technical ecosystem, providing efficient, secure, and intelligent support for the entire business chain. With respect to AI, we plan to upgrade the “general large model + vertical scenario-specific model” dual-layer architecture, optimizing natural language processing and computer vision models for import/export trade scenarios to enhance accuracy and efficiency in multilingual understanding and complex image analysis. With respect to big data, we plan to solidify data infrastructure by developing a smarter data processing platform, upgrading distributed computing engines and storage architectures, optimizing data sharding strategies and task scheduling algorithms to support high-volume data processing and real-time analytics. With respect to blockchain, we plan to refine consortium chain consensus mechanisms and smart contract engines to improve transaction speed and on-chain data storage efficiency, enabling scalable multi-node deployment. Combined with digital signature technology, we aim to establish a trust framework ensuring “data integrity, process controllability, and accountability traceability”, building a foundation for electronic archival storage.

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We will iteratively upgrade the three core technical engines and related components, reinforcing foundational capabilities. By enhancing execution logic and computational efficiency, we will achieve dynamic strategy adjustments and intelligent recommendations, significantly improving system response speed and concurrent processing capacity to elevate the intelligence and precision of business decision-making. For the Intelligent Tax and Finance Engine, we plan to introduce deep learning large models to optimize tax calculation logic, enabling amount forecasting and policy impact analysis, and construct more accurate intelligent matching models. For the Intelligent Invoice Engine, we plan to upgrade multimodal recognition modes, supporting input formats such as document images, voice commands, and electronic files, and develop invoice semantic understanding models to automatically address complex invoice management needs in business scenarios. For the Intelligent Risk Control Engine, we plan to integrate external trade regulatory databases covering WTO regulations, FTA agreements, and import tax rules of global countries, forming industry-specific knowledge graphs. This enables real-time cross-border transaction monitoring and sub-second risk alerts, establishing a “pre-event warning, in-process intervention, and post-event audit” risk control system.

Product Innovation: Further Enriching the Product Matrix

To enhance the efficiency of cross-border enterprises finance and tax management, risk control, and compliance, we will adhere to a dual-driven strategy of global service matrix upgrade and ecosystem collaboration iteration. We will optimize and enrich our product portfolio, continuously innovating products including:

- *SmartCert FTA Digital Platform:* Our comprehensively data mining system will construct an intelligent service network covering major global free trade zones such as Asia-Pacific, Europe, the U.S., and RCEP, evolving from a China-based origin service hub into a global supply chain rule-mapping digital platform, empowering enterprises to achieve full-spectrum adaptation to cross-border trade rules and secure competitive advantage in global markets.
- *Zumoo Enterprises Compliance Service Platform:* We will restructure the export compliance service system, deeply integrating global compliance regulatory logic, and upgrade our existing products into an “end-to-end cross-border compliance solution” combining “domestic + overseas, product + service”, building a digital operating system for global compliance management for enterprises. Specifically providing low-cost solution support for the expansion of cross-border operations among small and medium-sized enterprises.
- *Cross-border Enterprise Risk Analysis:* We will embed a supply chain collaborative risk analysis model to establish a multi-dimensional risk assessment system, covering supply chain network resilience, order-level document authenticity verification, and other critical dimensions.
- *Smart Expense Product:* Following our R&D efforts, we secured IP rights for the Smart Expense Product in June 2025. Subsequently, in August 2025, we initiated a pilot sale of the product. This product will address multiple reimbursement management pain points by achieving lightweight, transparent, and efficient expense control and reimbursement, effectively solving reimbursement management challenges for SMEs and enabling streamlined reimbursement processes and cost governance.

We are enhancing our existing product portfolio while concurrently introducing new solutions to the market.

- *A New Ecosystem Synergy Product:* We will launch a cross-border ERP system and intelligent customs documentation solution to create an end-to-end compliance ecosystem, closing the loop on global trade operations.

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- *Electronic Accounting Archives Management System:* This system will realize digital lifecycle management of electronic accounting archives through technical means to ensure authenticity, integrity, availability, and security of archives, complying with national regulatory requirements.
- *Customs Compliance Product:* This product will enhance cross-border enterprises customs compliance capabilities by offering integrated solutions covering export shipment management, origin certification, HS code classification, Free Trade Agreements (FTA), and trade compliance.
- *Integrated Tax and Customs Compliance Solution:* This solution will integrate tax and customs business processes to break down inter-departmental barriers and data silos, achieving seamless collaboration across roles and empowering cross-border enterprises with operational efficiency and compliance-driven growth.

These enhanced products form a strategic, closed-loop rules, compliance, risk management, execution ecosystem with our cross-border enterprises intelligent finance and tax management solutions, extending our domestic market expertise into global trade digitization to redefine the core infrastructure of cross-border commerce.

Market Expansion: Diversified Sales Strategies and Product Positioning

We will implement diversified marketing initiatives to strategically upgrade our domestic sales network, using the Yangtze River Delta as our core hub while expanding into the Pearl River Delta and other provinces with strong foreign trade business. In addition to establishing regional branches to directly address local market needs, we will explore various partnership strategies to enhance synergies. We are actively targeting cross-border enterprises of all scales, expanding our client base from traditional trading companies to e-commerce enterprises, with particular focus on acquiring key customers. By promoting cross-industry scenario integration, we aim to consolidate client resources while strengthening regional brand influence.

We are implementing a tiered sales approach combining standardized products with SaaS services tailored to different customers. For large cross-border enterprises, we offer comprehensive standardized solutions addressing common operational needs through integrated business-tax-finance management systems featuring process optimization and intelligent data connectivity. For SMEs, we provide streamlined cloud-based platforms with SaaS offerings that deliver complete business-tax-finance services, complemented by online training and real-time customer support to effortlessly enhance their management efficiency. This differentiated product strategy allows us to rapidly expand our customer base across enterprises of varying scales and business models by precisely matching solutions to their specific requirements.

We plan to increase our core sales hubs nationwide to approximately 40, supported by a professional team of sales, service, and R&D personnels. Through high-frequency marketing campaigns combined with in-depth product trials, we will stimulate demand, boost conversion rates, and steadily expand our client base, achieving breakthroughs in both national brand recognition and market share.

Talent Strategy: Actively Contributing to Future Expansion

In the critical window period of accelerated global digital trade restructuring, we recognize that human capital will be the core element to break regional market barriers and build a technological moat. Facing vast market opportunities, we will proactively attract talents capable of driving future growth, broadly recruiting multi-level, multi-dimensional, and cross-disciplinary talents, particularly high-end technical specialists and talents with overseas experience who can assist in achieving domestic and international tariff compliance synergies, thereby enhancing the overall competitiveness of our human resources.

In response to global trade development trends, we focus on talent capabilities in the following areas: establishment of trade compliance systems and risk control; innovative application of AI technologies in cross-border business, finance, and taxation processes and data analysis; construction of digitalized cross-border supply chain systems; multilingual interaction capabilities;

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and competencies related to digital trade infrastructure under the Belt and Road Initiative. By building a multi-polar talent resource pool, we aim to achieve agile responses to changes in trade policies, iterations of technological innovation, and upgrades in market demand, thereby building a solid talent advantage.

Strategic Cooperation and M&A Opportunities

We will strategically explore investment and acquisition opportunities to achieve complementary synergies that enhance our expansion capabilities. We evaluate targets based on their business performance, growth potential, and alignment with our business objectives, including companies with proven product capabilities and market expertise in overseas services, global customs compliance, and supply chain management to strengthen our global cross-border compliance ecosystem; enterprises with R&D capabilities in big data and AI to enable more precise tax risk assessment, intelligent audit systems, and in-depth invoice data analytics, while advancing automation and intelligent upgrades across financial workflows; and specialized tax-tech firms that complement our existing intelligent finance and tax and invoice document integrated management, enabling client resource sharing and operational integration. As of the Latest Practicable Date, we have not identified any material imminent acquisitions or investments.

OUR BUSINESS

Leveraging our advanced technological capabilities and expertise in the cross-border trade industry, we have developed and commercialized a series of cross-border enterprises business-finance-taxation digital solutions. Our solution offerings comprise cross-border enterprises intelligent finance and tax management solutions, invoice document integrated management solutions and cross-border enterprises risk management and compliance solutions. The following table summarizes our main solution offerings and their respective functions and features, principal customers and pricing model.

Solution	Products and services	Key functions and features	Pricing model	Delivery model
Cross-border enterprises intelligent finance and tax management solutions.	• <i>Agile Cloud (敏捷雲)</i>	Provides an integrated panoramic collaborative export tax and financial solution covering data collection, intelligent order allocation, declaration data generation, automatic inquiry resolution and bookkeeping.	• Software license fees; • Membership service fees	• Client-side Deployment; • Subscription; • Membership Services; • Technical Services
	• <i>Export Trade Document Management System (單證管理系統)</i>	Achieves business coordination with Agile Cloud and full-process digital storage and management of cross-border trade documents through paperless means.		• Client-side Deployment; • Subscription; • Technical Services
		Enables document collection, intelligent classification, multi-role collaboration, and intelligent alerting.		
		Ensures the authenticity, integrity, and immutability of document data to meet regulatory requirements for compliance verification of document filing.		

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Solution	Products and services	Key functions and features	Pricing model	Delivery model
Invoice document integrated management solutions.	• <i>Acumen Invoice Management Cloud</i> (智捷票據管理雲)	An all-in-one invoice issuance management system. Equipped with an intelligent invoicing engine, it supports diverse invoicing methods to meet the invoicing needs of cross-border and domestic sales in various scenarios. Helps cross-border enterprises efficiently manage their invoicing processes, enhancing both invoicing efficiency and management compliance.	• Software license fees	• Client-side Deployment; • Subscription; • Technical Services
	• <i>Digitalized Electronic Invoice Management Cloud</i> (數電票管理雲)	Constructs a comprehensive invoice pool through multi-scenario information collection methods. Empowers cross-border enterprises with end-to-end digital invoice management to enhance input tax management efficiency, mitigate tax-related risks, strengthen data collaboration capabilities, and meet regulatory requirements for compliant invoice management.		• Client-side Deployment; • Subscription; • Technical Services
Cross-border enterprises risk management and compliance solutions.	• <i>Zumoo Enterprises Compliance Service Platform</i> (跨境擎天助企業合規服務平台)	A digital “one-click customs clearance, one-click tax refund” compliance integrated service platform for cross-border e-commerce covering all customs supervision methods. Covers full-mode declaration scenarios including cross-border customs clearance and cross-border tax and finance. Provides cross-border e-commerce enterprises with secure, efficient, and compliant digital collaborative SaaS services.	• Software license fees • Annual subscription fees	• Subscription; • Technical Services

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Solution	Products and services	Key functions and features	Pricing model	Delivery model
	<i>Smart Cert FTA Digital Platform</i> (智證通FTA數字化平台)	Provides cross-border enterprises with a comprehensive solution for global tariff calculation and export origin certification compliance. Offers a digital platform featuring functions such as determining optimal global tariff rules, and one-stop generation and management of certificates of origin from customs and chambers of commerce. Helps enterprises master the application of FTA rules to gain a competitive edge in cross-border trade.		- Subscription; - Technical Services
	<i>Cross-border Enterprise Risk Analysis</i> (跨境企業風險分析)	Provides standardized solutions for institutional collaboration decisions, enabling smarter and more precise cross-border operational risk management.		Technical Services
	<i>Tax Risk Self-assessment Tool</i> (暢稅無憂風險自查)	An one-stop enterprise tax risk assessment tool.		Subscription
	<i>Big Data Transfer Platform</i> (大數據傳輸平台)	Helps enterprises address issues related to data collection, data security, data collaboration, and data storage.		- Subscription; - Technical Services
<i>UniMind Cloud Platform</i> (天智雲平台)		A comprehensive business finance and tax platform integrating intelligent finance and tax management, invoice document integrated management, and risk management and compliance.	- Software license fees - Annual subscription fees - Other delivery fees	- Client-side Deployment; - Subscription; - Technical Services

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The following table sets forth our revenues by business lines for the periods indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Cross-border enterprises intelligent finance and tax management solutions.	130,073	80.7	135,259	78.9	136,292	77.5
Invoice document integrated management solutions.. . . .	24,277	15.1	25,291	14.8	25,508	14.5
Cross-border enterprises risk management and compliance solutions...	6,734	4.2	10,833	6.3	14,058	7.99
Total	161,084	100.0	171,383	100.0	175,858	100.0

Our Key Operating Data

The following table sets forth the key operating metrics of our business for the periods indicated.

	For the year ended December 31,		
	2023	2024	2025
Cross-border enterprises intelligent finance and tax management solutions			
Number of customers			
Large customers	4,867	4,568	5,325
Medium customers	2,796	6,305	3,202
Small customers	23,478	16,243	15,397
Invoice document integrated management solutions			
Number of customers	1,323	1,043	1,102
Cross-border enterprises risk management and compliance solutions			
Number of customers	176	208	641
Number of new customers	6,605	5,747	6,472
Average revenue per user (in RMB)	5,157	6,287	7,257
Number of non-paying users	26,156	32,824	36,512
Conversion rate of non-paying users⁽¹⁾	20.2%	14.9%	15.1%
Customer Retention Rate	92.0%	92.6%	84.2%

Note:

- (1) Conversion rate of non-paying users equals the number of new paying customers in the period divided by the aggregate of the number of new paying customers in the period and the closing balance of non-paying users.

This metric reflects the proportion of free trial/non-paying users that were converted into paying customers during the period, and is used to measure our customer conversion efficiency. As we do not separately track the number of newly added non-paying users during the period, the non-paying user component in the denominator is presented using the closing balance of non-paying users for the relevant period in actual calculation.

BUSINESS

Trends in Key Operating Metrics

- *Cross-border Enterprises Intelligent Finance and Tax Management Solutions*

To reflect our business evolution and changes in client payment capabilities, we have refined our customer classification framework, categorizing customers into large, medium and small customers. Our customer structure for this solution has evolved significantly under our high-value client strategy. Our large customers increased from 4,867 in 2023 to 5,325 in 2025, reversing the decline in 2024, primarily driven by our focus on serving large enterprises with complex operational and compliance needs. Our medium customers increased from 2,796 in 2023 to 6,305 in 2024, and subsequently adjusted to 3,202 in 2025. This fluctuation reflects our proactive tiered operations: the increase in 2024 was due to our expansion of medium enterprises paying base, while the decline in 2025 was resulted from the re-categorization of certain medium customers to large customers as their increases in purchases with us. Concurrently, small customers declined from 23,478 in 2023 to 15,397 in 2025, as we consolidated service for low-activity, low-payment users and reallocated resources toward higher-value clients. Notwithstanding the reduced total customer count, we recorded an increase in average revenue per user during the Track Record Period. The reported numbers for each period only include customers who contributed revenue during that period, in accordance with our revenue recognition policy.

- *Invoice Document Integrated Management Solutions*

Following targeted product upgrades in 2024, our offerings became more focused and oriented towards potential customers, leading to a slight adjustment in customer count, which decreased by 21.2% in 2024. This fluctuation is attributable to our ongoing adjustments in product positioning and market strategy. In 2025, our customer count recovered to 1,102, as we continued to refine our product suite and deepen engagement with existing customers while pursuing targeted expansion within the cross-border enterprise segment.

Overall, the customer count for this solution during the Track Record Period reflected the phased evolution of our strategy: initial rapid expansion driven by policy tailwinds in 2023, followed by strategic portfolio optimization in 2024, and a subsequent period of stabilized growth in 2025 as our product-market fit and service capabilities matured.

- *Cross-border Enterprises Risk Management and Compliance Solutions*

Our customer count for this solution increased from 176 in 2023 to 208 in 2024, and further to 641 as of December 31, 2025, representing an overall increase of approximately 264% during the Track Record Period. This growth was supported by tightening cross-border regulations, which shifted enterprise demand from passive compliance to proactive risk management. We added 32 new enterprise customers in 2024, reflecting the early stage of market cultivation as enterprises began to recognize the value of integrated compliance solutions. The growth accelerated significantly in 2025, with the addition of 433 new customers, primarily from the cross-border ecommerce sector. This acceleration was mainly driven by: (i) the maturation of our product suite, enabling us to more effectively address diverse compliance requirements spanning taxation, foreign exchange, and trade regulations; (ii) intensified marketing efforts targeting cross-border e-commerce enterprises, which require frequent compliance checks due to the complexity of their business processes; and (iii) broader industry trends, as enterprises increasingly shifted from reactive compliance measures to proactive risk management in response to evolving regulatory requirements.

BUSINESS

- *Number of New Customers*

We added 6,605, 5,747 and 6,472 new customers in 2023, 2024 and 2025, respectively. The number of new customers added in 2023 was driven by the rapid expansion of our intelligent finance and tax management solutions and invoice document integrated management solutions, as we scaled our standardized product offerings to capture market demand following the implementation of favorable policies such as the digital electronic invoice reform.

The number of new customers added in 2024 was lower than that in 2023, primarily as cross-border enterprises adopted a more cautious stance towards service procurement, influenced by macroeconomic uncertainties. In 2025, the number of new customers recovered to 6,472, as enterprises gradually resumed investment in digital solutions amid improving business confidence and evolving compliance requirements. This recovery reflected a more selective approach to customer acquisition, with our sales and marketing efforts increasingly focused on enterprises with established export operations and demonstrated payment capacity.

- *Non-Paying Users and Conversion Strategies*

(a) The reasons why the majority of active customers are non-paying customers

Our Target Customer Base Primarily Consists of Small, Medium and Micro Foreign Trade Enterprises with Varying Needs and Payment Capacities

Among the cross-border enterprises we serve, a significant number are small, medium and micro export enterprises, which generally exhibit the following characteristics:

- Relatively small business scale, limited budgets, and cautious approach to investment in digital tools;
- Simplistic business models, where basic manual operations are sufficient to meet routine customs declaration, invoicing, and filing needs;
- Lean staffing configurations, with sensitivity to the learning costs associated with new system implementation.

Accordingly, such customers tend to initially prefer using free versions to satisfy basic needs and have not yet developed willingness to pay.

The Free Version Provides Fundamentally Usable Functions Capable of Satisfying Minimalist Business Needs

Our free version is not a completely restricted version and can satisfy basic operational needs such as simple data entry and inquiry for micro and small customers. Certain customers with extremely low business volumes may use the free functions on a long-term basis without the need to upgrade to paid versions.

(b) Key Functional Differences Between Paid and Free Versions (Using Flagship Product Agile Cloud as an Example)

Functional Module	Paid Version	Free Version
Automatic Business Data Acquisition	Supports automatic collection of customs, tax, and foreign exchange data	Not supported; requires complete manual entry

BUSINESS

Functional Module	Paid Version	Free Version
Intelligent Matching of Customs and Invoice Data	Automatic batch matching	Supports only manual entry and verification on a line-by-line basis
Automatic Discrepancy Resolution	System automatically identifies and prompts adjustments	Manual checking only
One-Click Intelligent Tax Filing	Direct connection to tax bureau for filing and status tracking	Not supported; requires offline manual filing
Export Tax Management . .	Full functionality	Not provided
Operational Statistics and Analysis Reports	Multi-dimensional automatic generation	Not provided
Automatic Accounting Voucher Generation . . .	Supports integration with financial systems	Not supported

Core Differentiation:

The paid version is centered on automation, intelligence, and full-process closed-loop capabilities, significantly enhancing operational efficiency. The free version provides only basic entry and inquiry functions, without automation or large-scale processing capabilities.

(c) Strategies for Converting Non-Paying Users into Paying Customers

We lower customer acquisition barriers through free trials, with new registered users entitled to use the free version for a standard trial period of three months. Through free usage, we progressively establish operational habits, data accumulation, and product dependency, with customers gradually converting to paying clients as their business grows and processes become more complex. We have established a complete conversion system encompassing **reach → nurture → experience → convert**:

Multi-Channel Continuous Reach

- Real-time customer service hotline (400-096-2166) for user inquiries;
- Continuous reach through online live streaming, short videos, and policy interpretation courses;
- Enterprise community operations to maintain user engagement.

Value Nurturing to Awaken Upgrade Demand

Through policy changes, business volume growth, and risk alerts, we enable users to recognize that manual operations cannot satisfy compliance and efficiency requirements, thereby stimulating demand for paid services.

Product Experience Marketing

We grant high-activity non-paying users time-limited access to paid functions, allowing them to intuitively experience efficiency improvements and lowering the threshold for paid conversion decisions.

Coordinated Operations and Sales for Precise Conversion

Our customer operations team monitors user activity levels and depth of usage to identify high-intent users, while our sales team provides one-on-one solutions and services to drive final paid conversion.

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Precision Nurturing Strategy

While the overall conversion rate has declined due to the continuous expansion of our non-paying user base, we have focused on targeted incubation of high-activity, high-potential, and high-business-volume non-paying users to enhance conversion quality and efficiency.

- *Average Revenue Per User (ARPU)*

Our ARPU increased from RMB5,157 in 2023 to RMB6,287 in 2024, and further to RMB7,257 in 2025. This improvement was primarily driven by deeper penetration of high-value services through our integrated solutions, as well as our strategic focus on serving enterprise clients with more complex compliance requirements. With the refinement of our customer classification, the proportion of large and medium customers increased from approximately 24.6% in 2023 to approximately 40.1% in 2024, reflecting successful expansion in the mid-tier market, and subsequently adjusted to approximately 35.6% in 2025 as certain medium customers upgraded to large customer status while the Group proactively consolidated resources on higher-value accounts. The year-over-year increase in ARPU demonstrated the effectiveness of our tiered service approach and cross-selling capabilities across our retained customer base.

- *Number of Non-Paying Users*

We have successfully expanded our funnel of potential customers. The number of non-paying users increased from 26,156 in 2023 to 32,824 in 2024, and further to 36,512 as of December 31, 2025. This growth was driven by our targeted marketing activities, such as offering free trial versions, which allow us to build a broad user base for future conversion. The year-over-year growth rate moderated in 2025 as we continued to refine our user acquisition approach, placing greater emphasis on attracting enterprises with higher business volumes and more complex operational needs, which we believe enhances the quality of our potential customer pipeline and supports sustainable conversion over the long term.

- *Non-Paying User Conversion Rate*

Our non-paying user conversion rate was 20.2% in 2023, 14.9% in 2024, and 15.1% in 2025. The decline from 2023 to 2024 reflected the significant expansion of our non-paying user base, which reached 36,512 by the end of 2025, outpacing the growth in conversions. While the absolute number of converted paying customers continued to increase, the rapid scaling of our user acquisition activities resulted in a larger proportion of users in early-stage engagement.

In 2025, our conversion rate stabilized at 15.1%, as our “precision nurturing” approach began to yield results. We focused our resources on engaging non-paying users with higher business volumes and more complex operational needs, which enhances the quality of our potential customer pipeline and supports sustainable conversion over the long term.

CROSS-BORDER ENTERPRISES INTELLIGENT FINANCE AND TAX MANAGEMENT SOLUTIONS

Our cross-border enterprises intelligent finance and tax management solutions encompass products including Agile Cloud and Export Trade Document Management System. In 2023, 2024 and 2025, we generated revenue of RMB130.1 million, RMB135.3 million and RMB136.3 million from our cross-border enterprises intelligent finance and tax management solutions, respectively, accounting for 80.7%, 78.9% and 77.5% of our total revenue in the same periods, respectively.

BUSINESS



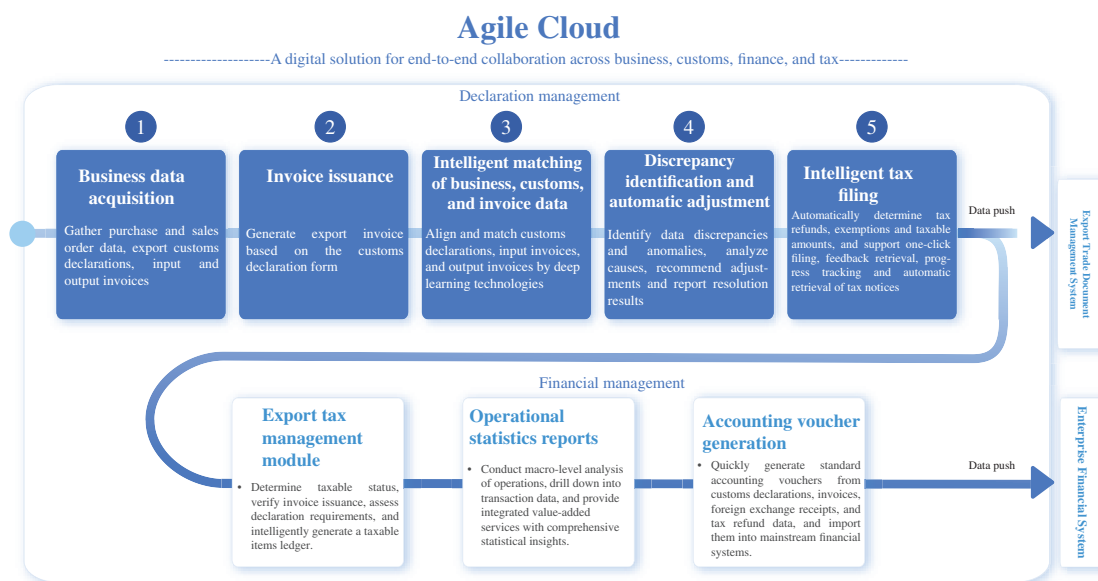
Agile Cloud

Agile Cloud enables efficient, accurate and compliant export tax refund declaration and fund management, digitalizing and intelligentizing tax and financial processes for cross-border enterprises. The intelligent tax process covers automatic business data acquisition, invoice information generation, intelligent matching of customs and invoice data, tax refund declaration data generation and discrepancy adjustment, intelligent tax filing and export tax management. The intelligent finance process covers operational statistics reports and accounting voucher generation. Key features include:

- *Automatic business data collection.* During the data collection stage, Agile Cloud interfaces with cross-border enterprises’ internal ERP and various business systems to comprehensively acquire key business data including purchase and sales order data, export customs declaration data, input and output invoices, and foreign exchange receipt records, breaking information silos and establishing a unified and accurate data foundation for subsequent tax processing and declaration.
- *Invoice issuance.* Leveraging OCR and rule engine technologies, Agile Cloud automatically generates pending export invoice data based on export customs declarations, ensuring complete consistency between business flow and invoice flow information. The generated results can be seamlessly synchronized to our Acumen Invoice Management Cloud for one-click issuance; conversely, the system also supports receiving external invoicing data to provide accurate basis for subsequent customs-invoice matching.
- *Intelligent Matching of business, customs, and invoice data.* Addressing the pain point of complex documentation in cross-border trade, Agile Cloud utilizes deep learning technology to real-time align customs declarations, input invoices and output invoices data, achieving fast and accurate matching of export customs declaration data with purchase invoice data, and automatically generating tax refund declaration data files, thereby improving the accuracy and timeliness of tax refund declaration data generation.
- *Discrepancy adjustments.* Agile Cloud’s built-in intelligent risk control model can automatically identify discrepancies and abnormal situations in export tax refund declaration data based on customs-invoice matching results. By providing discrepancy source analysis, adjustment suggestions and processing result feedback, Agile Cloud assists enterprises in eliminating potential compliance risks before declaration, significantly reducing operational compliance risks.

BUSINESS

- *Intelligent tax filing.* Agile Cloud can automatically identify tax treatment requirements for export business, such as tax refund, tax exemption and taxable amount, automatically form tax declaration data, and support one-click filing of export tax refund data, feedback retrieval, progress tracking and automatic acquisition of tax matter notices.
- *Export Tax Management Module.* Based on business and invoice data, Agile Cloud automatically determines the tax attributes of export business (such as deemed domestic sales taxation), whether invoices have been issued, and whether declaration is required for business personnel confirmation, and intelligently forms taxable account records to ensure comprehensive compliance in enterprise tax treatment.
- *Operational Statistics Reports.* Agile Cloud conducts macro-level analysis of enterprises’ overall operations and drills down into business transaction data. It also synchronizes invoice analysis to examine operational transaction trends, provides ecosystem-integrated value-added services, and features comprehensive statistical analysis functions.
- *Accounting Voucher Generation.* Upon completion of tax refund business, bookkeeping shall be handled in accordance with financial and accounting requirements. Agile Cloud can quickly generate standard accounting vouchers from customs declarations, invoices, foreign exchange receipts and tax refund declaration data within the system, and import the related data into mainstream financial systems, achieving seamless connection between tax processing and financial accounting.



Export Trade Document Management System

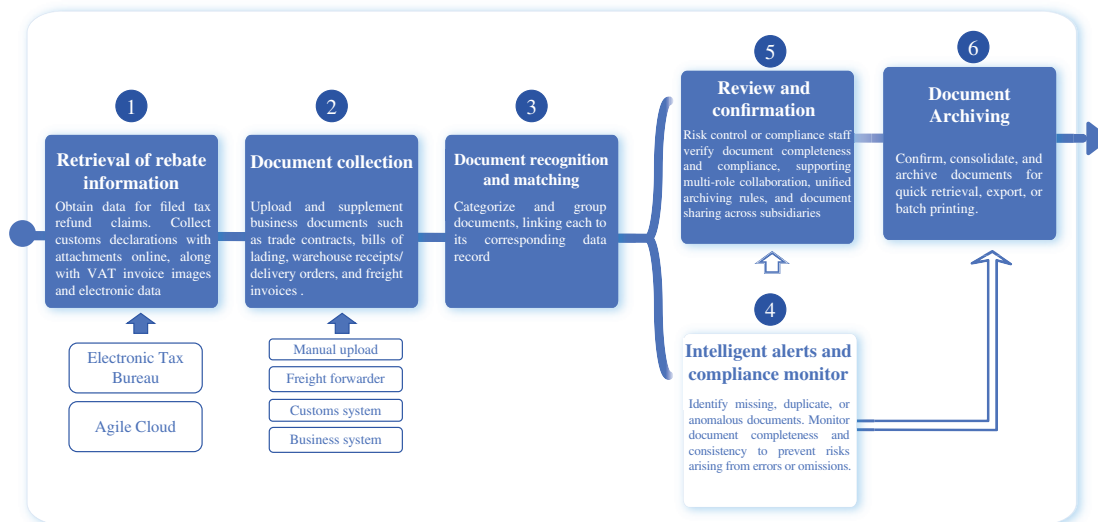
Our Export Trade Document Management System focuses on the full lifecycle management of filing documents for export tax refund declaration. In accordance with export tax refund regulations, the system automatically collects, recognizes, classifies and digitally archives various trade documents in cross-border enterprises’ international trade through paperless means, forming traceable document records. Its specific functions include document collection, intelligent classification, multi-role collaboration and intelligent alerting, ensuring the authenticity, integrity and immutability of document data, and meeting the strict compliance and completeness requirements of internal management and regulatory authorities for filing documents and electronic filing document management.

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- *Smart data capture archiving.* Our Export Trade Document Management System collects customs declarations, supporting documents (such as export contracts and customs agency agreements), and VAT invoice images and data, and achieves smart classification for collected documents and matches key business information such as contract numbers and delivery numbers through intelligent recognition to automatically achieve them.
- *Permanent storage.* Our Export Trade Document Management System permanently stores archived images and data on designated servers, and can quickly export or batch print electronic voucher files within specified ranges according to enterprise requirements.
- *Multi-role collaboration.* Our Export Trade Document Management System supports multi-role collaboration in document collection, establishes unified archiving rules, and standardizes document management. Subsidiaries of our customers can share documents at the group levels, avoiding duplicate data collection and improving work efficiency.
- *Intelligent alerts.* Our Export Trade Document Management System automatically tracks and categorizes complete and incomplete sets of business documents in batches. Our Export Trade Document Management System also serves as a proactive measure for export tax refund management, helping prevent missing or incorrect documentation risks.

Export Trade Document Management System

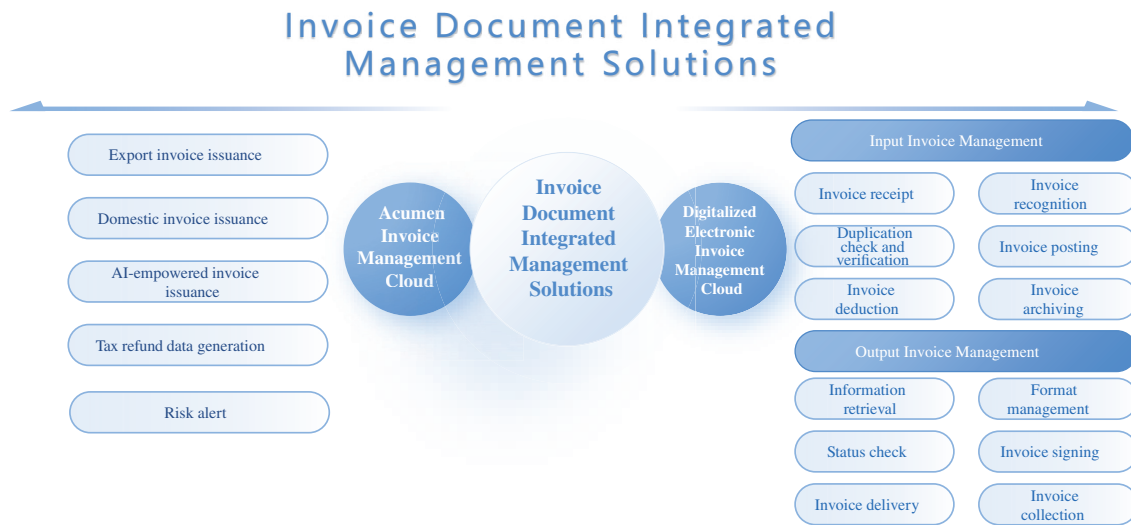
----- Full lifecycle management of supporting documents for export tax refund filing -----



INVOICE DOCUMENT INTEGRATED MANAGEMENT SOLUTIONS

Our invoice document integrated management solutions comprehensively cover all invoice application scenarios of cross-border enterprises and supply chain enterprises and achieve the integration of invoice issuance and management. They are provided mainly through our Acumen Invoice Management Cloud and Digitalized Electronic Invoice Management Cloud, and cover full-cycle invoice management processes, including invoice issuance, delivery, verification and archiving, as well as the corresponding tax management. Our customers can subscribe to these solutions individually or as a combination based on specific business needs. In 2023, 2024 and 2025, we generated revenue of RMB24.3 million, RMB25.3 million and RMB25.5 million from our invoice document integrated management solutions, respectively, accounting for 15.1%, 14.8% and 14.5% of our total revenue in the same periods, respectively.

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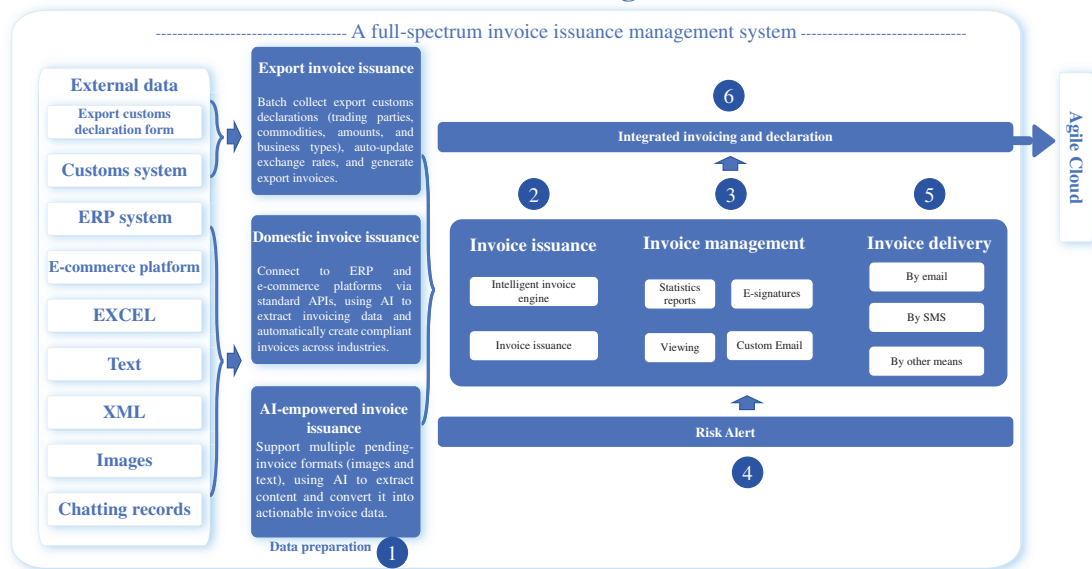
Acumen Invoice Management Cloud

Our Acumen Invoice Management Cloud is a full-spectrum invoice issuance management system. Through our Intelligent Invoice Engine, it helps cross-border enterprises efficiently manage invoicing processes, improving both issuance efficiency and management standardization. The system supports diverse invoicing methods, including export customs declarations of enterprises, import of table templates, interface integration and AI recognition, to accommodate various scenarios for both export and domestic sales. It simplifies the invoicing process, addresses common issues such as slow data entry and complex procedures, and supports batch printing, enabling enterprises to issue VAT invoices efficiently and rapidly.

- *Export invoice issuance.* Our Acumen Invoice Management Cloud integrates with the government portals for export invoice issuance scenarios. It enables batch collection of export customs declarations, including details such as trading parties, commodities, transaction amounts, and business types, automatically update foreign exchange rates, and supports users in issuing export invoices in a single integrated process through our Intelligent Invoice Engine.
- *Domestic invoice issuance.* Our Acumen Invoice Management Cloud connects to ERP systems, e-commerce platforms, and other systems through standardized API interfaces. It leverages AI technology to identify invoicing elements and automatically generate invoice content, meeting invoicing compliance requirements across different industries.
- *AI-empowered invoice issuance.* Our Acumen Invoice Management Cloud supports various formats of pending invoice files, including Excel, TXT, XML, images, and text. It uses AI technologies to recognize invoice content and convert it into actionable invoice data. It also supports management of invoice layout files, enabling functions such as viewing, statistical analysis, digital signing, customizing email content, and automated invoice delivery.
- *Tax refund data generation.* Our Acumen Invoice Management Cloud operates in an integrated invoicing and declaration workflow, using customs declarations and export invoices to generate detailed data for exported goods with a single action.
- *Risk Alert.* Our Acumen Invoice Management Cloud provides alerts for unclaimed tax refunds and uninvoiced customs declarations, thereby preventing enterprises from missing tax refunds or incomplete invoicing.

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Acumen Invoice Management Cloud

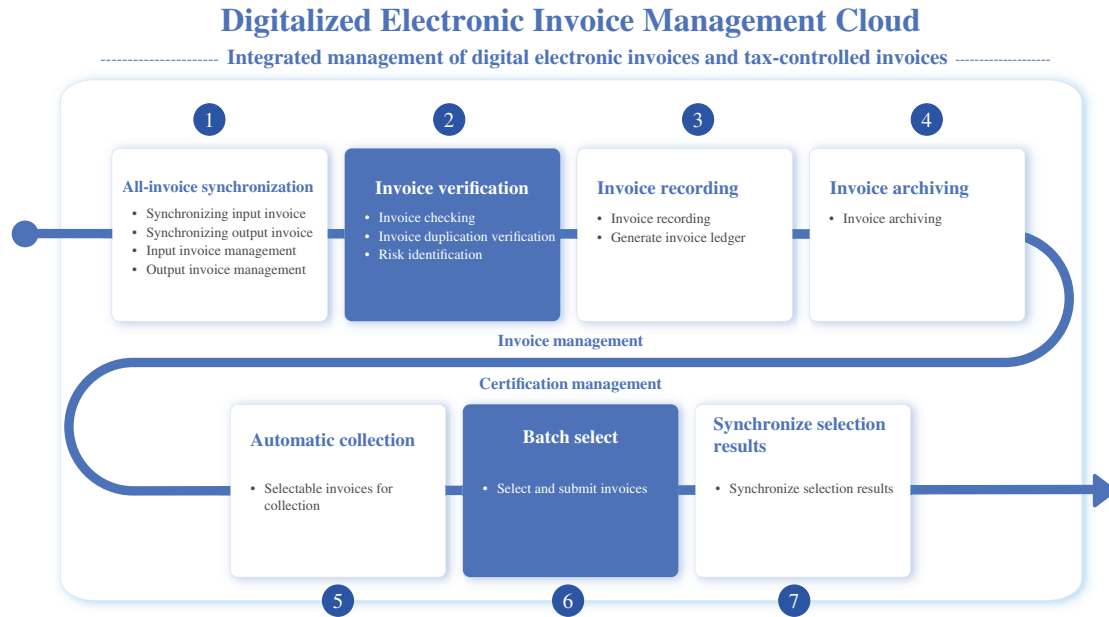


Digitalized Electronic Invoice Management Cloud

Our Digitalized Electronic Invoice Management Cloud is an integrated management solution for digital electronic invoices and tax-controlled invoices. It enables enterprises to build a comprehensive in-house invoice pool and local digital document storage through multi-channel, all-invoice-type information collection in the following aspects. It's input and output invoice management functions solve the issues that often occur in the invoice receipt of enterprises such as repeated receipt and abnormal invoice status, thus improving the efficiency of invoice management of cross-border enterprises, controlling invoice risks, enhancing invoice collaboration and meeting the standardized requirements of invoice management.

- Input invoice management.** Our Digitalized Electronic Invoice Management Cloud centrally manages input invoices by establishing an input invoice pool that covers the entire process flow, including receipt, recognition, duplication verification, accounting, deduction, and archiving. It supports full invoice field data extraction, intelligent verification, one-click duplicate checking, layout management, and centralized archiving. It provides multiple methods for confirming invoice usage purposes and supports batch selection and purpose confirmation.
- Output invoice management.** Our Digitalized Electronic Invoice Management Cloud supports retrieval of issued invoice details to create output invoice pool and layout files, enables invoice digital signing, facilitates personalized delivery to internal business departments and customers, and provides multi-dimensional data statistic analysis, inspection of invoice status and centralized management of electronic invoice archives.

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CROSS-BORDER ENTERPRISES RISK MANAGEMENT AND COMPLIANCE SOLUTIONS

Leveraging our service experience through our cross-border enterprise intelligent finance and tax management solutions and invoice document integrated management solutions, along with in-depth tracking and researching of emerging client-driven business models (e.g. cross-border e-commerce, origin certification), we have formed a deep understanding of cross-border enterprises’ demand for risk management and compliance. Through comprehensive insights into the business models spanning procurement, sales, customs clearance, tax filing, and foreign exchange settlements in the closed-loop operational cycles of cross-border e-commerce enterprises, we identify a series of non-compliance practices, such as “non-invoiced purchasing” and “buying customs declaration documents for clearance”. Our solutions enable cross-border e-commerce enterprises to optimize their business models to ensure compliance and maintain eligibility for relevant tax incentives. By cross-verifying cross-border enterprises’ transactional patterns against invoice documentation and customs declaration data, we can accurately discern their business operations, financial performance and financing needs. Based on these capabilities, we have developed our cross-border enterprises risk management and compliance solutions, integrated with multi-functional, full-scenario and collaborative service platforms for cross-border e-commerce compliance in customs affairs, taxation, invoice management, and export certificate of origin certification, empowering partner institutions to enhance decision-making and risk control capabilities, while assisting cross-border enterprises in improving origin certification and document archiving. In 2023, 2024 and 2025, we generated revenue of RMB6.7 million, RMB10.8 million and RMB14.1 million from our cross-border enterprise risk management and compliance solutions, respectively, accounting for 4.2%, 6.3% and 8.0% of our total revenue in the same periods, respectively.

Zumoo Enterprises Compliance Service Platform

Based on our clients’ continuous expansion into cross-border e-commerce business, the compliance challenges faced by e-commerce operations have become increasingly prominent, mainly including the inability to obtain valid purchase vouchers during procurement, failure to qualify for export tax refunds, and significant differences between ways of customs clearance exclusive to e-commerce enterprises and traditional general trade practices. These issues lead to a series of non-compliance practices, such as “non-invoiced purchasing” and “buying customs

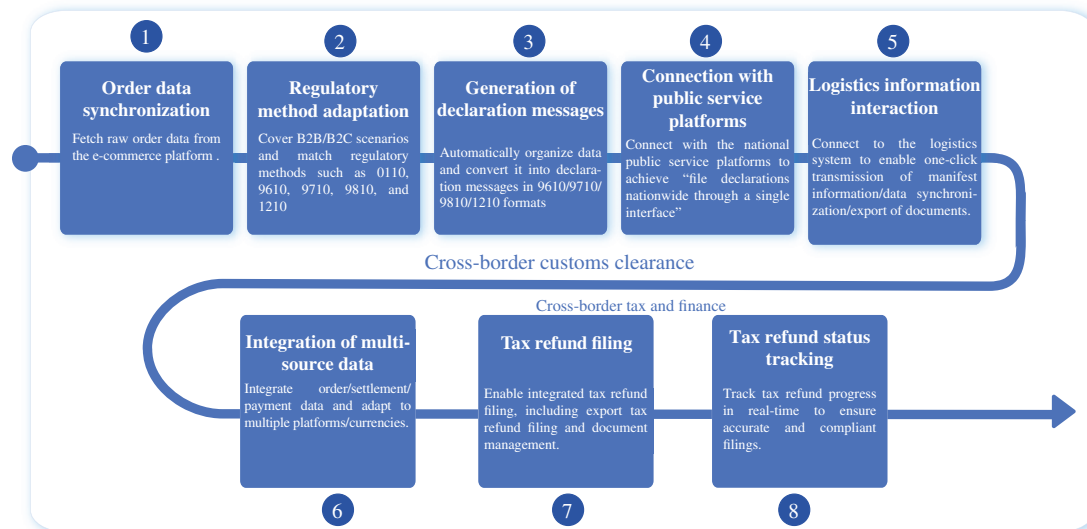
BUSINESS

declaration documents for clearance”, exposing enterprises to substantial tax risks. In response, we have developed a cross-border e-commerce compliance model and launched our Zumoo Enterprises Compliance Service Platform. The platform is a digital compliance integrated service platform specifically designed for cross-border e-commerce enterprises, covering full-mode declaration scenarios including cross-border customs clearance, taxation, and financial management. It provides cross-border e-commerce enterprises with secure, efficient, and compliant digital collaboration SaaS services, addressing challenges of high compliance barriers and inefficiencies in manual processing of complex multi-dimensional data for cross-border e-commerce enterprises.

- Cross-border customs clearance.* Our platform covers various B2B and B2C cross-border e-commerce export scenarios and supports declarations under multiple customs supervision methods, including 0110, 9610, 9710, 9810, and 1210. The platform integrates intelligent declaration models to automatically synchronize e-commerce orders and complete data organization and format conversion (9X10 declaration model) to generate declaration messages, enabling seamless end-to-end filing. By connecting with public service platforms across different regions in China, the platform allows cross-border e-commerce businesses to file declarations nationwide through a single interface. It supports integration with major cross-border logistics providers, enabling one-click transmission of manifest information, 3-second data synchronization, and one-click export of accompanying documents, ensuring efficient collaboration between merchants and logistics providers.
- Cross-border tax and finance.* Our platform covers cross-border tax and finance compliance scenarios including export tax refunds, invoices, and expenses. It enables automated tax refund processes, including export tax refund filing, document management, and real-time tracking of rebate status, helping cross-border enterprises improve filing efficiency and ensure compliant operations.

Zumoo Enterprises Compliance Service Platform

----- A digital compliance integrated service platform specifically designed for cross-border e-commerce enterprises -----



Smart Cert FTA Digital Platform

In most export transactions, our clients’ foreign buyers require sellers to provide export certificates of origin for purchased goods to qualify for preferential import tariffs. However, due to the complexity of tariff rules, traditional enterprises’ customs personnel often struggle to determine the optimal rules for minimum tariff benefits, coupled with multiple certification channels and

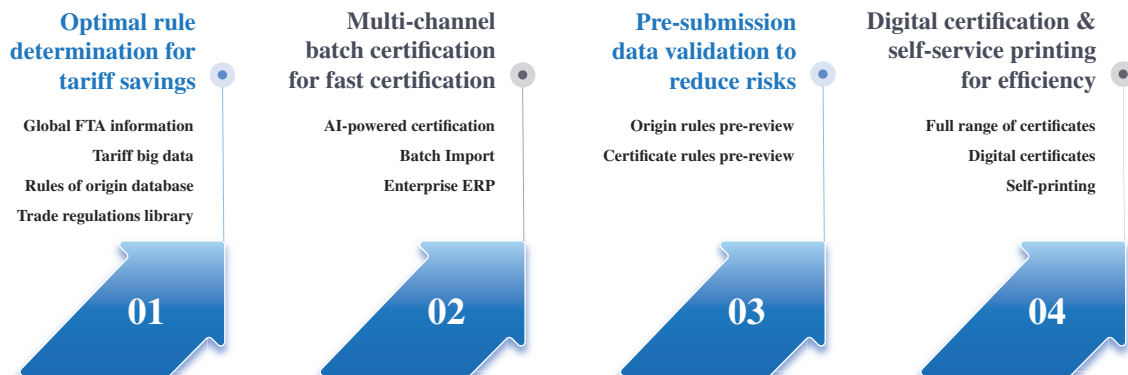
BUSINESS

cumbersome documentation processes. To address these challenges, we have developed our Smart Cert FTA Digital Platform. The platform provides cross-border enterprises with an integrated solution for global tariff calculation and compliance certification for export certificates of origin, offering functions such as optimal rule determination for global tariffs, and one-stop batch processing of certificates of origin for customs and chambers of commerce, pre-submission data validation, digital certificate generation and self-service printing. Through automated recommendations, the platform significantly reduces professional barriers for enterprises in accessing optimal tariff benefits while improving efficiency in multi-channel origin certification processes. The platform can integrate with our Zumoo Enterprises Compliance Service Platform to enable real-time data sharing during customs declaration for rapid certification processing.

- *Optimal Rule Determination:* Our platform incorporates origin rule databases for over 30 trade agreements (including RCEP and CPTPP), with real-time synchronization of the latest policies from Customs and the Ministry of Commerce. The tariff optimization engine automatically recommends the most favorable agreement pathway and calculates duty reduction ranges based on product inputs.
- *Batch Certification & Multi-Channel Processing:* Our platform supports bulk certificate generation with one-click data import and AI-powered document processing that auto-populates key fields by extracting information from invoices and packing lists. Our platform enables seamless ERP integration for direct business data retrieval and “single-click declaration” functionality.
- *Pre-Submission Data Validation:* Our intelligent review engine automatically validates declaration data against applicable trade agreement rules, flagging discrepancies for manual review with suggestive recommendations to ensure compliance.
- *Digital Certification & Self-Service Printing:* Our platform enables fully digital Certificates of Origin with legally binding e-signatures, and offers flexible self-printing options, allowing enterprises to print directly without visiting certification authorities.

Smart Cert FTA Digital Platform

Providing cross-border enterprises with an integrated solution for global tariff calculation and origin compliance



BUSINESS

Cross-Border Enterprises Risk Analysis Service

Our cross-border enterprises risk analysis service is based on a digital authorization system, building an end-to-end business risk analysis model. Through “one-click enterprise authorization,” it enables automated collection and intelligent integration of multi-dimensional business data, providing institutions with a standardized solution for cooperative decision-making, making cross-border business risk management more intelligent and precise.

- *Comprehensive data integration capabilities.* Our service automatically consolidates critical business elements (including corporate certification documents, supply chain transaction records, and import/export compliance data) to generate visualized dashboards and statistical analysis reports.
- *Proprietary intelligent analytics model.* We leverage algorithmic engines to perform real-time operational diagnostics, and objectively evaluate the authenticity and operational stability of export trade activities.
- *Adaptive scenario implementation.* We provide partners with tailored enterprise risk assessment reports while supplying supply-chain stakeholders with standardized credit profiles, thereby significantly reducing decision-making costs through unified data outputs.
- *Regulatory compliance infrastructure.* Our service replaces manual verification processes with digital workflows, ensuring end-to-end adherence to cross-border trade regulations while elevating risk control efficiency through auditable data trails.

Tax Risk Self-Assessment Tool

Our Tax Risk Self-assessment Tool is a data driven, all-in-one enterprise tax risk detection tool. It helps cross-border enterprises proactively identify nearly one hundred tax-related risk points, including export tax refunds, foreign exchange receipts, input tax credits, and underlying records, and provides targeted professional solutions.

- *Real-Time Risk Indicators.* Our precision risk models continuously scan enterprise data to identify tax compliance gaps and irregular transactions. Our system dynamically updates risk parameters in response to regulatory changes, empowering cross-border enterprises to preemptively address vulnerabilities and mitigate policy transition risks through timely self-assessment.
- *Comprehensive Risk Screening.* Our product performs exhaustive checks across customs declarations, export tax refunds, and input VAT operations. It evaluates over 20 critical indicators including unfiled returns, irregular declarations, and abnormal goods flow.
- *Granular Risk Analysis.* Through meticulous examination of customs declarations, goods origins, freight/insurance/commission costs, suppliers, cross-category discrepancies, sensitive commodities/ports, remote customs filings, and logistical anomalies, our product traces source data to monitor rebate health status. This guarantees full-process compliance across all operations.
- *Professional Risk Reporting.* Detailed self-assessment scores and identified risk inventories are systematically documented. Each risk item includes descriptions of potential consequences from mishandling, correlated data references, and expert remediation guidance. These board-ready reports provide authoritative foundations for internal decision-making and stakeholder communication.

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Big Data Transfer Platform

Our Big Data Transfer Platform integrates functions such as automatic and manual collection and download of customs data, customs documents, and purchase invoices, as well as data distribution. It helps enterprises address issues related to data collection, data security, data collaboration, and data storage.

- *API cloud collection.* Our secure cloud-based services ensure enterprise-grade safety during data ingestion processes.
- *Scheduled automated downloads.* Our platform executes daily collection tasks automatically during off-peak hours, enabling daytime utilization while implementing automatic retrieval of missed records.
- *Synergistic data sharing.* Data collected by our platform is distributed via interfaces, enabling data sharing across all departments and systems, making it the preferred solution for remote collaborative work.
- *Data center.* Our platform centrally collects various types of data and documents, including tax refund vouchers, preliminary declaration forms, amendment/cancellation forms, tax and fee receipts, input VAT invoices, agency customs declaration agreements, and accompanying documents. Data collected through our platform is stored for the long term, facilitating subsequent audits by customs and tax authorities.

UNIMIND CLOUD PLATFORM

Our UniMind cloud platform is an integrated business, finance, and tax platform that combines three core modules: intelligent finance and taxation, document and invoice collaboration, and risk control and compliance. Our UniMind cloud platform delivers comprehensive modular functionality mainly through a SaaS architecture, allowing cross-border enterprises to flexibly subscribe to required features on demand and improve financial and tax management efficiency in the most suitable manner. For details of features, functions and revenue model, see “Our Business” in this section.

RESEARCH AND DEVELOPMENT

Our Technologies

Technology is our foundation and a key component to effective solution offerings. We utilize foundational and general technologies including cloud computing, big data, OCR, low-code platforms, AI, and blockchain. Based on these, we have developed proprietary technologies for various products, including intelligent order matching, document and invoice recognition and matching, automated invoice issuance, automatic origin certification, export enterprise classification, and cross-border enterprise risk control. As of the Latest Practicable Date, we have filed three invention patent applications related to these technologies.

Foundational and General Technologies

Our foundational technologies mainly cover cloud computing, big data and blockchain technologies, while our general technologies principally include OCR, low-code platforms and AI technologies.

Our foundational technologies refer to technologies that constitute the underlying capabilities supporting the operation of upper-layer product systems, serving as prerequisites for product functionality realization. Taking cloud computing as an example, it provides elastic computing, distributed storage, and containerized deployment capabilities, furnishing the infrastructure

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environment for the stable operation of upper-layer applications such as Agile Cloud and UniMind Cloud Platform. Such technologies are analogous to the foundation of a building, while not directly perceived by end users, they determine the system’s scalability, reliability, and concurrent processing capacity.

Our general technologies refer to technologies that are not confined to a specific business scenario within the business-finance-taxation-document domain, but rather possess cross-scenario, cross-module reusability. Taking OCR technology as an example, it can be applied not only to invoice recognition, but also to the recognition and structural conversion of various trade documents including customs declarations, contracts, and bills of lading, supporting different business functions such as intelligent order matching, document archiving, and risk scanning. Such technologies are analogous to standardized building block modules, which can be flexibly combined and invoked according to different product requirements.

Our foundational and general technologies are primarily developed through independent R&D. Third-party procurement is limited to underlying hardware resources and general large model base API calls.

Specifically, our cloud computing architecture is an independently built cloud-native system based on open-source frameworks, adopting containerization and microservices models to achieve high-elasticity scaling, with annual service availability reaching 99.99%. However, physical infrastructure resources such as servers and bandwidth are procured from third-party cloud service providers. Our big data platform, OCR engine, low-code platform, and blockchain service platform are all independently developed by us, covering the full process from data collection and model training to application deployment. With respect to AI technology, our vertical domain models such as AI assistant TaxMate are independently developed by us, constructed through technologies including knowledge structuring, industry-specific NLP, and retrieval-augmented generation; the general large language model base is accessed through adaptation of open-source or commercial models.

- ***Cloud Computing:*** We employ a cloud-native architectural framework centered on containerization and microservices, establishing a highly flexible and maintainable application support platform. Through automated release process management and dynamic resource allocation, we achieve fuller utilization of system resources, more stable operations, and faster software delivery.
- ***Big data technology:*** Our big data capabilities encompass the entire process from data ingestion to application, supporting the integration, processing, feature extraction, and model construction of both structured and unstructured data. This technological foundation enables effective customer profiling and classification, as well as business risk scanning and early warning mechanisms, providing enterprises with reliable data support and decision-making basis for risk and compliance management.
- ***Blockchain technology:*** We have independently developed a one-stop blockchain service platform based on open-source frameworks, supporting cluster management and visual monitoring capabilities. This significantly reduces usage barriers and operational complexity, while providing secure and reliable data attestation and trusted management support for digital electronic invoices, filed documents, and certificates of origin in trade scenarios.
- ***OCR technology:*** Our OCR technology covers the end-to-end process from image ingestion, image preprocessing, text localization, and feature extraction to recognition model training. Its core capability is demonstrated by significantly improved recognition

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accuracy in challenging scenarios, such as low-resolution images and multi-document captures within a single image, thereby providing critical technical support for the recognition, verification, and business application of invoices, trade documents, and other certificates.

- ***Low-code technology:*** Our low-code technology is a framework for rapid application development through visual interfaces and modular components. By encapsulating common business logic, providing drag-and-drop interface design tools, and supporting workflow orchestration and data integration, it significantly reduces the complexity of traditional software development. This enables both developers and business personnel to build application systems efficiently through a “configuration-first, coding-supplemented” approach. As enterprises increasingly prioritize speed and flexibility in digital transformation, low-code technology has become a critical enabler for deep integration between IT and business operations.
- ***AI technology:*** Our AI technology leverages a core architecture that integrates general-purpose large language models with industry-specific knowledge bases, focusing on building vertical industry knowledge model applications. Through knowledge structuring, domain natural language understanding, retrieval-augmented generation (RAG), and prompt engineering, we address the limitations of general-purpose models in specialized fields. This approach forms a complete technical system covering knowledge base construction, management, and application, delivering reliable and efficient AI capabilities for the finance and tax industry.

Proprietary Product Technologies

We leverage foundational and general technologies to develop proprietary product technologies for use across different products, primarily including intelligent order matching, document and invoice recognition and matching, automated invoice issuance, automatic origin certification, export enterprise classification, and cross-border enterprise risk control technologies.

- ***Intelligent order matching technology.*** Our intelligent order matching technology systematically analyzes the correlations between different business data sets to automatically match key fields between customs declarations and invoices, such as product name, quantity, unit of measurement, source of goods, specifications, contract agreement number, remarks, unit price, and exchange cost. This enables automated data association, accurately reconstructing the true flow of transactions. The technology reduces the complexity of data organization, improves the efficiency of tax refund filings, and lowers both the workload and error rate of manual review.
- ***Document and invoice recognition and matching technology.*** Our document and invoice recognition and matching technology integrates OCR image recognition, large model-based visual understanding, and AI-powered natural language processing (NLP) to achieve high-accuracy identification and semantic parsing of various types of documents. It enables automatic conversion of original images, such as VAT invoices, general invoices, fiscal receipts, e-invoices, international commercial invoices, customs declarations, bills of lading, and receipts, into structured business data, despite differences in format, type, or language. The technology also accurately links these documents to corresponding business records. This significantly enhances the level of financial automation and tax compliance, reduces the cost and error rate associated with manual data entry and matching, and supports intelligent upgrades to core business processes such as reimbursement, settlement, verification, and risk control.

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- *Automated invoice issuance technology.* Our automated export invoice issuance technology integrates OCR and AI technologies to enable end-to-end automation, from identifying and organizing invoicing elements to generating invoices. This significantly improves invoicing efficiency, accuracy, and compliance.
- *Certificate of origin authentication technology.* Our technology is an intelligent technical system designed for international trade and Free Trade Agreement (FTA) contexts, integrating AI modeling to determine the origin of exported goods, verify compliance, and trace credibility. Its core objective is to ensure compliance in qualifying for preferential tariff rates while promoting trade facilitation. The system covers key stages including rule interpretation, element extraction, intelligent comparison, and trusted certification.
- *Export enterprise classification technology.* Our export factory classification technology is a big data analysis and prediction technology designed for cross-border trade scenarios, with export factories as the core classification objects, aimed at providing quantifiable basis for cross-border enterprises’ factory and product selection decisions.

This technology comprises three key stages.

- **Feature Extraction Stage:** Based on customs import and export data, it captures core characteristic information of export factories, including commodity categories, export value, price levels, monthly export growth rates, export customs districts, destination country distribution, transaction methods, settlement currencies, and transportation methods, forming standardized enterprise feature label vectors.
- **Clustering Stage:** Through clustering algorithms, it performs unsupervised classification of the above feature labels, and divides export factories into different clusters according to preset dimensions such as industry attributes, scale tiers, regional distribution, and growth potential, achieving refined hierarchical management of factories.
- **Prediction and Validation Stage:** Based on historical classification data and market trend information, it utilizes time-series prediction models to forecast the future export performance of factories in various clusters, and continuously optimizes model parameters through ongoing feedback from actual business data, thereby continuously improving the accuracy of classification and prediction. Our export factory classification technology leverages big data and AI capabilities to automate the entire process, from extracting export characteristics and clustering groups to prediction and validation. It significantly improves the accuracy of export factory classification and export trend forecasting, supporting data-driven decision-making for cross-border enterprises in supplier and product selection.
- *Cross-border enterprise risk control technology.* Our cross-border enterprise risk control technology is built upon our big data and capabilities, forming a fully automated system that covers the entire process, from data standardization, identification of anomalous association rules, data clustering analysis, fluctuation anomaly detection, and identification of suspicious goods, to risk scoring and precise early warnings. This system enhances the efficiency, accuracy, and regulatory compliance of risk identification for cross-border enterprises.

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Our R&D Capability

We believe our R&D capabilities form the cornerstone of our competitiveness and long-term growth. We have devoted significant amounts of resources to continuously advance our product development capability, including recruiting and training high-caliber R&D and technology talents with rich experience. As of December 31, 2025, we had assembled a dedicated product and R&D team of 206 members, accounting for approximately 64.8% of our total employees as of the same date. Among them, 137 are professional R&D personnel, accounting for 43.1% of our total employees. Our core product development personnel have an average work experience of over ten years in related areas. In addition, our R&D capabilities are also supported by our commitment and investment in R&D activities. In 2023, 2024 and 2025, we incurred research and development expenses of RMB32.3 million, RMB34.5 million and RMB35.5 million, respectively, representing 20.1%, 20.1% and 20.2% of our total revenue, respectively. Our R&D initiatives primarily focus on building foundational platform capabilities. We also concentrate on the iteration of existing product lines, such as cross-border enterprises intelligent finance and tax management, invoice document integrated management, and cross-border enterprises risk management and compliance, as well as the development of new products.

Our product development is market-driven, fueled by technological innovation and evolving regulatory requirements. We employ the Integrated Product Development methodology across two distinct phases: initial development and continuous optimization. The initial development phase forms a complete product lifecycle from concept to delivery, encompassing concept and requirements analysis, feasibility assessment, product design, development, rigorous testing, and final launch. Following product release, our continuous optimization phase implements development practices to deliver ongoing functional enhancements, ensuring rapid responsiveness to shifting market conditions and evolving customer needs through structured processes including:

- *Concept and Requirements Analysis Phase.* Our product managers and leadership team initiate the development cycle by systematically gathering and synthesizing market demands, client requirements, and regulatory-driven opportunities. Through comprehensive market research and user interviews, we identify and prioritize critical pain points, which are then translated into actionable product concepts – ultimately defining the Minimum Viable Product (MVP) framework through rigorous validation processes.
- *Feasibility Study and Review.* After clarifying preliminary requirements, the product committee conducts in-depth assessments with sales leads and business experts to evaluate technical feasibility, profitability, market competition, and potential challenges, ensuring comprehensive viability.
- *Product Design.* Based on company design standards and quality benchmarks, detailed design plans are developed, including functional specifications, system architecture, and user interface design, while ensuring security and optimal user experience.
- *Product Development.* The development team executes coding according to the design and project timeline. The project manager and product manager monitor progress and deviations to ensure on-schedule delivery.
- *Product Testing.* Testers implement comprehensive functional, performance, and security testing. Product managers and business experts validate functionality against requirements. After internal testing, select clients participate in beta testing, with adjustments made based on feedback.
- *Product Release and Delivery.* The finalized product is officially launched. Post-release, customer usage and market response are tracked to gather feedback for future improvements.

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- *Product Maintenance and Iteration.* Using customer feedback, market data, and operational analytics, the team regularly evaluates product performance to identify enhancements. Iterative updates are deployed to refine features and adapt to market changes.

INTELLECTUAL PROPERTY

We consider our proprietary domain names, copyrights, trademarks, trade secrets, and other intellectual property rights as critical components of our business operations. As of December 31, 2025, we own five registered invention patents in China. Additionally, we hold 195 registered software copyrights, eight registered domain names, and 57 registered trademarks. For detailed information about our material intellectual property, please refer to “Appendix V — Statutory and General Information — B. Further Information About Our Business — 2. Intellectual Property Rights.”

Our intellectual property portfolio comprises 195 software copyrights categorized by business segment: 82 for our cross-border enterprise intelligent finance and tax management, 36 for invoice document integrated management, and 77 for cross-border enterprise risk management and compliance. Our patent portfolio includes five registered patents: one for invoice document integrated management and four for cross-border enterprise risk management and compliance.

We protect our intellectual property through copyright, trademark, and other intellectual property laws, along with confidentiality and licensing agreements with employees, suppliers, and clients. Standard employee confidentiality agreements stipulate that all inventions, trade secrets, technical improvements, and other outputs created during their service are company property, with all associated rights assigned to us. Key IP safeguards include (1) a dedicated IP legal team overseeing daily IP matters, (2) prompt registration and record of all IP rights, (3) continuous monitoring of IP status with immediate action against potential infringements, (4) physical access restrictions to R&D and confidential areas under strict visitor protocols and (5) explicit IP ownership and protection clauses in all commercial contracts. We generally renew our domain name registrations once every year, and as of the Latest Practicable Date, all of our registered domain names remained in effect.

Despite our preventive measures, third parties may acquire or use our owned or licensed intellectual property without authorization. During the Track Record Period and up to the Latest Practicable Date, we have not identified any instances of IP infringement. However, unauthorized third-party use of our IP and associated enforcement costs could materially adversely affect our business and operating results. For details, see “Risk Factors — Risks Relating to Our Business and Industry — Our intellectual property rights are critical to our success and infringement of our intellectual property right by any third party may materially and adversely affect our business, reputation, financial condition and results of operations.”

Out of our 195 software copyrights, eight were involved in this ongoing litigation. These eight software copyrights were registered in 2013 and have not been used in our current operations since 2015. Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, except to the extent disclosed in the section headed “Risk Factors — We may be subject to intellectual property infringement claims from third parties, which may materially and adversely affect our business, financial condition and results of operations.” and this section, we were not involved in any intellectual property infringement actions brought by third parties that, collectively or individually, had a material impact on our business, operations and prospect.

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PRICING

We determine solution pricing based on market prices of comparable products, estimated costs, and target profit margins. For our cross-border enterprises intelligent finance and tax management solutions, invoice document integrated management solutions and cross-border enterprises risk management and compliance solutions, we typically charge customers:

- (1) **Software Licensing Fees:** We charge different software licensing fees based on the functional modules selected and the number of using entities. Generally, the price per using entity ranges from RMB5,000 to RMB100,000, depending on the number and complexity of selected modules. The software licensing fees generally comprise (i) a one-off fee for the perpetual client-side deployment of our solutions, and (ii) a complimentary one-year maintenance and support service period. Upon the expiration of the one-year complimentary service term, we also charge an annual service fee, calculated as a certain percentage of the software licensing fee.
- (2) **Annual Subscription Fees:** We charge subscription fees for customers who elect to subscribe for our products and solutions for a definite period via customer’s own premises or our cloud platform. Subscription fees are generally settled by customers on an annual basis, ranging from RMB2,000 to RMB20,000 per using entity, depending on the complexity of selected functional modules.
- (3) **Membership Service Fees:** We charge corresponding fees based on the service items selected by customers, such as expert advisory services, training, and technical consulting. Some of these services are provided on an annual basis, with annual fees ranging from RMB2,000 to RMB10,000, depending on the scope of membership services. We also offer one-time specialized services, with fees ranging from RMB2,000 to RMB50,000 per engagement.
- (4) **Other Delivery Fees:** These include implementation and maintenance service fees. When customers request specific solutions, we charge implementation fees based on complexity, expert resource allocation, and timeline. Our pricing for other delivery is primarily determined by estimated costs and profit margins. Upon the expiration of a one-year warranty period, an annual maintenance and upgrade fee of 10% to 15% of the other delivery fee is applied. Discounts may be offered based on a client’s market influence, business relationship, and our marketing strategies.

Based on our product delivery models, our pricing strategy can also be categorized into two types: delivery as software and delivery as services. Delivery as software can be further categorized into (i) client-side deployment model, which is the provision of on-premise software products to customers, following a one-time delivery model; and (ii) subscription model, which is the provision of time-based software usage rights, following a subscription-based delivery model. Delivery as services is the provision of software-related support services to customers, which can be further categorized into (i) membership-based services model and (ii) technical services model.

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We identify the performance obligations in each customer contract by reference to the contractual terms and the substance of the arrangement, and recognizes revenue when (or as) a performance obligation is satisfied, i.e. when control of the relevant goods or services underlying the particular performance is transferred to the customer. The delivery of performance obligation may be classified into two models, namely delivery as software model and delivery as service model.

Set out below is a summary of our pricing policy and revenue recognition policy under each delivery model:

- ***Delivery as Software***

Client-side Deployment: Pricing: one-time full payment pricing, where fees are determined based on factors such as software functional version and number of licensed terminals. Revenue recognition: the customer is granted a perpetual license to use a specified version of the software on the customer’s premises. Revenue is recognized at a point in time upon completion of delivery of the software at the customer’s premise and obtaining customer acceptance.

Subscription: Pricing: time-based pricing, where fees are determined based on factors such as subscription duration (e.g., monthly or annual) and software functional modules. Revenue recognition: the customer is granted a software license or account access right for a definite period to use our products and solutions over the subscription period via (a) local client-side deployment or (b) our cloud platform. The subscription fee is recognized over time on a time-based basis during the contractual term; and, for customers who use local client-side deployment, the fee for deliverables such as local installation and configuration is recognized at a point in time upon completion of installation at the customer’s premises and obtaining customer acceptance.

- ***Delivery as Services***

Membership Services: Pricing: pricing applied per membership period (e.g., annual), with fees determined by service entitlement tiers (e.g., technical response speed, scope of value-added services). Revenue recognition: technical support and maintenance services are provided over an agreed service period (typically one year), and revenue is recognized over time over the service period. Whether sold on a standalone basis or bundled with our software products, this service is treated as a separate performance obligation.

Technical Services: Pricing: one-time pricing, with fees determined based on factors such as service type and content. Revenue recognition: discrete technical services addressing customer’s specific requirements are provided and revenue is recognized at a point in time upon completion of the service and obtaining customer acknowledgement.

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Where a contract contains multiple performance obligations (e.g., include products and services under different product delivery models), the total transaction price is allocated to each performance obligation on the basis of relative stand-alone selling prices with revenue recognized separately for each performance obligation. For instance, under our cross-border enterprises intelligent finance and tax management solutions, where a customer purchases the Agile Cloud product through client-side deployment delivery model together with one year of technical services, the contract consideration is allocated between (a) Agile Cloud product under the delivery as software component, recognized at the point of delivery, and (b) technical services under the delivery as service component, recognized over the one-year service period (with stand-alone selling price determined by reference to the price at which the relevant service is sold separately).

According to Frost & Sullivan, our revenue recognition policies in respect of the timing of revenue recognition are in line with our industry peers. Please refer to Note 6(ii) to the Accountants’ Report in Appendix I to the document for details of our revenue recognition policies, which have been prepared in accordance with IFRS, including IFRS 15 Revenue from Contracts with Customers.

The following table sets forth a breakdown of our revenue by delivery model for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Delivery as software	92,705	97,735	114,032
Client-Side Deployment	87,892	89,095	95,930
Subscription	4,812	8,640	18,102
Delivery as services	68,379	73,648	61,826
Membership Services	47,302	30,225	21,578
Technical Services	21,077	43,423	40,248
Total	161,084	171,383	175,858

The following table sets forth the averages of the client-side deployment fee and annual subscription fee payable per relevant customer under our delivery as software model for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Number of Customers			
Client-side Deployment	4,219	2,730	2,889
Subscription	2,006	2,688	5,821
Average Fee Per Customer			
Client-side Deployment	20,832	32,636	33,205
Subscription	2,399	3,214	3,110

Notes:

- (1) The sum of customer number in this table does not represent the number of our total customers during the Track Record Period, as the table only covers customers under our delivery as software model.

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- (2) A customer is counted under each delivery model separately if its contract gives rise to performance obligations under both delivery models, hence a customer which incurs fees under both client-side deployment model and subscription model is counted as a customer under each model. The figures may therefore overlap and should not be aggregated.

The number of client-side deployment customers decreased from 4,219 in 2023 to 2,730 in 2024, and remained relatively stable at 2,889 in 2025. This was primarily attributable to the migration of our client-side deployment customers to subscription customers, as a substantial portion of our customers which would previously have purchased client-side deployment solutions elected to subscribe for our solutions instead, given the growing acceptance of the subscription model among our customers. The average fee per customer under client-side deployment model increased from RMB20,832 in 2023 to RMB32,636 in 2024 and RMB33,205 in 2025, primarily due to a change in customer mix, as customers who were more sensitive to the one-off payment under client-side deployment model migrated to the subscription model, leaving customers with higher price tolerance and more complex usage scenarios under the client-side deployment model.

The number of subscription customers increased from 2,006 in 2023 to 2,688 in 2024 and further to 5,821 in 2025. This was primarily attributable to the migration of customers from client-side deployment model to subscription model due to a combination of factors, including the growing acceptance among our customers of the security and operating model of cloud-based usage, as well as their increasing acceptance of the subscription-based payment model. The average fee per customer under subscription model increased from RMB2,399 in 2023 to RMB3,214 in 2024, primarily due to, to the best of our knowledge, information and belief, our late-stage subscription customers, which migrated from client-side deployment model, generally had a higher price tolerance than our early subscription customers. The average fee per customer under subscription model subsequently slightly decreased to RMB3,110 in 2025, primarily due to the convergence of the average fee towards our annual benchmark price of approximately RMB3,000 as our subscription customer base expanded.

According to Frost & Sullivan, our average annual fee per customer for each of our client-side deployment delivery model and subscription delivery model during the Track Record Period is comparable to, and within the range of, our industry peers in the PRC.

KEY PROJECT-BASED ARRANGEMENTS

During the Track Record Period, certain of our products and solutions are offered through project-based arrangements. The details of certain key project are listed below:

- **Origin Certificate Online Visa System Upgrade and Transformation Project**

We commenced the origin certificate online visa system upgrade and transformation project in 2023. Our scope of work included system upgrade, transformation, and customized development work, covering the optimization of core modules including origin certificate management, commodity filing management, and enterprise management. The system was officially launched in June 2024, and we have continued to provide system operation and maintenance as well as call center services, supporting hundreds of thousands of foreign trade enterprises within the system.

- **Cross-border Compliance Service Project**

Since 2022, we have entered into a three-year service cooperation agreement, providing one-stop cross-border compliance services to cross-border enterprises across Jiangsu Province. The services cover business-finance-taxation compliance, risk management and control, and document management, among others. Annual fees are settled based on the actual number of enterprises served.

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- **Foreign Trade Risk Control Data Service Project**

We commenced the Foreign Trade Risk Control Data Service Project in 2024, and entered into a formal service contract in 2025, providing foreign trade risk control data services and compliance management support to all export enterprises in Jiangsu Province. Annual fees are settled based on the actual number of enterprises served.

- **Cross-border Informatization Comprehensive Solution Project**

In 2022, we entered into a framework cooperation agreement with a large state-owned enterprise group, agreeing to prioritize cooperation in the field of cross-border informatization construction. During the Track Record Period, both parties continued to deepen cooperation based on such framework agreement, entering into multiple procurement contracts and implementing a series of comprehensive solutions covering informatization platform construction, business-finance-taxation digitalization construction, industry application software development, and software-hardware integration.

SALES AND MARKETING

Sales Model

During the Track Record Period, all of our products and services were provided exclusively within China, with regional focus concentrated in Jiangsu Province, Guangdong Province, Shanghai, and Shandong Province. Our revenues were primarily derived from sales of products and services through the direct sales model. Under this model, we rely on our in-house sales team to identify and engage customers.

We utilize direct sales to maintain a stable pricing system and proactively engage with customers. As of December 31, 2025, we had direct sales force of 80 members. Under our direct sales mode, we rely on our in-house direct sales force to identify and interact with customers in various geographical regions and industry verticals. Our local sales representatives enables us to swiftly identify and capture market demand, which in turn allows us to improve customer satisfaction and continually bring innovative products and services to market. During the Track Record Period, the number of enterprise customers was approximately 31,233, 27,260 and 24,233 in 2023, 2024 and 2025, respectively.

We employ a multi-mode direct sales system designed for efficient lead generation and conversion. Our process integrates the following key components: (i) **Content Marketing**: We distribute proprietary industry analysis, policy updates, and case studies through our official website, WeChat official accounts, and video platforms (e.g., Douyin, Bilibili), generating approximately 270 qualified leads monthly. (ii) **Live Webinars**: We host thematic live sessions on platforms including WeChat Channels and Xiaoe Tong, attracting over 10,000 monthly viewers and converting approximately 1,000 viewers into marketing leads each month. (iii) **Dedicated Hotlines**: Our customer service centers (hotline: 400-096-2166) handle roughly 6,000 monthly inquiries. (iv) **Cross-Selling**: We promote complementary solutions to existing users through in-application touchpoints, generating over 75 monthly leads. (v) **Offline Seminars**: We conduct approximately eight monthly themed seminars and salon events, about 1,000 enterprise attendees for direct product demonstrations and relationship building. (vi) **Technical Services**: Our engineers provide dedicated remote and on-site support, completing over 1,700 monthly service sessions to address complex client requirements and facilitate contract execution.

Our service agreements with direct sales customers typically include the following major terms.

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The salient terms of the service contracts with customers are summarized as below:

- **Contract Term.** The contract terms vary among different types of products and services. Service contracts for membership service fees and annual subscription fees may, as expressly agreed in the contract, be structured as one-off annual subscriptions or pay-per-use arrangements. Software sales contracts for software licensing fees and other delivery fees may be granted on either a perpetual or annual basis. Such contracts generally include a one-year complimentary upgrade service period, after which an annual maintenance and upgrade fee of approximately 10% to 15% of the contract amount is charged in the subsequent year.
- **Scope of Services.** Our software and technological services include installation and upgrade of tax refund software, technical consultation, data collection and analysis, declaration services, and invoice-related services. We provide software products and supporting services (installation, debugging, operational guidance, etc.). Apart from those, customers may also purchase value-added services such as AI services, authentication traffic packages, and image recognition.
- **Payment Terms.** Payments shall be made via wire transfer. Service contracts for membership service fees and annual subscription fees comprise a fee structure that includes one-off service fees and annual package fees. Software sales contracts for software licensing fees and other delivery fees comprise a fee structure that includes annual or perpetual license fees, with annual maintenance and upgrade fees charged in the subsequent year.
- **Software Installation and Testing.** For service contracts for membership service fees and annual subscription fees contracts, we are responsible for remote and on-site technical consulting and support services. For software sales contracts relating to software license fees and other delivery fees, we provide one-off installation, debugging, and operational guidance services. The customer is responsible for providing compliant hardware and software operating environments.
- **Confidentiality.** For all types of contracts, both parties shall keep confidential any commercial secret obtained during contract performance and shall not disclose such commercial secrets to any third party without prior written consent of the other party. The confidentiality obligation remains effective indefinitely and shall survive contract termination.
- **Intellectual Property.** For all types of contracts, we retain all intellectual property rights for the services and software products provided. We own the software copyright and grant the customers’ license to use the software. The customer is forbidden to engage in any infringing activity, such as translation, modification, compilation, or decryption of the services or software products. The software may not be transferred, leased, or copied without our written consent.
- **Default and Termination.** For all types of contracts, if either party breaches the contract in any material aspect, the other party may terminate the contract and claim compensation. The customer may not terminate the contract arbitrarily unless there are material defects in our products or services, or our fault renders the contract purpose unachievable, or due to other statutory circumstances.

Marketing

We rely on our in-house marketing team to market our solutions. In 2023, 2024 and 2025, our sales and marketing expenses were RMB27.8 million, RMB29.2 million and RMB30.5 million, respectively, representing 17.3%, 17.0% and 17.3% of our total revenue in the same periods,

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respectively. Our in-house marketing and customer relationship team is responsible for developing and maintaining customer relationships. We hold customer conferences, industry meetings and policy release interpretation seminars, so as to maintain communication with customers and promote our products and services. We also publish industry reports and case studies to share our industry know-how and insights to attract more customers in various industries. Additionally, we have collaborated with industry associations, ecological partners to invite enterprises to attend enterprise trainings hosted by us, and we will subsequently visit the attendee enterprises for business development.

Our dedicated customer services have also brought us word-of-mouth referrals among companies engaged in foreign trades, especially in Jiangsu Province, which enhances our brand reputation and furthers our penetration in the local market.

Marketing Initiatives

Our integrated online-offline strategy expands brand visibility and sustains customer engagement across multiple targeted models:

Digital Presence: We maintain active accounts across major Chinese content platforms, including a WeChat official account with over 100,000 enterprise followers and an official website receiving approximately 100,000 monthly pageviews. Our content strategy focuses on policy updates, tax compliance guidance, and industry best practices to establish thought leadership and drive engagement.

Offline Engagement: We organize approximately eight monthly seminars and salon events, about 1,000 enterprise participants for product demonstrations and professional networking. Additionally, we extend our market reach through co-branded events with industry associations and strategic partners, while our customer service team provides ongoing support through dedicated hotlines and field services to maintain client relationships.

OUR CUSTOMERS

Since our inception, we have accumulated a large and diversified enterprise customer base with a deep engagement with foreign trades. In 2023, 2024 and 2025, revenue generated from our top five customers in each year during the Track Record Period accounted for 9.7%, 27.5% and 28.5% of our total revenue, respectively, and revenue from our largest customer in each year during the Track Record Period accounted for 6.6%, 18.2% and 14.3% of our total revenue in the same periods, respectively. We typically grant a credit period of up to 90 days to our customers. The following table sets forth information of our top five customers in each year during the Track Record Period.

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Customer	Revenue recognized <i>(RMB in thousands)</i>	Percentage of revenue contribution <i>(%)</i>	Commencement of collaboration <i>(Year)</i>	Details of the specific solutions sold	Delivery model
<i>For the year ended December 31, 2023</i>					
Customer A ¹ . . .	10,580	6.6	2012	UniMind Cloud	Client-side
Customer B ² . . .	3,125	1.9	2020	Platform Cross-border Enterprise Risk	Deployment Technical Services
Customer C ³ . . .	1,000	0.6	2012	Analysis Agile Cloud	Client-side
Customer D ⁴ . . .	574	0.4	2004	Agile Cloud	Deployment Client-side
Customer E ⁵ . . .	379	0.2	2022	UniMind Cloud Platform	Deployment Client-side Deployment
Total	15,657	9.7			
<i>Note: Customer F was transferred to Customer G through uncompensated transfer between state-owned enterprises in 2023.</i>					
<i>For the year ended December 31, 2024</i>					
Customer C	31,199	18.2	2012	Agile Cloud	Client-side
Customer F ⁶	5,702	3.3	2024	UniMind Cloud	Deployment Client-side
Customer G ⁷	3,566	2.1	2024	Platform UniMind Cloud	Deployment Client-side
Customer H ⁸	3,382	2.0	2024	Platform UniMind Cloud	Deployment Technical Services
Customer I ⁹	3,355	2.0	2023	Platform Smart Cert FTA	Client-side
Total	47,204	27.5		Digital Platform	Deployment
<i>For the year ended December 31, 2025</i>					
Customer C	25,193	14.3	2012	Agile Cloud	Client-side
Customer F	10,722	6.1	2024	UniMind Cloud	Deployment Client-side
Customer G	10,422	5.9	2024	Platform UniMind Cloud	Deployment Client-side
Customer J ¹⁰ . . .	2,299	1.3	2018	Platform Acumen Invoice Management Cloud	Deployment Client-side Deployment
				Digitalized Electronic Invoice Management Cloud	
Customer K ¹¹ . . .	1,460	0.8	2025	Agile Cloud	Client-side
Total	50,096	28.5			Deployment

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- 1 A public company headquartered in Jiangsu, China, and listed on the Shanghai Stock Exchange, engaged in international trade, including import and export of various commodities, trade agency, supply chain management, and related investment businesses.
- 2 A financial institution, the longest continuously operating bank in China since 1912, providing comprehensive commercial banking services to individuals and enterprises.
- 3 A state-owned enterprise headquartered in Nanjing, China, involved in multiple businesses such as industrial investment, asset management, and operation of industrial parks, with a focus on supporting industrial development.
- 4 A public company headquartered in Changzhou, China, and listed on the Shanghai Stock Exchange, specializing in the research, development, production, and sales of photovoltaic products, contributing to the renewable energy sector.
- 5 A state-owned enterprise headquartered in Shanghai, China, engaged in human resources services, exhibition services, and international trade, providing comprehensive business solutions.
- 6 A municipal state-owned enterprise located in Nanjing, China, focused on big data collection, analysis, application, and providing data – driven solutions for government and enterprise digital transformation.
- 7 A state-owned enterprise, a central state-owned enterprise whose listed entity is traded in Hong Kong, New York and Shanghai Stock Exchange, providing mobile communication services including voice, data, internet access, and value - added telecommunications services.
- 8 A private company headquartered in Shanghai, China, specializing in information technology services such as software development, system integration, and IT consulting for enterprises.
- 9 A public institution located in Beijing, China, committed to promoting international trade exchanges, organizing trade promotion activities, and providing trade information and matchmaking services.
- 10 A state-owned enterprise based in Xuzhou, China, engaged in the research, development, manufacturing and sales of construction machinery, mining machinery, agricultural machinery, environmental sanitation machinery, emergency rescue equipment and commercial vehicles, with products exported to over 190 countries and regions.
- 11 A private enterprise headquartered in Nanjing, China, engaged in the provision of communication product solutions, communication engineering services, and value-added telecommunications services including call center operations.

We do not believe that we relied on any particular customer to generate a significant portion of our revenue during the Track Record Period. During the Track Record Period and up to the Latest Practicable Date, none of our Directors, their close associates or any Shareholders which, to the best knowledge of our Directors, owned more than 5% of our issued share capital had any interest in any of our top five customers.

CUSTOMER SERVICE

From product sales to after-sales support, we strive to improve customer satisfaction by offering high-quality customer service. We provide membership services for our customers to ensure the proper functioning of our solutions. Our membership services include service updates and upgrades, user support and training, membership hotline services, online member Q&A, remote technical support, business advisory services, on-site guidance, and operational analysis reports. As of December 31, 2025, we maintained a core in-house membership service team composed of finance and taxation specialists to provide after-sales support. Our customers are entitled to free product upgrades during the term of their subscription.

We record all customer feedback and conduct customer survey periodically. Our management team evaluates customer feedback and survey results on a regular basis and perform root-cause analysis to identify the underlying reasons for any customer dissatisfaction. Once such causes have been identified, we devise improvement measures and execute accordingly. We also continuously exercise quality control of the customer service provided by our customer service team to ensure that our brand image is not tarnished by substandard services, and we use a customer service automation system to track each customer inquiry until it is resolved. We also regularly provide training programs to our customer service staff.

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Our customer service entitlements are provided on a tiered basis according to customers’ payment status, as follows:

- **Paying customers** (including membership service customers) are entitled to full customer service benefits, including: product updates and upgrades, user support and training, membership hotline services, online member Q&A, remote technical support, business advisory services, on-site guidance, and operational analysis reports, among others. Such entitlements are premised on payment of membership service fees or annual subscription fees.
- **Non-paying users** (free version users/trial users) do not enjoy the above exclusive customer service entitlements; however, we provide the following basic support to ensure fundamental product experience: free version product function usage rights, standard trial period (typically three months), online help documentation and product user guides, and access to policy updates and product information through public channels (such as official website and WeChat official accounts).

OUR SUPPLIERS

Our suppliers primarily include cloud service and hardware suppliers. All of our suppliers are located in the PRC, and we did not procure any materials or services from overseas suppliers during the Track Record Period. Hardware procured by us includes scanning machines, high-resolution cameras and computers for office use. We select our suppliers based on the quality of their products and services, their operation scale, qualifications, prices and our business needs. In 2023, 2024 and 2025, purchases from our top five suppliers in each year during the Track Record Period accounted for 89.0%, 96.4% and 95.4% of our total purchases, respectively; and purchases from our largest supplier in each year during the Track Record Period accounted for 53.1%, 82.0% and 83.8% of our total purchases in the same periods, respectively. During the Track Record Period, although our largest suppliers accounted for more than 30% of our total purchases in each of the relevant periods, the products we procured from such suppliers comprised standardised hardware products that are commonly available in the market and are highly substitutable. Hence, we have no reliance on such suppliers. Our suppliers typically grant us a credit period of up to 90 days. The following table sets forth information of our top five suppliers in each year during the Track Record Period.

Supplier	Purchase amount	Percentage of total purchases	Commencement of collaboration	Type of products/ services provided
	(RMB in thousands)	(%)	(Year)	
For the year ended December 31, 2023				
Supplier A ¹	6,327	53.1	2022	Software procurement
Supplier B ²	2,319	19.4	2020	hardware equipment
Supplier C ³	1,084	9.1	2022	hardware equipment
Supplier D ⁴	558	4.7	2023	hardware equipment
Supplier E ⁵	322	2.7	2020	IT services
Total	10,610	89.0		
For the year ended December 31, 2024				
Supplier F ⁶	30,654	82.0	2020	hardware equipment
Supplier G ⁷	3,099	8.3	2024	hardware equipment
Supplier H ⁸	1,102	2.9	2024	hardware equipment
Supplier I ⁹	675	1.8	2023	hardware equipment
Supplier D	493	1.3	2023	technology service
Total	36,023	96.4		

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Supplier	Purchase amount	Percentage of total purchases	Commencement of collaboration	Type of products/ services provided
	(RMB in thousands)	(%)	(Year)	
For the year ended December 31, 2025				
Supplier F	16,799	83.8	2020	hardware equipment
Supplier H	1,344	6.7	2024	hardware equipment
Supplier I	277	1.4	2023	hardware equipment
Supplier J ¹⁰	497	2.5	2025	technology service
Supplier K ¹¹	204	1.0	2020	hardware equipment
Total	19,121	95.4		

- 1 A private enterprise headquartered in Suzhou, China, devoting to data security and information security, engaged in the R & D, sales, and service of security products and solutions, providing services for industries like government, finance, and enterprises to ensure information system security.
- 2 A private enterprise headquartered in Nanjing, China, specializing in information technology services, including software development, technical consultation, system integration, and sales of computer software and hardware, providing digital solutions for enterprises and institutions.
- 3 A private enterprise headquartered in Nanjing, China, engaged in the sales of authorized hardware products (such as drones, brand electronic devices) and provides industry-specific application solutions (such as smart education, smart medical) as well as software development and system integration services.
- 4 A private enterprise headquartered in Nanjing, China, engaged in the R & D, production, and sales of electronic products, electronic component technology services, and the design and construction of security and network engineering, providing electronic equipment and technical solutions.
- 5 A private enterprise headquartered in Hefei, China, specializing in information technology services, including software R & D, system integration, technical consultation, and digital transformation services to help enterprises with informatization construction.
- 6 A subsidiary of a listed group, headquartered in Beijing, China, engaged in the R & D, sales, and technical services of computer software and hardware, intelligent devices, and provides system integration and total solutions for personal and enterprise users.
- 7 A private enterprise headquartered in Shanghai, China, engaged in information technology services, including software development, system integration, IT consulting, and providing digital solutions for industries such as finance and manufacturing to promote enterprise digitalization.
- 8 A private enterprise headquartered in Shanghai, China, specializing in technical development, technical services, software development, and system integration in the information technology field, providing technical support for enterprise informatization construction.
- 9 A subsidiary of a listed group, headquartered in Beijing, China, engaged in enterprise credit investigation, credit information services, and provides credit reports, credit evaluation, and fiscal-tax integrated services to support enterprise financing and digital transformation.
- 10 A private company headquartered in Nanjing, China, providing network security solutions, domestic cloud infrastructure, system integration, and software development services for government and enterprise clients.
- 11 A private company headquartered in Nanjing, China, specializing in the sales, leasing, and maintenance of office equipment (such as printers, copiers, computers) and provides related consumables and comprehensive office solution services.

The hardware products we procure from suppliers primarily include laptop computers, office computers, scanners, and office computer equipment. Such hardware products are standardized commercial products, not customized production by us, and belong to product categories with extremely high market universality.

Taking laptop computers as an example, there are multiple mainstream brands in the market, including Lenovo, Dell, HP, Huawei, and Apple, with abundant supplier resources, extensive channel coverage, transparent pricing, and sufficient competition. Scanners and other equipment also belong to mature categories with highly standardized technical solutions, readily available for procurement and deployment from multiple suppliers.

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Although such hardware products are highly substitutable, the proportion of purchases from our largest supplier and top five suppliers was relatively high in each year during the Track Record Period, primarily for the following reasons: (i) bulk procurement enables more favorable pricing terms and unified after-sales services; (ii) unified brand management ensures compatibility of office equipment, maintenance efficiency, and information security management; and (iii) centralized procurement reduces supplier management costs and enhances procurement and operation and maintenance efficiency.

We have established an alternative supplier list covering multiple mainstream brand authorized distributors. Upon price comparison and evaluation, the cost difference for products with equivalent configurations procured from different suppliers typically ranges within 5% to 10%, and there is no cost lock-in risk arising from reliance on a single supplier. If existing major suppliers are unable to perform, we can switch to alternative suppliers within a short period, with an estimated switching cycle not exceeding 30 days, which will not cause material disruption to our business operations.

Based on the reasons above, the Directors are of the view that we will be able to effectively mitigate our exposure to any material adverse changes to or termination of the relationship with our exiting major suppliers.

During the Track Record Period and up to the Latest Practicable Date, none of our Directors, their close associates or any Shareholders which, to the best knowledge of our Directors, owned more than 5% of our issued share capital had any interest in any of our top five suppliers.

Key Contract Terms

Key Terms with Hardware Vendors

- **Quality & Acceptance:** Products must meet the strictest of manufacturer, national or industry standards. Acceptance involves segregated duties: commercial staff verify quantity/appearance upon receipt, with written objections required for functional defects.
- **Payment Terms:** Primarily full payment within 7 business days post-acceptance, against VAT invoices and acceptance reports.
- **Warranty:** Free repair/replacement during warranty period (from acceptance), with 24-hour on-site support for major failures.
- **Other Terms:** Supplier covers packaging, transport and insurance. No subcontracting without consent. Permanent confidentiality applies.

Key Terms with Software Vendors

- **Payment Terms:** Full payment is due within 30 days after software delivery.
- **Delivery & Acceptance:** Software is delivered via email within 10 business days of contract effectiveness, with formal acceptance following a successful trial run.
- **Warranty & Service:** A 12-month free maintenance period starts upon acceptance, requiring 4-hour response and 24-hour on-site support for critical issues.
- **IP & Liability:** The supplier warrants legitimate ownership of all IP rights and assumes full liability for third-party infringement claims.
- **Default:** The Company may terminate the contract, request a full refund, and claim 30% of the contract value as damages for delivery delays or non-conforming software.

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Key Terms with Cloud Infrastructure Providers

- **Responsibilities:** Provider manages sub-OS infrastructure; Company manages OS-level security, self-installed software and data.
- **Payment:** Pre-payment and post-payment models available.
- **Service Level:** Company may terminate if service is unavailable for 72 consecutive hours due to provider fault. Liability capped at 12 months’ fees, excluding indirect losses.
- **Data:** Company owns all business data; data deleted post-termination grace period without provider retention/return obligation.
- **IP & Confidentiality:** Parties retain respective IP. Confidential information used only for contract purposes under appropriate safeguards.

DATA PRIVACY AND SECURITY

Type of Data and Scope of Usage

We collect, store, process, and use certain personal information relating to individuals associated with our various service customers. Before providing relevant services, we will obtain their prior consent to providing certain personal information necessary for the services offered. We have established and implemented policies and procedures to safeguard data privacy and data security and to ensure our compliance with the relevant laws and regulations. During the Track Record Period and up to the Latest Practicable Date, we had not encountered any major interruptions, obstructions, or attacks on our software or websites, or any major operational issues. Set forth below is the summary of our related policies and procedures.

Data Access and Usage

When our users utilize our SaaS solution, we collect personal information, such as contact details (e.g., mobile numbers), and related enterprise business data, based on necessity for providing the service and after obtaining users’ explicit authorization. In accordance with legal requirements, we encrypt such data before it is stored in our systems. We enforce strict restrictions on data access; our employees cannot access users’ detailed data without specific authorization. We do not use personal information for data mining or personalized recommendations, nor will we share customer data between our different business solutions without the customer’s prior consent. Upon termination of the subscription agreement or upon user account cancellation, users may request the deletion of their personal information, which we will complete within the agreed timeframe according to the legal or regulatory requirements.

We have established stringent data usage rules and authorization procedures to prevent any unauthorized access or use. Our databases operate on internal networks, and employee data access permissions are strictly granted based on job responsibilities following a rigorous application and approval process. We manage the entire lifecycle of system accounts, including registration, password management, permission setting, and deactivation, to effectively restrict the scope of data usage by employees. Furthermore, we maintain logs of all critical data access operations, which are regularly reviewed by an independent team to ensure operational compliance.

Storage and Transmission

We have employed data encryption systems to protect data both in transit and at rest. Our databases are primarily stored on cloud servers operated by third-party service providers. We have completed the cybersecurity classification protection filing for our core information systems and established a daily data backup mechanism. We regularly conduct data recovery tests to ensure the effectiveness of the backup systems. Additionally, we closely monitor database operations and server performance status, and have developed contingency plans to prevent information leakage or data loss during data transmission and storage.

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Internal Control Measures Relating to Data Protection

Our data privacy and protection measures are an integral part of our internal control system. We have established a Cybersecurity and Data Security Compliance Committee led by senior Group management and the Chief Technology Officer, responsible for overseeing daily data compliance efforts.

At the system level, we implement data classification and grading management, strengthen identity authentication and access authorization mechanisms, and regularly review the appropriateness of granted authorizations. All system operations retain detailed logs for audit purposes. At the physical level, we rely on professional cloud service providers to ensure the security of hardware facilities.

We have developed comprehensive internal policies, provide data security training to employees, and enter into confidentiality agreements with all employees, clearly defining their data protection obligations. Furthermore, we periodically engage third-party service providers to conduct security tests and vulnerability scans on our systems. When engaging third parties to process data, we strictly assess their data security capabilities and enter into agreements with them, thereby continuously enhancing our data protection standards.

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any penalty by cybersecurity departments, litigation or dispute related to data security and personal information protection which, individually or in aggregate, have had or are reasonably likely to have a material adverse effect on us, our financial performance and results of operations. As advised by our PRC Legal Advisor, we had complied with the PRC laws and regulations on data security, personal information protection and cybersecurity in all material respects during the Track Record Period and up to the Latest Practicable Date. If such penalties, lawsuits or disputes occur in the future, they may have a material adverse impact on the Company.

Regulatory Compliance for Artificial Intelligence

As we have incorporated AI capabilities, including generative AI functionalities through our AI assistant TaxMate, into our solutions, the laws and regulations related to generative AI are applicable to the Group. Specifically, we are subject to the Administrative Provisions on Deep Synthesis of Internet Information Services (互聯網信息服務深度合成管理規定), which became effective on January 10, 2023, the Provisional Administrative Measures for Generative Artificial Intelligence Services (生成式人工智能服務管理暫行辦法), which became effective on August 15, 2023, and the Measures for the Marking of AI-Generated and Synthesized Content (人工智能生成合成內容標識辦法), which came into effect on September 1, 2025. In the ordinary course of our business, we strictly comply with PRC laws and regulations and have not been subject to any administrative penalties or material non-compliance records due to violation of applicable laws and regulations.

We have established and continuously improved an internal control system covering our full business processes, encompassing core areas including financial management, capital operations, connected transactions, information disclosure, anti-commercial bribery and data security. To ensure effective implementation of these systems, we have established an independent legal department, internal control department and internal audit department: the legal department is responsible for daily operational legal risk review, contract review and compliance training; the internal control department is responsible for streamlining business processes, identifying key control points and regularly assessing internal control effectiveness; and the internal audit department reports directly to the audit committee, independently conducts internal audit work, and supervises and inspects the design and implementation of internal controls. The collaborative operation of the above departments forms a full-cycle compliance management mechanism of pre-event prevention, in-process control and post-event supervision, effectively ensuring the legality and compliance of our internal operations. As of the Latest Practicable Date, we have

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submitted the required filing materials for generative/synthetic algorithms and the application is currently under review by the relevant authorities, and we have completed the registration formalities for Generative Artificial Intelligence Service.

COMPETITION

The markets in which we operate are highly competitive. Our major competitors include players in the cross-border enterprises business-finance-taxation digital solutions market. We believe the principal competitive factors in our industries are functionality and effectiveness of the solutions and services, user experience, technology and infrastructure capabilities, sales capabilities, industry knowledge, pricing 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 “— Strengths” for details. However, some of our current or potential competitors may be able to develop products and services better accepted by 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 — We face competition from existing or new market players in the industries in which we operate, and we may not compete effectively.” For more information of the competitive landscape of our industries, see “Industry Overview.”

We believe, however, that we are equipped with the ability to compete with other market participants and that our ability to compete effectively depends upon many factors both within and beyond our control, including:

- profound experience in digitalization of export-related financial and tax management;
- the popularity, price, utility, ease of use, performance and reliability of our solution and service offerings compared to those of our competitors;
- our ability, compared to the ability of our competitors, to develop new product and service offerings in response to customers’ pain points;
- our ability to scale up by attracting and retaining customers and our comprehensive customer base coverage in terms of industry sectors and growth stages;
- our ability to provide superior customer experience;
- our reputation and brand strength relative to our competitors;
- our ability to attract, retain and motivate talented employees;
- our ability to raise additional capital; and
- acquisitions or consolidation within our industry.

LICENSES, PERMITS AND APPROVALS

During the Track Record Period and up to the Latest Practicable Date, we had obtained all licenses, permits, and certificate necessary to conduct our operations in all material respects from the relevant government authorities in China, and such licenses, permits and approvals remained in effect as of the Latest Practicable Date.

As advised by our PRC Legal Advisor, we had obtained all licenses and permits and made all necessary filings that are essential to the operation of our business in all material respects as of the Latest Practicable Date, many of which were generally subject to regular government review or renewal.

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EMPLOYEES

As of the December 31, 2025, we had 318 full-time employees, all of whom were stationed in China. The following table sets forth the number of our full-time employees by function as of the December 31, 2025.

Function	As of December 31, 2025	
	Number of Employees	% of Total
R&D	137	43.1%
Product operation	69	21.7%
Sales and marketing	80	25.1%
Administration	32	10.1%
Total	318	100.0%

Our success depends on our ability to attract, retain and motivate qualified personnel. We recruit new employees through multiple channels including experienced hires, campus recruitment, and employee referrals. We evaluate each candidate based on job competency requirements, comprehensive qualifications, and alignment with our corporate values and culture. As part of our human resources strategy, we offer employees competitive salaries, performance-based cash bonuses and other incentives. We have adopted a training protocol, pursuant to which we provide pre-employment training and regular continuing management and technical training to our employees.

As required under PRC labor laws, we enter into individual employment contracts with our employees covering matters such as wages, bonuses, employee benefits, workplace safety, confidentiality obligations, non-competition and grounds for termination. In compliance with PRC regulations, we participate in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury and unemployment benefit plans.

We believe we maintain a good working relationship with our employees and we had not experienced any material labor dispute or any difficulty in recruiting or retaining staff for our operations during the Track Record Period and up to the Latest Practicable Date.

Social Insurance and Housing Provident Funds

During the Track Record Period, we did not make full contributions to the social insurance and housing provident funds with respect to certain employees as required by the relevant PRC laws and regulations. Furthermore, during the Track Record Period, we engaged third-party agencies to make contributions with respect to certain employees, which was not in strict compliance with applicable PRC laws and regulations. See “Risk Factors — Risks Relating to Our Business and Industry — Failure to fully pay social insurance and housing provident funds for and on behalf of our employees in accordance with applicable laws and regulations may materially and adversely affect our business, financial position and results of operations.” We have maintained a good relationship and expect to maintain an amicable relationship in the future with our employees. During the Track Record Period and up to the Latest Practicable Date, there were no material strikes which had an adverse impact on our operations and no material disputes between the Group and our employees.

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As advised by our PRC Legal Advisor, based on the interviews with the relevant competent local governmental authorities and the confirmation letters issued by the relevant authorities, if no employee raises a complaint and there are no significant changes in current policies, regulations, or the implementation and supervision by local government authorities, the likelihood of the Company being fined or requested by the competent authorities to pay any historical outstanding amount of social insurance and housing provident fund contributions or late payment fees for our employees is remote.

PROPERTIES

Owned Properties

As of the Latest Practicable Date, according to the legal opinion provided by our PRC legal advisors, we did not hold any land use rights or own any properties within Chinese Mainland.

Leased Properties

As of the Latest Practicable Date, the Company and our Subsidiaries primarily operate our business from 24 leased properties in Chinese Mainland, with a total gross floor area of approximately 6,728 square meters. These properties are primarily used as our office facilities.

As of the Latest Practicable Date, the Company and its Subsidiaries have not completed the required lease registration filings for 22 leased properties in their possession. The legal validity of the corresponding lease agreements for these properties is not affected by the lack of registration. To date, neither the Company nor its Subsidiaries has incurred any administrative penalties due to such non-registration. For details, please refer to “Risk Factors — Risks Relating to Our Business and Industry — Our rights to use our leased properties could be challenged by third parties, or we may be forced to relocate due to title defects, or we may be liable for failure to register our lease agreements, which may result in a disruption of our operations and subject us to penalties.”

As of the Latest Practicable Date, none of our individual properties accounted for 15% or more of the book value of our total assets. In accordance with Chapter 5 of the Hong Kong Listing Rules and section 6(2) of the Companies (Exemptions and Companies and Prospectuses Compliance Provisions) Announcement, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance concerning the preparation of a valuation report on all interests of the Group in land or buildings, as required by paragraph 34(2) of Schedule 3 to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

INSURANCE

We consider our insurance coverage adequate as we have in place all the mandatory insurance policies required by Chinese laws and regulations and in accordance with the commercial practices in our industry. Our employee-related insurance includes pension, and medical, work-related injury, childbirth and unemployment insurances, as required by PRC laws and regulations. These measures ensure compliance with local legal requirements while demonstrating our commitment to employee welfare.

During the Track Record Period and up to the Latest Practicable Date, we have not made or been the subject of any material insurance claims. Any uninsured occurrence of business disruption, litigation or natural disaster, or significant damages to our uninsured equipment or facilities could have a material adverse effect on our results of operations. See “Risk Factors — Risks Relating to Our Business and Industry — Our limited insurance coverage could expose us to significant costs and business disruption.”

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AWARDS AND RECOGNITION

During the Track Record Period, we have received recognition for the quality and popularity of our services and technological advancements. The following table sets forth some significant awards and recognition we have received.

Awarding Year	Award/Certificate	Issuing Organization	Award Entity
2025	2025 Nanjing Cultivated Unicorn Enterprises	Nanjing Municipal Macroeconomic Research Center (Nanjing Unicorn and Gazelle Enterprise Service Center)	QST Information Technology Limited
2025	2025 Nationally Encouraged Key Software Enterprises	National Development and Reform Commission, Ministry of Industry and Information Technology, Ministry of Finance, General Administration of Customs, State Administration of Taxation	QST Information Technology Limited
2025	2025 Jiangsu Province Software Enterprise Core Competitiveness Enterprise (Innovative)	Jiangsu Software Industry Association	QST Information Technology Limited
2024	2024 Jiangsu Province Software and Information Technology Service Industry Enterprise Comprehensive Strength Evaluation Top 100 Enterprises	Jiangsu Software Industry Association	QST Information Technology Limited
2024	2024 China Council for the Promotion of International Trade Key High-quality Cross-border E-commerce Enterprises	Office of China Council for the Promotion of International Trade	QST Information Technology Limited
2024	Technology-based Small and Medium-sized Enterprises	Jiangsu Provincial Department of Science and Technology	QST Information Technology Limited

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Awarding Year	Award/Certificate	Issuing Organization	Award Entity
2024.	High-tech Enterprises	Jiangsu Provincial Department of Science and Technology, Jiangsu Provincial Department of Finance, State Administration of Taxation Jiangsu Provincial Tax Service	QST Information Technology Limited
2024.	CMMI level 5 Certificate	CMMI Institute Certified SCAMPI A High Maturity Lead Appraiser	QST Information Technology Limited
2023.	2023 Provincial Enterprise Engineering Technology Research Center (Department of Science and Technology)	Jiangsu Provincial Department of Science and Technology	QST Information Technology Limited
2023.	2023 Best Contribution Enterprises	Nanjing Jiangbei New Area Research and Innovation Park	QST Information Technology Limited
2022.	2022 Provincial “Specialized, Sophisticated, Unique, and Innovative” Small and Medium-sized Enterprises (First Batch)	Jiangsu Provincial Department of Industry and Information Technology	QST Information Technology Limited
2022.	2022 Jiangsu Provincial High-tech Industrial Development Zone Potential Unicorn Enterprises	Jiangsu Productivity Promotion Center	QST Information Technology Limited

LEGAL PROCEEDINGS

We may be subject to legal proceedings, investigations and claims arising in the ordinary course of our business from time to time. During the Track Record Period and up to the Latest Practicable Date, except to the extent disclosed in the sections headed “Risk Factors — We may be subject to intellectual property infringement claims from third parties, which may materially and adversely affect our business, financial condition and results of operations.”, “Directors and Senior Management — Legal Proceedings Involving One of Our Directors”, and “Business — Intellectual Property”, we were not involved in any litigation or arbitration proceedings pending or, to our knowledge, threatened against us or any of our Directors that could have a material and adverse effect on our business, results of operations or financial condition.

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COMPLIANCE

We are subject to various regulatory requirements and guidelines issued by the regulatory authorities in China, and we may be found non-compliant with applicable laws and regulations.

During the Track Record Period and up to the Latest Practicable Date, we did not commit any material non-compliance of the laws and regulations, and we did not experience any systemic non-compliance incident. As advised by our PRC Legal Advisor, during the Track Record Period and up to the Latest Practicable Date, we had complied with all applicable laws and regulations in all material respects.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

Environmental sustainability, social responsibility, and sound corporate governance are our core values. Through a series of initiatives related to environment, social and governance (“ESG”), we not only create value for our various stakeholders but also meet the expectations of society and the public.

Governance Structure

In our commitment to promoting corporate social responsibility and sustainable development, and integrating them into all major aspects of our business operations, we have established an ESG management system. This system features an ESG management structure led by our Board, supported by an ESG Working Group and relevant functional departments, ensuring the implementation of sound and robust ESG management practices throughout the Company. Our Board have adopted a comprehensive policy on environmental, social and governance responsibilities (the “ESG Policy”) pursuant to the Listing Rules, which clarifies our corporate social responsibility objectives and provides guidance for implementing corporate social responsibility in daily operations. The Board, as the highest decision-making body for ESG matters within our Group, is responsible for reviewing and approving ESG management guidelines, as well as overseeing ESG performance and the progress towards achieving ESG goals. The Board assesses, identifies, and addresses ESG-related risks at least annually. The Board may assess or engage independent third parties to assess ESG risks and review our existing strategies, objectives, and internal controls. Necessary improvements are subsequently implemented to mitigate identified risks.

The ESG Working Group is responsible for developing relevant ESG management policies, identifying ESG-related matters relevant and significant to the Group, ensuring the Group’s compliance with relevant legal and regulatory requirements, monitoring and responding to emerging ESG issues, and reporting to the Board. Our ESG Working Group is directly led by our senior management and comprises representatives from departments including administration, human resources, and internal control.

Within the ESG structure, relevant departments, including the Group’s administration, human resources, and internal control departments, organize and execute various ESG-related tasks in accordance with the Group’s ESG management guidelines and strategies. They are responsible for collecting and reporting on internal ESG policies, systems, and ESG-related performance indicators.

Risk Identification

The Board carefully considers and identifies ESG-related risks based on our business characteristics. As our business primarily revolves around software research and development and sales, and does not involve highly energy-intensive or polluting operations, our direct environmental risks are relatively low. However, we still face compliance risks related to carbon reduction and environmental protection policies, as well as physical risks associated with extreme weather events. Following risk identification, the Board has developed relevant response policies and requires all departments to implement them comprehensively.

BUSINESS

Environmental Policy

Our business primarily provides cross-border enterprises with comprehensive collaborative solutions covering business, finance, and taxation. Although our operations are concentrated in office settings and do not involve highly energy-intensive or polluting processes, we regard environmental protection as a significant corporate responsibility and integrate green elements into our management.

We comply with relevant laws and regulations such as the 《中華人民共和國環境保護法》及《中華人民共和國大氣污染防治法》 to ensure the environmental compliance of our business activities. We have implemented measures to reduce greenhouse gas emissions, water pollution, and the generation of hazardous and non-hazardous waste resulting from electricity usage, office supplies consumption, and vehicle use, striving to build an environmentally friendly operation.

We endeavor to control and reduce energy consumption through specific measures such as encouraging employees to turn off lights when offices are unoccupied and maximizing the use of natural daylight; regularly maintaining and cleaning lighting fixtures to improve their energy efficiency; and dividing offices into multiple lighting zones with independently controlled switches to reduce unnecessary lighting.

We set our air conditioning systems to a moderate temperature of 25.5 degrees Celsius (78 degrees Fahrenheit) and require employees to turn off air conditioning when offices are not in use; we install air conditioning units in areas with less sun exposure, regularly clean filters, and install seals on doors and windows to prevent loss of conditioned air; we also encourage employees to wear casual and comfortable attire to reduce the need for air conditioning.

To reduce our carbon footprint, we promote remote work and virtual meetings, thereby reducing employee commutes. Furthermore, we encourage employees to use public transportation, walk, or cycle to further minimize the environmental impact associated with vehicle use. We will continue to reduce our carbon footprint and promote sustainable development by advocating for more sustainable transportation options and flexible work arrangements.

Physical Risk Response Policy

To minimize physical risks and reduce the impact of extreme weather events, we have established disaster recovery and emergency procedures. We have implemented backup systems that enable seamless data transmission, ensuring business continuity even if telecommunications infrastructure is disrupted. These emergency procedures effectively minimize downtime and facilitate rapid service restoration during power outages or infrastructure disruptions. When selecting service providers, we also prioritize those that adopt sustainable practices and can effectively manage physical risks.

BUSINESS

Environmental Data

The table below presents a summary of our data for the three years ended December 31, 2025.

Environmental Category	Unit	2023	2024	2025
Greenhouse Gas (GHG) Emissions				
Direct GHG Emissions ¹ (Scope 1)	tonnes CO2e	44.89	28.50	18.84
Indirect GHG Emissions ² (Scope 2)	tonnes CO2e	223.80	255.23	250.36
Total GHG Emissions (Scope 1 & 2)	tonnes CO2e	268.69	283.73	269.21
GHG Emissions Intensity (Scope 1 & 2)	tonnes CO2e/ employee	0.85	0.87	0.82
GHG Emissions Intensity (Scope 1 & 2)	tonnes CO2e/sq.m.	0.06	0.07	0.06
Energy Consumption				
Total Energy Consumption	kWh	555,466.54	541,375.08	496,948.14
Energy Consumption Intensity	kWh/sq.m.	129.60	126.31	115.95
Total Electricity Consumption	kWh	385,274.81	438,435.11	417,471.58
Electricity Consumption Intensity	kWh/sq.m.	89.89	102.29	97.40
Diesel Consumption	liters	449.85	0.00	0.00
Gasoline Consumption	liters	4,285.29	4,927.29	2,998.41
Liquefied Natural Gas Consumption	kg	8,428.00	3,292.80	3,248.41
Water Consumption				
Total Water Consumption	tonnes	12,472.00	15,911.00	16,291.20
Water Consumption Intensity	tonnes/employee	39.47	48.51	49.67

1 Covers direct GHG emissions generated from sources owned or controlled by the Company.

2 Covers indirect GHG emissions from the generation of purchased or acquired electricity, heat, cooling, and steam consumed by the Company.

The Group has not yet established a comprehensive system for the collection and verification of Scope 3 emissions data. Given the Group’s business model, which is primarily engaged in software research and development and the provision of related services in an office-based environment, Scope 3 emission sources are currently considered to be relatively limited and not material. Accordingly, no historical data is available for disclosure.

Notwithstanding the above, the Group acknowledges the increasing regulatory focus and stakeholder expectations in relation to comprehensive ESG disclosures, including Scope 3 emissions. The Group has commenced preliminary work to enhance its ESG data management framework, including identifying relevant Scope 3 emission categories and engaging with key suppliers to obtain relevant activity data. The Group intends to progressively establish a more systematic approach to Scope 3 data collection and disclosure, and to enhance its ESG management practices in line with applicable regulatory requirements and prevailing market standards.

Social Responsibility

We value our employees’ talents and strive to provide them with appropriate platforms and a working environment that promotes their professional development and safeguards their well-being. We strictly comply with employment-related laws and regulations, including but not limited to the Labor Law of the People’s Republic of China and the Labor Contract Law of the People’s Republic of China. We are also committed to employee care, organizing various themed activities annually such as holiday celebrations, sports competitions, family visit experiences, and events recognizing employee contributions, fostering a warm and positive work environment.

BUSINESS

We understand the importance of giving back to society and are committed to promoting employee volunteering and donations to create a positive impact in the communities where we operate. During the Track Record Period and up to the Latest Practicable Date, we donated RMB60,000 to the Jiangsu Province Women and Children Welfare Foundation and RMB50,000 to support rescue and relief efforts for the earthquake-stricken areas in Tibet.

During the Track Record Period and up to the Latest Practicable Date, we have not been subject to any fines or other penalties for violations of health, work safety, social, or environmental regulations, nor have there been any accidents or claims resulting in loss of life or property of employees. During the Track Record Period and up to the Latest Practicable Date, we have complied in all material respects with applicable laws, regulations, and rules in China concerning resource consumption and environmental protection.

INTERNAL CONTROL AND RISK MANAGEMENT

We have established and currently maintain risk management and internal control systems consisting of policies and procedures that we consider to be appropriate for our business operations. We are dedicated to continually improving these systems. We have adopted and implemented comprehensive risk management policies in various aspects of our business operations. Our internal audit department is responsible for supervising and reviewing our internal control system. In preparation for the [REDACTED], the Company has engaged an independent internal control consultant to perform a review over selected areas of our internal controls, including our financial reporting. The internal control consultant performed procedures and put forward suggestions for improvement. We have accepted the suggestions and further strengthened the design of our internal control process. After our rectification, the internal control consultant performed follow-up procedures, and no further material deficiencies are identified in the follow-up review.

CONNECTED TRANSACTION

OVERVIEW

Upon the [REDACTED], the following transaction disclosed in this section will constitute continuing connected transaction of our Company under Chapter 14A of the Listing Rules.

FULLY EXEMPT CONTINUING CONNECTED TRANSACTION

Property Management Services Framework Agreement

On [●], our Company [has entered into] a framework agreement for the procurement of property management services from Nanjing Este Real Estate Co., Ltd.* (南京艾斯特置業有限公司) (“**Nanjing Este**”). Pursuant to the terms of the agreement, Nanjing Este agreed to provide property management services to our Company for the property located at No. 26 Tianpu Road, Pukou District, Nanjing, Jiangsu, the PRC at a total annual fee of RMB938,634 (the “**Property Management Services Framework Agreement**”). The term of the Property Management Services Framework Agreement will commence on the [REDACTED] and end on December 31, 2028, subject to renewal by mutual consent of the parties.

The property management services fee was determined after arm’s length negotiations, taking into account (i) the type, size and geographical location of the property; (ii) the expected operational costs in the area (including relevant staff costs, material costs and administrative costs); (iii) the prevailing market rate for similar services for similar property types within the same location; and (iv) the fees charged for historical transactions of similar services.

Reasons for the Transaction

We procure property management services from Nanjing Este, a company ultimately controlled by Ms. Xin, the chairlady of our board, executive Director, chief executive office and one of our Controlling Shareholders. Compared with Independent Third Parties, Nanjing Este has a deeper understanding of our business operations and is familiar with our specific property requirements for R&D production premises and the expected deliverables with respect to property management services. The procurement of property management services from Nanjing Este enables us to receive quality services from a reliable source to facilitate our software research and development.

Having regard to the fees and terms offered by Independent Third Parties, our Company considers that the fees payable by our Group to Nanjing Este for the provision of property management services are no less favorable than the fees payable to Independent Third Parties for services of a similar nature.

As such, our Directors (including our independent non-executive Directors) consider that the connected transaction have been and will be carried out: (i) in the ordinary and usual course of our business; (ii) on normal commercial terms; and (iii) in accordance with respective terms that are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

Listing Rules Implications

Ms. Xin, the chairlady of our board, executive Director, chief executive office and one of our Controlling Shareholders holds 86.54% equity interest in Infotech Holdings Pte. Ltd., with her spouse holds the rest. Infotech Holdings Pte. Ltd. holds 100% equity interests in Jiangsu Skytech Investment Management Co., Limited (江蘇擎天科技投資管理有限公司) (“**Jiangsu Skytech Investment**”). Nanjing Este is a wholly-owned subsidiary of Jiangsu Skytech Investment. Accordingly, Nanjing Este is an associate of our connected persons and thus being a connected person of our Company for the purpose of the Listing Rules. Accordingly, the transaction between Nanjing Este and us will constitute continuing connected transaction under Chapter 14A of the Listing Rules upon the [REDACTED].

As each of the applicable percentage ratios (other than the profit ratio) is expected to be, on an annual basis, less than 5%, and the total consideration will be less than HKD3 million. As such, the transaction under the Property Management Services Framework Agreement is exempt from the annual review, reporting, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Ms. Xin controlled approximately 78.17% of the total issued share capital of our Company, comprising (i) approximately 0.00001% beneficially owned by her directly, and (ii) approximately 78.17% beneficially owned by Skytech Venture Capital, which was controlled by Skytech Investment as its general partner. Skytech Investment was owned as to approximately 99.01% by Ms. Xin, with the remaining interest held by Mr. Liu Biao, a former employee of Nanjing Skytech and an Independent Third Party.

Upon completion of the [REDACTED] and the [REDACTED], Ms. Xin will control approximately [REDACTED]% of the total issued share capital of our Company, comprising (i) approximately [REDACTED]% beneficially owned by Ms. Xin directly, and (ii) approximately [REDACTED]% beneficially owned by Skytech Venture Capital, assuming the [REDACTED] is not exercised.

Therefore, Ms. Xin, Skytech Venture Capital and Skytech Investment were our Controlling Shareholders as of the Latest Practicable Date and will continue to be our Controlling Shareholders upon the [REDACTED].

DELINEATION OF BUSINESS

Apart from our business, Ms. Xin, our Controlling Shareholder, directly or indirectly held interests in other businesses (the “**Excluded Business**”) principally engaged in, among others, (i) the provision of government big data software and related services, (ii) the provision of low-carbon ecology software and related services primarily to governmental departments and authorities, and (iii) property leasing and the provision of property management services for the industrial park located at No. 26 Tianpu Road, Jiangbei New Economic Development Zone, Nanjing, Jiangsu, PRC, through a group of companies and these companies will not form part of our Group after [REDACTED].

The table below sets forth the details of each of the companies operating the Excluded Business which Ms. Xin is interested in as at the Latest Practicable Date and are excluded from our Group:

Name	Place of Establishment	Interests held by Ms. Xin	Director(s)	Principal Business
Nanjing Skytech	PRC	100%, through companies controlled by Ms. Xin and her spouse	Ms. Xin and her spouse and three Independent Third Parties	Provision of government big data software solutions and related services. With over 20 years of experience in the sector, the services cover digital government infrastructure, urban social governance, urban emergency response systems, public safety and services, and smart justice. These services are primarily provided to government organs.
Nanjing Yunxin Management Consulting Co., Ltd.* (南京雲鑫管理諮詢有限公司)	PRC	100%, through companies controlled by Ms. Xin	One Independent Third Party	Provision of government management and information consulting services. The scope focuses on smart city planning and government administrative consultancy, providing information software and strategic advisory services to government departments to optimize administrative efficiency.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Name	Place of Establishment	Interests held by Ms. Xin	Director(s)	Principal Business
Jiangsu Skytech Industrial Internet Co., Ltd.* (江蘇擎天工業互聯網有限公司) (“Jiangsu Skytech Industrial”)	PRC	35.1648%, through companies controlled by Ms. Xin	Ms. Xin and four Independent Third Parties	Provision of digitalization solutions for carbon emission and carbon asset management. The services include SaaS-based carbon emission Monitoring, Reporting, and Verification (MRV) and carbon asset operation management. These low-carbon ecological services primarily target authorities and enterprises in the industrial, construction, and transportation sectors to facilitate “Dual Carbon” goals.
Jiangsu Skytech Information Security Technology Co., Ltd.* (江蘇擎天信息安全技術有限公司)	PRC	10%, through companies controlled by Ms. Xin	One Independent Third Party	Provision of smart government digitalization solutions specifically focused on information security. The scope of services involves developing specialized software for government departments to ensure data protection and secure information management.
Nanjing Este Real Estate Co., Ltd.* (南京艾斯特置業有限公司) (“Nanjing Este”) . . .	PRC	100%, through companies controlled by Ms. Xin and her spouse	One Independent Third Party	Property leasing and the provision of property management services for the industrial park located at No. 26 Tianpu Road, Jiangbei New Economic Development Zone, Nanjing, Jiangsu, PRC

Our Directors are of the view that there is a clear delineation between the Excluded Business and the business of our Group notwithstanding that the businesses involve the provision of software products, given the following:

- (i) Different nature of products and services: The Excluded Business primarily focuses on the development and sales of government big data solutions, in particular, providing tailor-made software solutions (such as information security, big data governance, and administrative consulting services) for governmental departments and authorities, as well as low-carbon ecology software, property leasing and the provision of property management services. Our Group is principally engaged in the provision of cross-border enterprises intelligent finance and tax management solutions, invoice document integrated management solutions, and cross-border enterprises risk management and compliance solutions. Technically, our Group’s offerings are developed using a dual-language architecture of C# and JAVA, incorporating proprietary core components such as intelligent order matching and automated invoice recognition. In contrast, the Excluded Business primarily uses JAVA; it does not involve or rely on our Group’s proprietary components or interfaces, and utilizes specialized technologies (such as encryption/decryption and sensor technologies) specific to its fields. Functionally, the Excluded Business addresses administrative and public safety requirements, and its low-carbon services focus on carbon accounting and MRV, which are entirely unrelated to our focus on cross-border commercial financial and tax management. We do not engage, and have no intention of engaging, in these Excluded Business, which are neither incidental nor ancillary to our business. As such, the product matrices are entirely distinguishable.
- (ii) Different target customers: The customers of the Excluded Business are primarily (i) various levels of government agencies, for whom it provides government big data solutions, and (ii) enterprises, for whom it leases office premises and provides property management services. In contrast, our customers primarily consist of cross-border

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

enterprises and institutions with import and export trade business, including without limitation cross-border enterprises and cross-border e-commerce enterprises, whose demand for digitalized solutions is derived from full business cycle needs for finance and tax management. Other than certain government-controlled entities acquired through public tendering where the products or services supplied are fundamentally different, there is no customer overlap between the Excluded Business and our business.

Furthermore, save as disclosed in the sections headed “— Operational Independence” and “— Management Independence” below, there is no overlapping management or resources (such as human resources and office premises) between the Excluded Business and our business. In view of the foregoing and given the different nature of business between the Excluded Business and our business, our Directors are of the view that the Excluded Business and our business are not in competition.

Accordingly, as of the Latest Practicable Date, none of our Controlling Shareholders or any of their respective close associates had any interest in any business which competes or is likely to compete, either directly or indirectly, with our Company’s business which would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE OF OUR BUSINESS

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independently from our Controlling Shareholders and their respective close associates upon and after the [REDACTED].

Operational Independence

We do not rely on our Controlling Shareholders and their respective close associates for our daily operations. We have our own organizational structure with self-governed departments specializing in various functions, including but not limited to our business development, staffing, logistics, administration, finance, internal audit, information technology, sales and marketing, or company secretarial functions. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from our Controlling Shareholders and their respective close associates. In addition, we have our own headcount of employees for our operations and management for human resources. We also maintain a set of comprehensive internal control procedures to facilitate the effective operation of our businesses.

We have full rights to make all decisions on, and to carry out, our own business operations independently. We hold and enjoy the benefit of all relevant permits and licenses necessary for carrying on our business in all material respects, and we have sufficient capital, facilities, equipment and employees to operate our business independently from our Controlling Shareholders. Our principal office premise, located at No. 26 Tianpu Road, Jiangbei New Economic Development Zone, Nanjing, Jiangsu, PRC, are leased from Nanjing Este (as detailed in Note 34(b) to the Accountants’ Report). While Jiangsu Skytech Industrial and Nanjing Skytech also occupy office space in the same building, our premises are located on separate and distinct floors from those occupied by these two companies and our Group’s daily business operations are conducted independently through physical separation. Meanwhile, all other properties leased by our Group are leased from independent third-parties. As such, this arrangement does not compromise our operational independence. Save as disclosed above, there has been no sharing of resources, including but not limited to manpower and administrative functions, between our Group and the Controlling Shareholders (or their respective close associates) during the Track Record Period and up to the Latest Practicable Date. All Group-related costs and expenses were borne by us, and no such liabilities were settled by the Controlling Shareholders (or their related parties) on our behalf.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

without being fully recharged to our Group on an arm’s length basis during the Track Record Period and up to the Latest Practicable Date. In addition, our access to, and relationship with, our key customers and suppliers are independent from our Controlling Shareholders.

We entered into a continuing connected transaction with our connected person. For more details, please see section headed “Connected Transaction” in this document for more details. Considering that the amount of the relevant transactions during the Track Record Period are not significant to our Group, our Directors believe that such transactions will not have any impact on the operational independence of our Group.

Based on the above, our Directors believe that we are operationally independent from our Controlling Shareholders and their respective close associates. Our Directors confirmed that our Group will be able to operate independently from our Controlling Shareholders and their respective close associates after the [REDACTED].

Management Independence

Our management and operational decisions are made by the Board and our senior management in a collective manner. Upon the [REDACTED], our Board comprises eight Directors, including three executive Directors, two non-executive Directors and three independent non-executive Directors. Ms. Xin is an executive Director, chief executive officer and the chairlady of the Board. For more details, please see section headed “Directors and Senior Management” in this document.

Our Directors have relevant experience to ensure the proper functioning of the Board. Although Ms. Xin concurrently serves as the chairlady and non-executive director of Nanjing Skytech, the then sole shareholder of our Company prior to the disposal effected by Sinosoft Technology (please see section headed “History, Development and Corporate Structure” in this document for details of the disposal), and as the chairlady of Jiangsu Skytech Industrial Internet Co., Ltd. (江蘇擎天工業互聯網有限公司) (“**Jiangsu Skytech Industrial**”), a company which Ms. Xin controls approximately 35.16% of its equity interest, we believe that our Directors and members of the senior management are able to perform their roles in our Company in managing our business independently from our Controlling Shareholders and their respective close associates for the following reasons:

- (a) Ms. Xin is the limited partner in Skytech Venture Capital and holds approximately 99.01% interest in its general partner, Skytech Investment. Skytech Venture Capital functions solely as an investment holding company, which primarily engaging in equity investments without any other substantial business operations and, as such, does not require Ms. Xin’s active involvement in its daily work or day-to-day management. Furthermore, upon the [REDACTED], none of the other Directors or members of senior management will (i) hold any directorships or senior management roles in Skytech Venture Capital (our Controlling Shareholder) or its close associates; or (ii) have any other relationship with Skytech Venture Capital (our Controlling Shareholder) or its close associates;
- (b) although Ms. Xin retains directorship in Nanjing Skytech and Jiangsu Skytech Industrial, the directorship she holds is non-executive in nature. Ms. Xin is not involved in and has no intention to participate in the day-to-day management and business operations of Nanjing Skytech and Jiangsu Skytech Industrial;

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (c) our independent non-executive Directors have extensive experience in different areas. We believe that they will be able to exercise their independent judgment and will be able to provide impartial opinions in the decision-making process of our Board to protect the interests of our Company and our Shareholders as a whole;
- (d) each of our Directors is aware of his or her fiduciary duties as a director, which requires, among other things, that he or she acts for our Company’s best interests and he or she must not allow any conflict between his or her duties as a Director and his or her personal interests;
- (e) we have established internal control mechanisms to identify related party transactions and connected transactions to ensure that our Shareholders or Directors with conflicting interests in a proposed transaction will abstain from voting on the relevant resolutions. Where a Board meeting or Shareholders’ meeting is held to consider a proposed transaction in which our Directors or Controlling Shareholders or any of their respective close associates have a material interest, the relevant Directors or our Controlling Shareholders and their respective close associates shall abstain from voting on the relevant resolutions and shall not be counted towards the quorum for the voting; and
- (f) we will establish corporate governance measures and adopt sufficient and effective control mechanisms to manage potential conflicts of interest, if any, between our Group and our Controlling Shareholders, which would support our independent management. For further information, see “Corporate Governance Measures” in this section.

Except for the directorship of Ms. Xin as disclosed above, there is no overlap or transfer of key management personnel between our Group and the Controlling Shareholders (or their respective close associates). Based on the above, our Directors are satisfied that they are able to perform their managerial roles in our Company independently, and our Directors are of the view that we are capable of managing our business independently from our Controlling Shareholders and their respective close associates after the [REDACTED].

Financial Independence

We have an independent internal control, accounting and financial management system independent from our Controlling Shareholders and their respective close associates. We have also established an independent finance department to make the decisions based on our own business needs. We have opened accounts with banks independently and do not share any bank account with our Controlling Shareholders and their respective close associates. During the Track Record Period and up to the Latest Practicable Date, there has been no sharing of banking facilities between the Controlling Shareholders (or their respective close associates) and our Group.

In addition, we are capable of obtaining financing from commercial bank(s) without relying on any guarantee or security provided by our Controlling Shareholders and their respective close associates. As of the Latest Practicable Date, our Group does not rely on our Controlling Shareholders and their respective close associates for any provision of financial assistance, and there were no loans, advances and balances due to or from our Controlling Shareholders or their respective close associates, nor were there any pledges and guarantees provided by and to our Controlling Shareholders or their respective close associates. Save as disclosed in the section headed “Connected Transactions” and in Note 35 of the “Accountants’ Report” in Appendix I to this document, there were no other material business transactions or funding arrangements between our Group and our Controlling Shareholders (or their respective close associates) during the Track Record Period and up to the Latest Practicable Date.

Based on the above, our Directors are of the view that we are capable of maintaining financial independence from our Controlling Shareholders and their respective close associates after the [REDACTED].

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

DEED OF NON-COMPETITION

In order to maintain clear delineation between the Excluded Business and our business, and avoid any potential competition, actual or perceived, arising there, each of our Controlling Shareholders [has entered] into the Deed of Non-competition in favor of our Company, pursuant to which it/she has irrevocably and unconditionally undertaken to and covenanted with our Company that during the continuation of the Deed of Non-competition, it/she shall not, and shall procure each of its/her close associates (other than any member of our Group) not to, during the restricted period set out below, whether on its/her own account or in conjunction with or on behalf of any person, firm or company, and whether directly or indirectly, carry on a business which is, or be interested or involved or engaged in or acquire or hold any rights or interest or otherwise involved in (in each case whether as a shareholder, partner, principal, agent, director, employee or otherwise and whether for profit, reward or otherwise) any business which competes or is likely to compete directly or indirectly with the business currently and from time to time engaged by our Group in the PRC and any other country or jurisdiction to which our Group provides such services and/or in which any member of our Group carries on such business from time to time (the “**Restricted Business**”). Each of our Controlling Shareholders [has undertaken] to our Company that it/she shall abstain from voting at any general meeting of our Company for approving any resolution(s) where any actual or potential conflict of interests may arise.

Such non-competition undertaking does not apply to:

- (i) any interests in the shares of any member of our Group; or
- (ii) interests in the shares of a company other than our Company whose shares are listed on a recognised stock exchange provided that:
 - (a) any Restricted Business conducted or engaged in by such company (and assets relating thereto) accounts for less than 10% of that company’s consolidated turnover or consolidated assets, as shown in that company’s latest audited accounts;
 - (b) the total number of the shares held by each of our Controlling Shareholders and/or its/her close associates in aggregate does not exceed 10% of the issued shares of that company in question and each of our Controlling Shareholders and/or its/her close associates are not entitled to appoint a majority of the directors of that company and at any time there should exist at least another shareholder of that company whose shareholdings in that company should be more than the total number of shares held by each of our Controlling Shareholders and its/her respective close associates in aggregate; or
 - (c) each of our Controlling Shareholders and/or its/her close associates do not have the control over the board of such company.

The Deed of Non-competition shall take effect upon [REDACTED] and shall expire on the earlier of:

- (a) the day on which the H Shares cease to be [REDACTED] and [REDACTED] on the Stock Exchange or other recognised stock exchange; or
- (b) the day on which each of our Controlling Shareholders and its/her close associates, individually or taken as a whole, cease to own, in aggregate, 30% or more of the then issued share capital of our Company directly or indirectly or cease to be deemed as our Controlling Shareholder and do not have power to control the Board or there is at least one other independent shareholder other than each of our Controlling Shareholders and its/her close associates holding more Shares than each of our Controlling Shareholders and its/her close associates taken together.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Each of our Controlling Shareholders and/or its/her close associates may take up new business opportunities which compete with our Company only if they comply with their obligations under the Deed of Non-competition in doing so.

Pursuant to the Deed of Non-competition, each of our Controlling Shareholders has undertaken that if it/she and/or any of its/her close associates is offered or becomes aware of any project or new business opportunity (“**New Business Opportunity(ies)**”) that relates to the Restricted Business, whether directly or indirectly, it/she shall (i) promptly within ten (10) business days notify our Company in writing of such opportunity and provide such information as is reasonably required by our Company in order to enable our Company to come to an informed assessment of such New Business Opportunity; and (ii) use its/her best endeavours to procure that such opportunity is offered to our Company on terms no less favourable than the terms on which such New Business Opportunity is offered to him and/or its/her close associates.

All of our Directors (excluding those who is/are interested in the New Business Opportunity and has/have conflict of interests with our Company) will review the New Business Opportunity and decide whether to invest in the New Business Opportunity. If our Group has not given written notice of its desire to invest in such New Business Opportunity or has given written notice denying the New Business Opportunity within thirty (30) business days (the “**30-day Offering Period**”) of receipt of notice from the relevant Controlling Shareholder, the relevant Controlling Shareholder and/or its/her close associates shall be permitted to invest in or participate in the New Business Opportunity on its/her own accord. With respect to the 30-day Offering Period, our Directors consider that such period is adequate for our Company to assess any New Business Opportunity. In the event that our Company requires additional time to assess the New Business Opportunity, our Company may give a written notice to the relevant Controlling Shareholder within the 30-day Offering Period and such Controlling Shareholder agrees to extend the period to a maximum of sixty (60) business days. Our Group may elect not to take up the New Business Opportunity if our Directors consider that (i) taking up the New Business Opportunity is not beneficial to our Group, whether financially or otherwise; (ii) our Group does not have sufficient financial resources to take up the New Business Opportunity; (iii) the risk involved in the New Business Opportunity is too high; and/or (iv) there exists any other reason or circumstance under which taking up the New Business Opportunity is not in the interest of our Company and our Shareholders as a whole. In the event our Company decides not to take up any New Business Opportunities after [REDACTED], our Company will disclose in our annual report details of such New Business Opportunities, and our Company’s reason for not taking up such New Business Opportunities.

In order to promote good corporate governance practices and to improve transparency, the Deed of Non-competition includes the following provisions:

- our independent non-executive Directors shall review, at least on an annual basis, the compliance with the Deed of Non-competition by our Controlling Shareholders. Our independent non-executive Directors may engage independent professional advisor(s) in appropriate circumstances at our Company’s costs;
- we will disclose the decisions on matters reviewed by the independent non-executive Directors (including the reasons for not taking up the New Business Opportunity referred to our Company) and the review by our independent non-executive Directors on the compliance with, and the enforcement of, the Deed of Non-competition in our annual report or by way of announcement to the public in compliance with the requirements of the Listing Rules; and
- in the event that any of our Directors and/or their respective close associates have material interests in any matter to be deliberated by our Board in relation to the compliance and enforcement of the Deed of Non-competition, he/she shall unless expressly permitted by the Articles abstain from voting on the resolutions of our Board approving the matter and shall not be counted toward the quorum for the voting.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

CORPORATE GOVERNANCE MEASURES

Our Directors believe that there are adequate corporate governance measures in place to manage the potential conflict of interests between our Controlling Shareholders and our Group and to safeguard the interests of our Shareholders taken as a whole for the following reasons:

- where a Shareholders’ meeting is to be held for considering proposed transactions in which our Controlling Shareholders and/or any of their respective close associates has a material interest, our Controlling Shareholders and/or their respective close associates will not vote on the resolutions and shall not be counted in the quorum in the voting;
- our Articles of Association provides that, a Director shall abstain from voting on any resolution approving any contract, transaction or arrangement in which such Director or any of his/her associates has a material interest nor shall such Director be counted in the quorum present at the Board meeting;
- our Group has established internal control mechanisms to identify connected transactions. Upon the [REDACTED], if any transaction is proposed between our Group and our Controlling Shareholders and/or their respective associates, we will comply with the requirements of the Articles of Association and the Listing Rules, including, where appropriate, the reporting, annual review by the independent non-executive Directors, announcement and independent shareholders’ approval;
- our Board consists of a balanced composition of executive Directors, non-executive Directors and independent non-executive Directors, with independent non-executive Directors representing not less than one-third of our Board to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors individually and collectively possess the requisite knowledge and experience to perform their duties. They will review, on an annual basis, whether there are any conflicts of interests between our Group and our Controlling Shareholders and provide impartial and professional advice to protect the interests of our Shareholders;
- our Controlling Shareholder, Ms. Xin, will undertake to provide all necessary information, including all relevant financial, operational and market information and any other necessary information as required by the independent non-executive Directors for the annual review of any conflicts of interests between our Group and our Controlling Shareholders;
- on an annual basis, our independent non-executive Directors will review the non-compete undertakings provided by our Controlling Shareholders and their compliance with the undertakings;
- where our Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our Company’s expenses;
- we have appointed Rainbow Capital (HK) Limited as our Compliance Advisor, who will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to directors’ duties and corporate governance, and inform us on a timely basis of any amendment or supplement to the Listing Rules or applicable laws and regulations in Hong Kong; and
- we have established our Audit Committee, Remuneration Committee and Nomination Committee with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest that may arise between our Company and our Controlling Shareholders, and to protect our minority Shareholders’ interests after the [REDACTED].

DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Our Board consists of eight Directors, comprising three executive Directors, two non-executive Directors and three independent non-executive Directors. Our Directors serve a term of three years and are eligible for re-election upon expiry of their respective term of office. Our Board is responsible for, and has general powers for, the management and conduct of our business. The following table sets forth key information regarding our Directors:

Name	Age	Position(s)	Date of appointment as Director	Date of joining our Group	Role and responsibilities	Relationship with other Directors and senior management
Ms. Xin Yingmei (辛穎梅)	[59]	Executive Director, chairlady of our Board and chief executive officer	December 18, 2012	December 18, 2012	Responsible for the overall strategic planning, business direction and management of our Group	None
Mr. Zhang Liusong (張柳松)	[44]	Executive Director, deputy general manager and chief technology officer	December 28, 2020	February 10, 2020	Responsible for the overall management of our Group’s product R&D and new technology pre-research	None
Mr. Ye Fei (葉飛)	[38]	Executive Director, Board secretary and joint company secretary	October 10, 2025	April 6, 2021	Responsible for the overall business operations, capital operations and investor relations of our Group	None
Mr. Shi Xin (史新)	[43]	Non-executive Director	September 22, 2021	September 22, 2021	Responsible for providing guidance on overall strategic planning, corporate governance and business direction of our Group	None
Mr. Lu Yin (陸垠)	[48]	Non-executive Director	January 29, 2021	January 29, 2021	Responsible for providing guidance on overall strategic planning, corporate governance and business direction of our Group	None
Mr. Shi Seng Peng (徐成平)	[52]	Independent non-executive Director	May 18, 2026	Upon [REDACTED] ⁽¹⁾	Responsible for providing independent advice on the operations and management of our Group	None
Ms. Dong Xiaolin (董曉林)	[63]	Independent non-executive Director	October 10, 2025	Upon [REDACTED] ⁽¹⁾	Responsible for providing independent advice on the operations and management of our Group	None

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Position(s)	Date of appointment as Director	Date of joining our Group	Role and responsibilities	Relationship with other Directors and senior management
Mr. Chan Choo Tee (陳祖帝)	[59]	Independent non-executive Director	October 10, 2025	Upon [REDACTED] ⁽¹⁾	Responsible for providing independent advice on the operations and management of our Group	None

Note:

- (1) The appointment of each of Mr. Shi Seng Peng, Ms. Dong Xiaolin and Mr. Chan Choo Tee as an independent non-executive Director will take effect from the [REDACTED].

Executive Directors

Ms. Xin Yingmei (辛穎梅), aged [59], is the executive Director, chairlady of our Board and chief executive officer of our Group. She was appointed as a Director on December 18, 2012, being responsible for the overall strategic planning, business direction and management of our Group. Since July 26, 2018, Ms. Xin has also been serving as the director Skytech Zumoo.

Ms. Xin is a co-founder of Nanjing Skytech, the then holding company of our Company, and serves as the chairlady of Nanjing Skytech. Ms. Xin has also been serving as the chairlady of the board, executive director and chief executive officer of Sinosoft Technology. For details of the historical changes in control of our Company, please refer to “History, Development and Corporate Structure” in this document. For details of the management independence of our Company notwithstanding Ms. Xin’s concurrent positions as chairlady and/or non-executive director, please refer to “Relationship with Our Controlling Shareholders” in this document. In addition, Ms. Xin currently serves as a director and general manager of Skytech Investment (one of our Controlling Shareholders), director of Jiangsu Skytech Investment Management Co., Limited (江蘇擎天科技投資管理有限公司) (an investment shareholding platform), and as chairlady of the board of Jiangsu Skytech Industrial Internet Co., Limited (江蘇擎天工業互聯網有限公司), a company principally engaged in digital carbon management solutions.

Ms. Xin is a senior engineer. Ms. Xin has won several awards for her achievements including “National March 8th Red-Banner Holder Pacesetter” (全國三八紅旗手標兵), “National Key Personnel in the Promotion of the Software Industry” (推動中國軟件產業發展功勳人物), “National Outstanding Entrepreneur in the Software Industry” (中國軟件產業傑出企業家) and “Jiangsu Province Outstanding Entrepreneur in the Software Industry” (江蘇省優秀軟件企業家). Ms. Xin was accredited as a professorate senior engineer by Professional Senior Qualification Accreditation Committee of Jiangsu Province (江蘇省高級專業技術資格評審委員會) on November 25, 2010. Ms. Xin obtained her master’s degree in business administration from Nanjing University (南京大學) in the PRC in September 2008.

Mr. Zhang Liusong (張柳松), aged [44], joined our Group in February 2020 and has served as deputy general manager and our chief technology officer since then. Mr. Zhang was appointed as our Director on December 28, 2020. Mr. Zhang is responsible for the overall management of our Group’s product R&D and new technology pre-research.

From June 2007 to February 2020, Mr. Zhang served successive roles as an R&D officer, project manager and R&D manager of Nanjing Skytech, where he was responsible for the development of tax management and big data application systems.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Zhang obtained a master’s degree in computer application technology from Nanjing Tech University (南京工業大學) in the PRC in June 2008.

Mr. Zhang possesses professional qualifications, having obtained the Oracle Database OCP Certification (the now retired Oracle Database 10g Administrator Certified Professional certification) in November 2008. He has been certified as an engineer by the Nanjing Professional Titles Working Leading Group (南京市職稱工作領導小組辦公室) since August 2011. In addition, Mr. Zhang obtained the senior certification of Information Systems Project Manager from the Jiangsu Department of Human Resources and Social Security (江蘇省人力資源和保障廳) in March 2016.

Mr. Ye Fei (葉飛), aged [38], is an executive Director, the Board secretary and our joint company secretary. He joined our Group as the Board secretary in April 2021 and was appointed as our joint company secretary and Director in October 10, 2025. Mr. Ye is primarily responsible for overall capital operations and investor relations of our Group. Mr. Ye currently also serves as a director of our subsidiaries, namely Guangzhou Skytech, Shandong Skytech and Skytech Zumoo, since October 2021, January 2025 and February 2025, respectively.

Mr. Ye has accumulated over 15 years’ experience in strategic planning and capital operations. Prior to joining our Group, Mr. Ye worked at the marketing headquarters of Xuzhou Construction Machinery Group Co., Limited (徐州工程機械集團有限公司) from July 2011 to May 2014 (“XCMG”, a company listed on the Shenzhen Stock Exchange with stock code 000425.SZ) where he last served as a market analysis manager, being responsible for market research and strategic management of XCMG products. From May 2014 to August 2017, Mr. Ye served successive roles of marketing analysis manager and subsequently as investment director of Nanjing Sample Technology Group Company Limited (南京三寶科技集團有限公司) (the controlling shareholder of Nanjing Sample Technology Co., Ltd., a company listed on the Stock Exchange with stock code 1708.HK), a technology supply chain company principally engaged in “Internet + Internet of Things” technologies, with a strong focus on “smart transportation” and “smart logistics”, being responsible for innovative investment cooperation, post-investment management and ecological cooperation opportunities.

From August 2017 to May 2020, Mr. Ye served the roles of assistant to the president and director of investment and financing at Jiangsu Yide Group Co., Ltd. (江蘇一德集團有限公司) (formerly known as Jiangsu Yide Enterprise Investment Development Co., Ltd. (江蘇一德企業投資發展有限公司)), a company principally engaged in investment operations in industry-city integration, cultural tourism and technology industries, being responsible for strategic investments in emerging industries, investment cooperation, post-investment management and equity financing. From May 2020 to April 2021, he served the roles of assistant to the chairperson and director of investment and financing at Jiangsu Linghao Network Technology Co., Ltd. (江蘇零浩網絡科技有 限公司), a company principally engaged in digital and new energy logistics operation services, being responsible for investment cooperation, equity financing, investor relations, IPO preparation and other corporate finance decisions.

Mr. Ye obtained his bachelor’s double degree in business administration and English studies from China Petroleum University (中國石油大學) in the PRC in July 2011.

Non-executive Directors

Mr. Shi Xin (史新), aged [43], is a non-executive Director of our Company. Mr. Shi joined our Group on September 22, 2021 as a Director until he was re-designated as a non- executive Director on June 30, 2025. Mr. Shi is primarily responsible for providing guidance on overall strategic planning, corporate governance and business direction of our Group.

DIRECTORS AND SENIOR MANAGEMENT

Prior to his current role in our Group, from July 2005 to August 2006, Mr. Shi was a software implementation engineer at Guangdong Yuanguang Software Company Limited (廣東遠光軟件股份有限公司) (now known as YGSOFT Inc. (遠光軟件股份有限公司), a company listed on the Shenzhen Stock Exchange with stock code 002063). From July 2008 to April 2012, Mr. Shi served as a business analyst at IBM (Shenzhen) Systems Integration Co., Ltd.* (國際商業機器系統集成(深圳)有限公司). From August 2012 to June 2016, Mr. Shi served as a post-doctorate researcher and an investment manager at Shenzhen Innovative Investments Group Co., Ltd. (深圳市創新投資集團有限公司), a company principally engaged in investments in innovative small and medium-sized enterprises.

In addition to his directorship in our Group, since June 2021, Mr. Shi has been serving as a director of Guangdong Meiya Tourism Technology Group Co., Ltd. (廣東美亞旅遊科技集團股份有限公司) (listed on NEEQ, stock code: 874242), a company principally engaged in providing tourism technology services. Since July 2016, Mr. Shi has been serving as the executive general manager of Shenzhen Guozhong Venture Capital Management Co., Ltd. (深圳國中創業投資管理有限公司), a company principally engaged in venture capital investment and management of development funds, being responsible for equity investments and management. Mr. Shi currently also serves as a director of the following non-listed companies: (i) Sichuan Yuanhai International Travel Agency Co., Ltd. (四川遠海國際旅行社股份有限公司) since October 2017, (ii) Beijing Jiangrongxin Technology Co., Ltd. (北京江融信科技有限公司) since August 2019, (iii) Guangdong Yongsheng Animation Co., Ltd. (廣東詠聲動漫股份有限公司) since July 2021, and (iv) Shanghai Kuangtong Technology Co., Ltd. (上海曠通科技有限公司) since May 2023.

Mr. Shi obtained a bachelor’s degree in information management and information systems from the University of Electronic Science and Technology of China (電子科技大學) in the PRC in July 2005. He further obtained a master’s degree in management from Sun Yat-sen University (中山大學) in the PRC in July 2008, and subsequently a doctorate degree in management from Wuhan University (武漢大學) in the PRC in July 2012.

Mr. Lu Yin (陸垠), aged [48], is a non-executive Director of our Company. Mr. Lu joined our Group on January 29, 2021 as a Director until he was re-designated as a non-executive Director on June 30, 2025. Mr. Lu is primarily responsible for providing guidance on overall strategic planning, corporate governance and business direction of our Group.

Mr. Lu Yin has accumulated over 25 years of extensive managerial experience through positions held at multiple large-scale corporations. Prior to his current role in our Company, from February 2001 to June 2010, Mr. Lu held managerial positions in China International Capital Corporation Limited (中國國際金融股份有限公司) (“CICC”) (a company listed both on the Shanghai Stock Exchange (stock code: 601995) and the Stock Exchange (stock code: 3908) and principally engaged in investment banking, equities, fixed-income, commodities and currency, asset management, wealth management and private equity businesses), where he last served as an executive director. From September 2010 to September 2011, Mr. Lu served as a director of the Financial Institutions Department of Global Banking in Asia Pacific at Citigroup Global Markets Asia Limited, where he was responsible for investment banking related businesses. From March 2012 to May 2016, Mr. Lu was the managing director of Guoxin International Investment Co., Ltd. (國新國際投資股份有限公司) and China Guoxin Holdings Co., Ltd. (中國國新控股股份有限公司), respectively, where he was responsible for managing financial investments.

Since March 2017, Mr. Lu has been serving as the managing director of CICC Capital Management Co., Ltd. (中金資本運營有限公司) (“CICC Capital Management”), a wholly-owned subsidiary of CICC. Since November 2018, Mr. Lu has been serving as the designated representative of the executive partner of CICC Qihong (which is one of our Pre-[REDACTED] Investors holding 7.3040% equity interests in our Company as of the Latest Practicable Date), a limited partnership established in the PRC which focuses on private equity investment and whose general partner is CICC Capital Management.

DIRECTORS AND SENIOR MANAGEMENT

Over the years, Mr. Lu has accumulated a wealth of experience in equity investments and investment management. In addition to his directorship in our Group, Mr. Lu also holds various positions in the following investment management companies:

Name of company	Principal business	Position	Shareholding interest held	Period of service
Nanjing Honglu Equity Investment Partnership (Limited Partnership) (南京泓祿股權投資合夥企業(有限合夥))	Equity investments	General partner	50%	April 2019 to present
Gongqing Xicheng Sanhao Investment Partnership (Limited Partnership) (共青城熙誠叁號投資合夥(有限合夥))	Investments	General partner	N/A	August 2021 to present
Jiazi Qianyuan (Beijing) Investment Management Co., Ltd. (甲子乾元(北京)投資管理有限公司).	Investment management	Executive director, manager	50%	September 2021 to present
Xinjiang Zhongjin Jiazi Equity Investment Management Co., Ltd. (新疆中金甲子股權投資管理有限公司).	Investment management	Executive director, general manager	N/A	October 2021 to present
CICC Jiazi (Beijing) Investment Funds Management Co., Ltd. (中金甲子(北京)私募投資基金管理有限公司).	Private equity investment funds	Chairman, manager	N/A	November 2021 to present
Xinjiang Zongjin Equity Investment Management Co., Ltd. (新疆宗金股權投資管理有限公司)	Investment management	Executive director, general manager	N/A	December 2021 to present
CICC Xicheng (Beijing) Investment Fund Management Co., Ltd. (中金熙誠(北京)投資基金管理有限公司)	Investment fund management	Director, manager	N/A	December 2021 to present

Mr. Lu obtained a fund practitioner qualification certificate issued by the Asset Management Association of China in (中國證券投資基金業協會) in December 2019. Mr. Lu obtained a bachelor’s degree in economics (majoring in insurance) from Peking University (北京大學) in the PRC in July 1999. Mr. Lu further obtained a master’s degree in business (majoring in banking and finance) from the University of Sydney in Australia in March 2001.

Independent Non-executive Directors

Mr. Shi Seng Peng (徐成平), aged [52], was appointed as our independent non-executive Director on May 18, 2026, with effect from the [REDACTED]. Mr. Shi is responsible for providing independent advice to our Board on the operations and management of our Group.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Shi has over 22 years of experience in auditing, accounting, and financial management. From January 2004 to January 2006, Mr. Shi served as a senior auditor at KPMG. From May 2006 to May 2007, he served as the group accountant at First Media Pte Ltd, a company primarily engaged in design and media. From May 2007 to June 2008, he served as the senior finance manager at AETOS Security Management Pte Ltd, a company primarily engaged in the provision of security services. From June 2008 to May 2009, he served as a financial controller at Sinofabric Limited, a company primarily engaged in textile manufacturing. From May 2009 to March 2023, he served as the group finance manager at United Texmac Pte Ltd, a company primarily involved in the industrial machinery business.

Mr. Shi obtained a bachelor’s degree in accountancy from RMIT University in Australia in September 2001. He has been a member of CPA Australia and is a Chartered Accountant of Singapore (CA Singapore) since January 2006 and July 2013, respectively.

Ms. Dong Xiaolin (董曉林), aged [63], was appointed as our independent non-executive Director on October 10, 2025, with effect from the [REDACTED]. Ms. Dong is responsible for providing independent advice to our Board on the operations and management of our Group.

In addition to her directorship in our Group, Ms. Dong has been serving as an external supervisor of Huishang Bank Corporation Limited (徽商銀行股份有限公司) (a company listed on the Stock Exchange, stock code: 3698.HK) since November 2018. In July 1986, Ms. Dong began working at Nanjing Agricultural University (南京農業大學), and successively served as an assistant lecturer, a lecturer and an associate professor. She has been serving as a professor and doctoral supervisor at the university since December 2008. Currently, Ms. Dong also holds a role as a director of Key Research Base of Philosophy and Society Science in Jiangsu Province — Rural Financial Development Research Center of Jiangsu Province in Nanjing Agricultural University (江蘇省哲學社會科學重點研究基地—南京農業大學江蘇農村金融發展研究中心), a member of Expert Committee of Nanjing Finance Promotion Council (南京市金融發展促進會專家委員會), and an external supervisor of Wuxi Rural Commercial Bank Co., Ltd. (無錫農村商業銀行股份有限公司).

Ms. Dong was a member of the Finance Institute of Nanjing City (南京市金融學會理事) from March 2010 to December 2023 and had served as an independent director of the following companies: Jiangsu Gaochun Rural Commercial Bank Co., Ltd. (江蘇高淳農村商業銀行股份有限公司) from February 2012 to February 2018, Jiangsu Donghai Rural Commercial Bank Co., Ltd. (江蘇東海農村商業銀行股份有限公司) from October 2014 to October 2017, Jiangsu Lishui Rural Commercial Bank Co., Ltd. (江蘇溧水農村商業銀行股份有限公司) from August 2018 to August 2021, Anhui Langxi Rural Commercial Bank Co., Ltd. (安徽郎溪農村商業銀行股份有限公司) from June 2018 to May 2021, and Nanjing Securities Co., Ltd (南京證券股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 601990.SH) from November 2018 to November 2024.

Ms. Dong obtained a doctorate degree majoring in agricultural economics management from Nanjing Agricultural University (南京農業大學) in the PRC in June 2005.

Mr. Chan Choo Tee (陳祖帝), aged [59], was appointed as our independent non-executive Director on October 10, 2025, with effect from the [REDACTED]. Mr. Chan is responsible for providing independent advice to our Board on the operations and management of our Group.

Mr. Chan has approximately 30 years of experience in banking and financial management and has held senior management roles across several global institutions. From May 1997 to April 2007, Mr. Chan worked at Citigroup Private Bank (a division of multinational banking conglomerate Citigroup) and last held the positions of executive director and deputy head of the foreign exchange department. Mr. Chan was a managing director in Merrill Lynch (Asia Pacific) Limited from June 2007 to November 2013, taking the roles as head of foreign exchange, Asia Pacific ex-Japan, and head of wealth management product sales in Hong Kong. Mr. Chan worked as a managing director in Bank Julius Baer (Hong Kong) Limited (from November 2013 to May 2015), Standard Chartered

DIRECTORS AND SENIOR MANAGEMENT

Bank Limited (from June 2015 to October 2016), and Nomura (Singapore) Limited (from October 2016 to January 2019) respectively, with the roles including head of foreign exchange and head of investment products and solutions within wealth management divisions.

With these positions he has held, Mr. Chan has received various management committee memberships, chairmanship of functional committees, and the bank’s executive/responsible officer appointments with the Hong Kong Monetary Authority and the Securities and Futures Commission of Hong Kong. From February 2020 to March 2022, Mr. Chan was a partner at Omega Proprietary Trading Pte. Ltd. in Singapore, an active participant in the global equities and financial derivatives field. From April 2022 to May 2023, Mr. Chan served as a director and chief operations officer (market solutions) of Credit Suisse (Hong Kong) Limited. Mr. Chan has extensive experience in business set-up and management, platform & product development, team management and oversaw investment products related to suitability, governance, compliance and risk management.

Mr. Chan also served as an independent non-executive director of Sinosoft Technology from October 2021 to March 2024.

He obtained his bachelor’s degree in business administration from the National University of Singapore in June 1991.

General

Save as disclosed in this section to this document, each of our Directors confirms that:

- (a) he/she has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on September 26, 2025 and understands the requirements under the Listing Rules that are applicable to him/her as a director of a listed issuer under the Listing Rules and the possible consequences of making a false declaration or giving false information to the Stock Exchange;
- (b) he/she did not hold and has not held any other positions in our Group and any other members of our Group as of the Latest Practicable Date;
- (c) he/she did not and has not been a director of any other publicly listed company during the three years prior to the Latest Practicable Date and as of the Latest Practicable Date;
- (d) he/she did not have any relationship with any other Directors, senior management, substantial shareholders and controlling shareholders of our Company as of the Latest Practicable Date;
- (e) he/she did not have any interest in a business which competes or is likely to compete, either directly or indirectly, with our Company’s business which would require disclosure under Rule 8.10 of the Listing Rules as of the Latest Practicable Date;
- (f) he/she has not completed his/her respective education programs as disclosed in this section by way of attendance of long distance learning or online courses; and
- (g) to his/her best knowledge, information and belief, having made all reasonable inquiries, there were no other matter with respect to his/her appointment that needs to be brought to the attention of our Company, the Stock Exchange and the Shareholders and there were no information relating to him/her that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

DIRECTORS AND SENIOR MANAGEMENT

Each of our independent non-executive Directors confirms:

- (a) his/her independence after taking into consideration each of the factors referred to under Rules 3.13(1) to 3.13(8) of the Listing Rules;
- (b) he/she did not have any past or present financial or other interest in the business of our Company or our subsidiaries, or any connection with any core connected person of our Company as of the Latest Practicable Date; and
- (c) there are no other factors which may affect his/her independence at the time of his/her appointment as our independent non-executive Director.

SENIOR MANAGEMENT

The following table sets forth the key information about our senior management:

Name	Age	Position(s)	Date of appointment as senior management	Date of joining our Group	Role and responsibilities	Relationship with Directors and other senior management
Ms. Xin Yingmei (辛穎梅)	[59]	Executive Director, chairlady of our Board and chief executive officer	December 18, 2012	December 18, 2012	Oversight of overall business operations and the formulation of strategies for our Group	None
Mr. Zhang Liusong (張柳松)	[44]	Executive Director, deputy general manager and chief technology officer	February 10, 2020	February 10, 2020	Overall management of our Group’s product R&D and new technology pre-research	None
Mr. Ye Fei (葉飛)	[38]	Executive Director, the Board secretary and joint company secretary	October 10, 2025	April 6, 2021	Overall business operations, capital operations and investor relations of our Group	None
Mr. Qiu Bin (仇斌)	[39]	Deputy general manager and chief financial officer	April 11, 2022	April 11, 2022	Overall financial management and budgeting of our Group	None

Ms. Xin Yingmei (辛穎梅), aged [59], is an executive Director, the chairlady of our Board and chief executive officer of our Company. For the biography of Ms. Xin, please refer to “— Board of Directors — Executive Directors” in this section.

Mr. Zhang Liusong (張柳松), aged [44], is an executive Director, deputy general manager and chief technology officer of our Company. For the biography of Mr. Zhang, please refer to “— Board of Directors — Executive Directors” in this section.

Mr. Ye Fei (葉飛), aged [38], is an executive Director, the Board secretary and a joint company secretary of our Company. For the biography of Mr. Ye, please refer to “— Board of Directors — Executive Directors” in this section.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Qiu Bin (仇斌), aged [39], is the deputy general manager and chief financial officer of our Group. Mr. Qiu was appointed as our Director on November 26, 2024. Mr. Qiu subsequently resigned from his directorship on October 10, 2025 but maintained his other positions as senior management of our Group. Mr. Qiu is responsible for the overall financial management and budgeting of our Group. Since February 2025, Mr. Qiu has also been serving as a director in Skytech Zumoo.

Mr. Qiu has accumulated over 15 years of experience in financial management. Mr. Qiu worked in the finance department of PetroChina Sichuan Petrochemical Co., Ltd. (中國石油四川石化有限責任公司) (the parent company being a company listed on the Shanghai Stock Exchange (601857.SH) and the Stock Exchange (857.HK)) from July 2009 to February 2012, where he was responsible for financial processing and fund settlements. He served dual capacities as financial manager and internal control manager of China Resources Power Holdings Co., Ltd., Jiangsu Branch (華潤電力控股有限公司江蘇分公司) (a subsidiary of China Resources Power Holdings Company Limited (華潤電力控股有限公司), a company listed on the Stock Exchange (stock code: 836)) from March 2012 to May 2018 and responsible for financial management, internal audit and risk management. From May 2018 to December 2021, Mr. Qiu served as the vice president and chief financial officer of Suzhou Yingyan Youcheng Information Technology Co., Ltd. (蘇州盈衍友誠信息科技有限公司), a company principally engaged in the development of computer software and IT solutions.

Mr. Qiu obtained a bachelor’s degree in economics from Guanghua School of Management of Peking University (北京大學光華管理學院) in the PRC in July 2009.

General

Save as disclosed in this section, each of our senior management members confirms that:

- (a) he/she did not hold and has not held any other positions in our Group and any other members of our Group as of the Latest Practicable Date;
- (b) he/she did not have any relationship with any Directors, other members of senior management, substantial shareholders or controlling shareholders of our Company as of the Latest Practicable Date;
- (c) he/she did not hold and has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years prior to the Latest Practicable Date and as of the Latest Practicable Date; and
- (d) he/she has not completed his/her respective education programs as disclosed in this section by way of attendance of long distance learning or online courses.

JOINT COMPANY SECRETARIES

Our Company appointed Mr. Ye Fei (葉飛) and Mr. Ho Pok Man (何博文) (“**Mr. Ho**”) as our joint company secretary of the Company (the “**Joint Company Secretary(ies)**”) on October 10, 2025 and June 2, 2026, with the appointments taking effect on the [REDACTED]. For the biographical details of Mr. Ye Fei (葉飛), see “— Board of Directors” in this section for details.

Mr. Ho is currently a Senior Officer of the Listed Corporate Secretarial Department at SWCS Corporate Services Group (Hong Kong) Limited and is primarily responsible for company secretarial and compliance services for listed clients. He has approximately 10 years of experience in company secretarial and human resources professions.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Ho holds a Bachelor of Business Administration (Honours) from The Chinese University of Hong Kong and a Master of Science in Professional Accounting and Corporate Governance from City University of Hong Kong. He is an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

LEGAL PROCEEDINGS INVOLVING ONE OF OUR DIRECTORS

Ms. Xin, our executive Director, chairlady of our Board and chief executive officer, was also a director of Sinosoft Technology, a company listed on the Stock Exchange on July 9, 2013 under stock code 1297 which was delisted in March 2024. Ms. Xin is currently a party to an ongoing judicial supervision procedure in the PRC initiated by herself and other applicants to object to the Retrial Judgment (as defined below) related to Nanhua Skytech, seeking a legal determination on certain matters that occurred over 20 years ago during 2000-2005.

Nanhua Skytech was established in 2000, with Janful Limited (“**Janful**”), an Independent Third Party, holding its 66.7% equity interest and Nanjing Skytech, a company controlled by Ms. Xin, holding the remaining 33.3%. Due to disagreements arising from the cooperation between the parties, multiple lawsuits were initiated among Janful, Nanjing Skytech and Nanhua Skytech since 2004. In 2005, Nanhua Skytech was ordered by an arbitral tribunal to be dissolved. In 2012, Janful (through Nanhua Skytech) commenced litigation against Nanjing Skytech and Nanhua Skytech’s then-directors, including Ms. Xin, alleging breaches of non-compete obligations.

In 2015, the Nanjing Intermediate People’s Court rendered its judgment and partially supported Nanhua Skytech’s claims, with the view that Ms. Xin breached her non-compete obligations during the period from March 2000 to April 2005, and ordered the defendants to pay joint and several damages and costs totaling approximately RMB27.91 million. This was upheld by the Jiangsu High People’s Court in 2016 (the “**Jiangsu High Court 2016 Judgment**”). In 2019, the Supreme People’s Court reviewed the case and stated in its ruling No. (2016) Zui Gao Fa Min Shen 2295 that “*the original judgment failed to examine essential facts, such as which specific businesses were conducted by Xin Yingmei... and Nanjing Skytech, whether there was a competitive relationship between the various businesses, and whether there was a substantive violation of the cooperation contracts and articles of association involved in the case*”. The Supreme People’s Court ordered a retrial and suspended the enforcement of the Jiangsu High Court 2016 Judgment. However, the subsequent retrial judgment issued by the Jiangsu High People’s Court in October 2024 affirmed the Jiangsu High Court 2016 Judgment (the “**Retrial Judgement**”), leading to the current Supervision Procedure (as defined below). In November 2024, Ms. Xin, Nanjing Skytech, and other two former directors of Nanhua Skytech (collectively, the “**Applicants**”) initiated a judicial supervision procedure (the “**Supervision Procedure**”) with the Jiangsu Provincial People’s Procuratorate. The Applicants are challenging the Retrial Judgment. The Applicants contend that the Retrial Judgment contains material errors in fact-finding and legal application, particularly as it failed to follow the prior guidance issued by the Supreme People’s Court. On December 3, 2024, following a substantive review in accordance with applicable laws and regulations, the Jiangsu Provincial People’s Procuratorate formally accepted the application for supervision of civil cases.

As of the Latest Practicable Date, the procedure remains ongoing, and the Applicants are seeking a protest from the Procuratorate to trigger a further retrial of the Retrial Judgment. As our Company was established in 2012 after the dissolution of Nanhua Skytech in 2005, which has been legally dissolved for over 20 years, the outcome of the Retrial Judgement has no impact on our Group’s business operations and financial position. The above arbitration and litigation proceedings had been disclosed, in accordance with the progress of the cases at the relevant times, in the document of Sinosoft Technology and in the announcements published during the period when Sinosoft Technology was listed on the Stock Exchange.

DIRECTORS AND SENIOR MANAGEMENT

COMPLIANCE ADVISER

We have appointed Rainbow Capital (HK) Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance adviser will advise us on the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues, sales or transfers of treasury shares and share repurchases;
- where we propose to use the [REDACTED] of the [REDACTED] in a manner different from that detailed in this document or where our business activities, developments or results deviate from any forecast, estimate or other information in this document; and
- where the Stock Exchange makes an inquiry of us under Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, Rainbow Capital (HK) Limited will, in a timely manner, inform us of any amendment or supplement to the Listing Rules and new or amended laws and regulations in Hong Kong applicable to us.

The terms of the appointment shall commence on the [REDACTED] and end on the date which we distribute our annual report of our financial results for the first full financial year commencing after the [REDACTED] and such appointment shall be subject to extension by mutual agreement.

BOARD COMMITTEES

We have established the following committees on our Board in accordance with the relevant PRC laws and regulations and the Corporate Governance Code as set out in the Appendix C1 to the Listing Rules (the “**Corporate Governance Code**”): an audit committee, a remuneration committee and a nomination committee. The committees operate in accordance with the terms of reference established by our Board.

Audit Committee

We have established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The Audit Committee consists of Mr. Shi Seng Peng, Mr. Chan Choo Tee and Ms. Dong Xiaolin, with Mr. Shi Seng Peng being the chairperson of the committee. Mr. Shi Seng Peng holds the appropriate professional qualifications/the appropriate accounting or related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The primary duties of the Audit Committee are to assist our Board in providing an independent view of the effectiveness of our financial reporting process, internal control and risk management systems, overseeing the audit process, and performing other duties and responsibilities as assigned by our Board, which includes amongst other things:

- proposing to our Board the appointment and replacement of external auditors and monitoring the independence of external auditors and evaluating their performance;
- examining the financial reporting system, the risk management and internal control system of our Company, overseeing their rationality, efficiency and implementation and making recommendations to our Board;
- liaising between our internal audit department and external auditors;

DIRECTORS AND SENIOR MANAGEMENT

- reviewing our financial information and related disclosures; and
- other duties conferred by our Board.

Remuneration Committee

We have established a remuneration committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code. The Remuneration Committee consists of Mr. Chan Choo Tee, Ms. Dong Xiaolin and Mr. Ye Fei, with Mr. Chan Choo Tee being the chairperson of the committee.

The primary duties of the Remuneration Committee are to develop remuneration policies of our Directors, evaluate the performance, make recommendations on the remuneration packages of our Directors and senior management and evaluate and make recommendations on employee benefits, which include amongst other things:

- making recommendations to our Board on the policy and structure for all Directors’ and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- reviewing and approving the management’s remuneration proposals with reference to our Board’s corporate goals and objectives;
- making recommendations to our Board on the remuneration packages of individual executive Directors and senior management;
- making recommendations to our Board on the remuneration of non-executive Directors;
- considering salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in our Group;
- reviewing and approving compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- ensuring that no Director or any of their associates is involved in deciding that Director’s own remuneration;
- reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules; and
- other duties conferred by our Board.

Nomination Committee

We have established a nomination committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and the Corporate Governance Code. The Nomination Committee consists of Ms. Xin Yingmei, Ms. Dong Xiaolin and Mr. Chan Choo Tee, with Ms. Xin Yingmei being the chairperson of the committee.

DIRECTORS AND SENIOR MANAGEMENT

The primary duties of the Nomination Committee are to make recommendations to our Board in relation to the appointment and removal of Directors which includes, amongst other things:

- reviewing the structure, size and composition (including the skills, knowledge and experience) of our Board at least annually and making recommendations to our Board regarding any proposed changes to complement our corporate strategy;
- identifying individuals suitably qualified to become our Board members and select or make recommendations to our Board on the selection of individuals nominated for directorships;
- assessing the independence of independent non-executive Directors;
- making recommendations to our Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive; and
- other duties conferred by our Board.

CORPORATE GOVERNANCE

Our Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders.

Our Directors recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group to achieve effective accountability. Our Company intends to comply with all applicable code provisions in the Corporate Governance Code after the [REDACTED] save for the below.

The roles of chairlady of the Board and chief executive officer of our Company are currently performed by Ms. Xin. In view of Ms. Xin’s substantial contribution to our Group since our establishment and her extensive experience, we consider that having Ms. Xin acting as both our chairlady of the Board and chief executive officer will provide strong and consistent leadership to our Group and facilitate the efficient execution of our business strategies. We consider it appropriate and beneficial to our business development and prospects that Ms. Xin continues to act as both our chairlady of the Board and chief executive officer after the [REDACTED], and therefore currently do not propose to separate the functions of chairlady of the Board and chief executive officer. While this would constitute a deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code, our Board believes that this structure will not impair the balance of power and authority between the Board and the management of our Company, given that: (a) there are sufficient checks and balances in our Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non-executive Directors, which is in compliance with the requirement under the Listing Rules; (b) Ms. Xin and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that she acts for the benefit and in the best interests of our Company and will make decisions for our Group accordingly; and (c) the balance of power and authority is ensured by the operations of our Board which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting the operations of our Company. Moreover, the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels. Our Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether the separation of the roles of chairman of the Board and chief executive is necessary.

DIRECTORS AND SENIOR MANAGEMENT

BOARD DIVERSITY

We seek to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. We have adopted a board diversity policy (the “**Board Diversity Policy**”) to enhance the effectiveness of our Board and to maintain a high standard of corporate governance. Pursuant to the Board Diversity Policy, in reviewing and assessing suitable candidates to serve as a Director, the Nomination Committee will consider a range of diversity perspectives with reference to our Company’s business model and specific needs, including but not limited to gender, age, language, cultural and educational background, professional qualifications, skills, knowledge, industry, regional experience and length of service. Furthermore, our Nomination Committee is responsible for reviewing the diversity of our Board, reviewing the Board Diversity Policy from time to time, developing and reviewing measurable objectives for implementing the Board Diversity Policy, and monitoring the progress on achieving these measurable objectives in order to ensure that the Board Diversity Policy remains effective.

Our Directors have a balanced mixed of knowledge and skills, including but not limited to information systems, banking and finance and investment management. They obtained degrees in various majors including economics, business administration, computer sciences and agricultural economy management. Furthermore, our Board has a relatively wide range of ages, ranging from [38] years old to [63] years old, and consists of six male members and two female members. Our Company has reviewed the membership, structure and composition of our Board, and is of the opinion that the structure of our Board is reasonable, and the experience and skills of the Directors in various aspects and fields can enable our Company to maintain a high standard of operation.

Our Company will (i) disclose the biographical details of each Director and (ii) report on the implementation of the Board Diversity Policy (including whether we have achieved board diversity) in its annual corporate governance report. In particular, our Company will take opportunities to increase the proportion of female members of our Board when selecting and recommending suitable candidates for Board appointments to help enhance gender diversity in accordance with stakeholder expectations and recommended best practices. Our Company also intends to promote gender diversity when recruiting staff at the mid to senior level so that our Company will have a pipeline of female senior management and potential successors to our Board. We believe that such merit-based selection process with reference to our Board Diversity Policy and the nature of our business will be in the best interests of our Group and our Shareholders as a whole.

COMPENSATION OF DIRECTORS AND MANAGEMENT

We offer our executive Directors and senior management members, who are also employees of our Group, emolument in the form of salaries and other benefits, retirement benefit scheme contributions and discretionary bonus. Our Directors’ remuneration is determined with reference to the relevant Director’s experience and qualifications, level of responsibility, performance and the time devoted to our business, and the prevailing market conditions. Our independent non-executive Directors receive emolument based on their responsibilities (including being members or the chairperson of Board committees).

The aggregate amounts of remuneration (including salaries and other benefits, retirement benefit scheme contributions and performance-related bonus) which were paid or payable to our Directors for the three financial years ended December 31, 2023, 2024 and 2025 were RMB2.1 million, RMB2.9 million and RMB2.5 million, respectively.

It is estimated that the aggregate amount of remuneration (including salaries and other benefits, retirement benefit scheme contributions and performance-related bonus) payable to our Directors for the financial year ending December 31, 2026 would be approximately RMB2.0 million under arrangements in force as of the date of this document.

DIRECTORS AND SENIOR MANAGEMENT

For the three financial years ended December 31, 2023, 2024 and 2025, there were two, three and three Directors among the five highest paid individuals, respectively. The aggregate amounts of remuneration (including salaries and other benefits, retirement benefit scheme contributions and performance-related bonuses) which were paid or payable by our Group to our five highest paid individuals (excluding Directors) for the three financial years ended December 31, 2023, 2024 and 2025 were RMB1.7 million, RMB1.3 million and RMB1.2 million, respectively.

During the Track Record Period, (i) no remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining our Group, (ii) no compensation was paid to, or receivable by, our Directors, past Directors or the five highest paid individuals for the loss of office as a director of any member of our Group or any other office in connection with the management of the affairs of any member of our Group, and (iii) none of our Directors waived or agreed to waive any emoluments.

Except as disclosed above, no other payment has been paid, or is payable, by our Group to our Directors or the five highest paid individuals of our Group during the Track Record Period.

For additional information on Directors’ remuneration during the Track Record Period as well as information on the five highest paid individuals, see Note 13 to the Accountants’ Report.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the [REDACTED] and the conversion of Unlisted Shares into H Shares, and assuming the [REDACTED] are not exercised, the following persons will have interests and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at general meetings of our Company:

Shareholders	Nature of Interest	As of the Latest Practicable Date taking into account the [REDACTED]		Immediately following the completion of the [REDACTED], the [REDACTED] and the conversion of Unlisted Shares into H Shares ⁽²⁾			
		Number of Shares ⁽¹⁾	Approximate percentage of shareholding in total issued share capital of our Company	Number of Shares ⁽¹⁾	Type of Shares	Approximately percentage of shareholding in our Unlisted Shares/H Shares (as appropriate)	Approximately percentage of shareholding in total issued share capital of our Company
Ms Xin ⁽³⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%
	Beneficial owner	[REDACTED]	[REDACTED]%	[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%
Skytech Investment ⁽³⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%
	Beneficial owner	[REDACTED]	[REDACTED]%	[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%
Skytech Venture Capital ⁽³⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED]	H Shares	[REDACTED]%	[REDACTED]%
	Beneficial owner	[REDACTED]	[REDACTED]%	[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%
Xiamen Longpeng Inestement Co., Ltd. (廈門龍鵬投資有限公司) (“Xiamen Longpeng”) ⁽⁴⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED]	H Shares	[REDACTED]%	[REDACTED]%
				[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%
Xiamen Yukai Enterprise Management Consulting Co., Ltd. (廈門鈺楷企業管理諮詢有限公司) (“Xiamen Yukai”) ⁽⁴⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED]	H Shares	[REDACTED]%	[REDACTED]%
				[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%
China International Capital Corporation Limited (中國國際金融股份有限公司) (“CICC”) ⁽⁴⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED]	H Shares	[REDACTED]%	[REDACTED]%
				[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%
CICC Capital Management Co., Ltd.* (中金資本運營有限公司) (“CICC Capital”) ⁽⁴⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED]	H Shares	[REDACTED]%	[REDACTED]%
				[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%
CICC Qihong ⁽⁴⁾	Beneficial owner	[REDACTED]	[REDACTED]%	[REDACTED]	H Shares	[REDACTED]%	[REDACTED]%
				[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%
Ministry of Finance of the People’s Republic of China (中華人民共和國財政部) (the “Ministry of Finance”) ⁽⁵⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED]	H Shares	[REDACTED]%	[REDACTED]%
				[REDACTED]	Unlisted Shares	[REDACTED]%	[REDACTED]%

SUBSTANTIAL SHAREHOLDERS

Shareholders	Nature of Interest	As of the Latest Practicable Date taking into account the [REDACTED]		Immediately following the completion of the [REDACTED], the [REDACTED] and the conversion of Unlisted Shares into H Shares ⁽²⁾			
		Number of Shares ⁽¹⁾	Approximate percentage of shareholding in total issued share capital of our Company	Number of Shares ⁽¹⁾	Type of Shares	Approximately percentage of shareholding in our Unlisted Shares/H Shares (as appropriate)	Approximately percentage of shareholding in total issued share capital of our Company
National Small and Medium Sized Enterprise Development Fund Co., Ltd. (國家中小企業發展基金有限公司) (“National Small and Medium Sized Enterprise Development Fund”) ⁽⁵⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED] [REDACTED]	H Shares Unlisted Shares	[REDACTED]% [REDACTED]%	[REDACTED]% [REDACTED]%
Shi Anping (施安平) ⁽⁵⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED] [REDACTED]	H Shares Unlisted Shares	[REDACTED]% [REDACTED]%	[REDACTED]% [REDACTED]%
Pingxiang Changrong Investment Management Partnership (Limited Partnership)* (萍鄉常榮投資管理合夥企業 (有限合夥)) (“Pingxiang Changrong”)	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED] [REDACTED]	H Shares Unlisted Shares	[REDACTED]% [REDACTED]%	[REDACTED]% [REDACTED]%
Shenzhen Guozhong Changrong Asset Management Co., Ltd. (深圳國中常榮資產管理有限公司) (“Guozhong Changrong”) ⁽⁵⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED] [REDACTED]	H Shares Unlisted Shares	[REDACTED]% [REDACTED]%	[REDACTED]% [REDACTED]%
Guozhong Fund ⁽⁵⁾	Beneficial owner	[REDACTED]	[REDACTED]%	[REDACTED] [REDACTED]	H Shares Unlisted Shares	[REDACTED]% [REDACTED]%	[REDACTED]% [REDACTED]%
Shen Jinhua ⁽⁶⁾	Interest in controlled corporation	[REDACTED]	[REDACTED]%	[REDACTED] [REDACTED]	H Shares Unlisted Shares	[REDACTED]% [REDACTED]%	[REDACTED]% [REDACTED]%
Focus Technology ⁽⁶⁾	Beneficial owner	[REDACTED]	[REDACTED]%	[REDACTED] [REDACTED]	H Shares Unlisted Shares	[REDACTED]% [REDACTED]%	[REDACTED]% [REDACTED]%

SUBSTANTIAL SHAREHOLDERS

Notes:

- (1) All interests stated are long positions.
- (2) The calculation is based on the assumption that (i) the [REDACTED] is completed, (ii) the [REDACTED] is not exercised, (iii) the total number of [REDACTED] Unlisted Shares in issue, [REDACTED] H Shares to be converted from Unlisted Shares in issue and [REDACTED] H Shares to be issued pursuant to the [REDACTED], and (iv) the total number of issued shares of the Company immediately upon completion of the [REDACTED] will be [REDACTED] Shares.
- (3) Upon completion of the [REDACTED], the Conversion of Unlisted Shares into H Shares and the [REDACTED], [REDACTED] Unlisted Shares were directly owned by Skytech Venture Capital. [REDACTED] Unlisted Shares were directly owned by Ms. Xin while [REDACTED] Unlisted Shares were indirectly owned by her via her interest in Skytech Venture Capital and Skytech Investment. The general partner of Skytech Venture Capital is Skytech Investment which is owned as to 99.01% by Ms. Xin and the only limited partner of Skytech Venture Capital is Ms. Xin who owns approximately 99.96% interests therein. As such, by virtue of the SFO, Ms. Xin was deemed to be interested in the Shares of our Company held by Skytech Venture Capital and Skytech Investment.
- (4) Upon completion of the Conversion of Unlisted Shares into H Shares and the [REDACTED], [REDACTED] H Shares and [REDACTED] Unlisted Shares were directly owned by CICC Qihong, of which general partner is CICC Capital, which in turn is directly wholly owned by CICC. CICC is a company listed on the Shanghai Stock Exchange (stock code: 601995) and the Stock Exchange (stock code: 3908).

CICC Qihong has six limited partners, among which, Xiamen Yukai owns approximately 39.52% interest while no other limited partners owns more than 20.0% interest. Xiamen Yukai is wholly owned by Xiamen Longpeng which is in turn owned as to 30.0%, 25.0%, 22.5% and 22.5% by Zhang Ruimin, Liang Haishan, Li Huagang and Sun Jingyan, respectively.

As such, by virtue of the SFO, each of Zhang Ruimin, Xiamen Longpeng, Xiamen Yukai, CICC and CICC Capital was deemed to be interested in the Shares of our Company held by CICC Qihong.

- (5) Upon completion of the Conversion of Unlisted Shares into H Shares and the [REDACTED], [REDACTED] H Shares and [REDACTED] Unlisted Shares were directly owned by Guozhong Fund, of which general partner is Guozhong Changrong, which is in turn directly owned as to 80.0% by Pingxiang Changrong. The general partner of Pingxiang Changrong is Shi Anping who owns 60.0% interest and no other limited partners owns more than 20.0% interest therein.

Guozhong Fund is held as to approximately 33.33% by National Small and Medium Sized Enterprise Development Fund Co., Ltd. (國家中小企業發展基金有限公司) as its largest limited partner, which is ultimately controlled by Ministry of Finance of the People's Republic of China (中華人民共和國財政部), with no other shareholdings being more than 15.0% interest therein.

As such, by virtue of the SFO, each of Guozhong Changrong, Pingxiang Changrong, Shi Anping, National Small and Medium Sized Enterprise Development Fund and the Ministry of Finance was deemed to be interested in the Shares of our Company held by Guozhong Fund.

- (6) Upon completion of the Conversion of Unlisted Shares into H Shares and the [REDACTED], [REDACTED] Unlisted Shares and [REDACTED] H Shares were directly owned by Focus Technology, shares of which are listed on the Shenzhen Stock Exchange (stock code: 002315). As of the March 31, 2026, Focus Technology was owned as to 45.42% by Shen Jinhua. The remaining shareholders of Focus Technology each holds less than 2% of its equity interests.

As such, by virtue of the SFO, Shen Jinhua was deemed to be interested in the Shares of our Company held by Focus Technology.

Saved as disclosed herein and in “Appendix V — Statutory and General Information” of this document, our Directors are not aware of any other person who will, immediately following the completion of the [REDACTED] (assuming that the [REDACTED] are not exercised) and the Conversion of Unlisted Shares into H Shares, have any interest and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of our share capital carrying rights to vote in all circumstances at general meetings of our Company.

SHARE CAPITAL

This section presents certain information regarding our share capital before and upon completion of the [REDACTED] and the conversion of Unlisted Shares into H Shares.

BEFORE THE [REDACTED]

As of the Latest Practicable Date, the registered capital and issued share capital of our Company was RMB25,000,000, comprising 25,000,000 Unlisted Shares of nominal value RMB1.00 each.

Immediately prior to the [REDACTED], the ordinary shares of the Company will be [REDACTED], and the registered share capital of our Company will be RMB[REDACTED], comprising [REDACTED] Unlisted Shares in issue of nominal value RMB[REDACTED] each.

UPON COMPLETION OF THE [REDACTED], THE [REDACTED] AND THE CONVERSION OF UNLISTED SHARES INTO H SHARES

Immediately following completion of the [REDACTED] (taking into account the [REDACTED]) and the conversion of Unlisted Shares into H Shares, assuming the [REDACTED] is not exercised, the registered and issued share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to the enlarged issued share capital upon [REDACTED] (%)
Unlisted Shares in issue	[REDACTED]	[REDACTED]
H Shares converted from Unlisted Shares	[REDACTED]	[REDACTED]
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]
Total	<u>[REDACTED]</u>	<u>100.0</u>

Immediately following completion of the [REDACTED] (taking into account the [REDACTED]) and the conversion of Unlisted Shares into H Shares, assuming the [REDACTED] is fully exercised, the registered and issued share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to the enlarged issued share capital upon [REDACTED] (%)
Unlisted Shares in issue	[REDACTED]	[REDACTED]
H Shares converted from Unlisted Shares	[REDACTED]	[REDACTED]
H Shares to be issued under the [REDACTED]	[REDACTED]	[REDACTED]
Total	<u>[REDACTED]</u>	<u>100.0</u>

OUR SHARES

The H Shares in issue upon completion of the [REDACTED] and the Unlisted Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares.

Our H Shares may only be [REDACTED] for and [REDACTED] in Hong Kong dollars. Our Unlisted Shares, on the other hand, may only be [REDACTED] for and [REDACTED] in RMB. Apart from certain qualified domestic institutional [REDACTED] in the PRC, the qualified PRC

SHARE CAPITAL

[REDACTED] under the Shanghai — Hong Kong Stock Connect or the Shenzhen — Hong Kong Stock Connect and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities (such as our certain existing Shareholders the Unlisted Shares held by whom will be converted in to H shares according to the approval of the CSRC), H Shares generally cannot be subscribed for by or traded between legal or natural persons of the PRC. Our Unlisted Shares, on the other hand, can be purchased or transferred between legal or natural persons of the PRC, qualified foreign institutional investors and qualified foreign strategic investors.

Unlisted Shares and H Shares shall rank *pari passu* with each other in all respects and, in particular, will rank equally for dividends or distributions declared, paid or made. All dividends for H Shares will be denominated and declared in Renminbi, and paid in Hong Kong dollars or Renminbi, whereas all dividends for Unlisted Shares will be paid in Renminbi. Other than cash, dividends could also be paid in the form of shares.

CONVERSION OF UNLISTED SHARES INTO H SHARES

Pursuant to the regulations prescribed by the securities regulatory authorities of the State Council and the Articles of Association, the Unlisted Shares may be converted into overseas-listed Shares. Such converted Shares could be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted Shares, any requisite internal approval process has been duly completed, all the filing procedures with relevant PRC regulatory authorities, including the CSRC are followed. In addition, such conversion and trading shall comply with the regulations, requirements and procedures prescribed by the relevant overseas stock exchange. If any of the Unlisted Shares are to be converted, [REDACTED] and [REDACTED] as H Shares on the Stock Exchange, such conversion, [REDACTED] and [REDACTED] will need the approval of the relevant PRC regulatory authorities, including the CSRC, and the approval of the Stock Exchange.

Register with the CSRC and Full Circulation Application

In accordance with the Trial Measures and related guidelines, H-share listed companies which apply for the conversion of unlisted shares into H shares for listing and circulation on the Stock Exchange shall register with the CSRC by filing materials on key compliance issues. An unlisted joint stock company may apply for “full circulation” when applying for an overseas listing.

We [have filed] with the CSRC for, and the CSRC [has registered] the conversion of [REDACTED] Unlisted Shares into H Shares on a one-for-one basis upon the completion of the [REDACTED] and CSRC issued the filing notice in respect of the [REDACTED] dated [●].

[REDACTED] Approval by the Stock Exchange

We have applied to the Listing Committee for the granting of the [REDACTED] of, and permission to [REDACTED], (i) our H Shares to be issued pursuant to the [REDACTED] (including any H Shares which may be issued pursuant to the exercise of the [REDACTED]) and (ii) the H Shares to be converted from our existing Unlisted Shares.

We will perform the following procedures for the conversion of the relevant Unlisted Shares into H Shares after receiving the approval of the Stock Exchange: (1) giving instructions to our [REDACTED] regarding relevant share certificates of the converted H Shares; and (2) enabling the converted H Shares to be accepted as eligible securities by [REDACTED] for deposit, clearance and settlement in the [REDACTED].

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RESTRICTION ON TRANSFER OF SHARES ISSUED PRIOR TO THE [REDACTED]

In accordance with Article 141 of the PRC Company Law, the shares issued prior to any listing of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. As such, the Shares issued by our Company prior to the [REDACTED] will be subject to such statutory restriction on transfer within a period of one year from the [REDACTED]. See “History, Development and Corporate Structure — Pre-[REDACTED] Investments — Special Rights of the Pre-[REDACTED] Investors”.

For details of the lock-up undertaking given by our Controlling Shareholders pursuant to Rule 10.07 of the Listing Rules, see the section headed “[REDACTED]”.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

For details of circumstances under which our Shareholders’ general meeting is required, see “Appendix IV — Summary of Articles of Association”.

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The following discussion and our analysis should be read in conjunction with our consolidated financial statements included in the Accountants’ Report in Appendix I, together with the accompanying notes. Our consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in this document, including but not limited to the sections headed “Risk Factors” and “Business”.

For the purposes of this section, unless the context otherwise requires, references to the years of 2023, 2024 and 2025 refer to the years ended December 31 of such years.

In addition, the following discussion and analysis contains certain amounts and percentage figures that have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be arithmetic aggregation of the figures preceding them, and all monetary amounts and percentages shown are approximate amounts only.

OVERVIEW

We are a digital service provider for cross-border enterprises in China, dedicated to providing finance, tax, invoice management, and compliance solutions for cross-border enterprises with import and export trade business. To address core industry pain points including lengthy business workflow chains, compliance risks and inefficient data collaboration, we leverage more than 10 years of industry experience and use big data, AI and other advanced information technologies to provide cross-border enterprises with a full range of synergistic solutions covering business, finance and tax. Through a modular product matrix, we drive our customers’ business data through our solutions including cross-border enterprises intelligent finance and tax management solutions, invoice document integrated management solutions, and cross-border enterprises risk management and compliance solutions. We aim to empower Chinese enterprises to conduct cross-border trade and enhance their digital capabilities in cross-border business operations.

According to Frost & Sullivan, we ranked first in China’s cross-border enterprises intelligent finance and tax management solutions market in 2025, with a market share of 1.6% in terms of revenue and ranked second in China’s cross-border enterprises business-finance-taxation digital solutions market in 2025, with a market share of 1.1% in terms of revenue.

Since our establishment, we have cumulatively reached over 430,000 cross-border enterprises and cross-border e-commerce enterprises, including approximately 160,000 users, and completed over 2.2 million service transactions, becoming one of the leading cross-border enterprises digital solution providers in terms of customer base. During the Track Record Period, revenue generated from cross-border enterprises accounted for approximately 97.6%, 90.4% and 90.5% of our total revenue for 2023, 2024 and 2025, respectively. In 2025, we had more than 60,000 active users, including approximately 24,000 paying customers.

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Our business operates in Jiangsu, Shanghai, Guangdong, Shandong, Shenzhen, Qingdao, Chongqing and other provinces and cities. In particular, in the Yangtze River Delta region, where more than 314,000 cross-border enterprises reside, our market penetration rate is approximately 7.5% as of December 31, 2025.

During the three years ended December 31, 2025, our revenue was RMB161.1 million, RMB171.4 million and RMB175.9 million, respectively. During the three years ended December 31, 2025, our gross profit was RMB133.7 million, RMB120.0 million and RMB141.0 million, respectively.

BASIS OF PREPARATION

The historical financial information of our Group has been prepared in accordance with all applicable International Financial Reporting Standards (“IFRS”) which comprise all standards and interpretations issued by the International Accounting Standards Board (“IASB”). The measurement basis used in the preparation of the historical financial information is the historical cost basis except that the assets and liabilities are stated at their fair value.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 5 to the Accountants’ Report included in Appendix I to this document.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATION

The following factors are the principal factors that have affected and will continue to affect our business, financial condition, results of operations and prospects.

General factors affecting our results of operations

Our results of operation have been and are expected to continue to be affected by a number of factors including the development of macroeconomic conditions, government policies and regulations in relation to China’s cross-border enterprises business-finance-taxation digital solutions industry, international trade policies, geopolitical and trade protection measures, export control and trade sanctions, evolving consumption demand in China and global markets, and intensive industrial competition landscape.

In light of our strategic efforts to empower Chinese enterprises to conduct cross-border trade and enhance their digital capabilities in cross-border business operations, we are increasingly exposed to global trade policy developments and geopolitical tensions. In recent years, the United States government announced a series of tariff increases on imports from China. As of the Latest Practicable Date, it remained uncertain how the China-U.S. and the global trade tension will develop. In the event that our customers reduce their orders, be such due to a decrease in overall demand of our products, replacing us with other suppliers, downturn of the global macro-economy or other reasons, our business, financial conditions and results of operation may be adversely affected. Also, in the event that we are required to adjust our pricing strategies due to the changes of competition dynamics, our business, financial conditions and results of operation will be adversely affected.

Our ability to maintain a strong R&D and technology innovation capabilities

For over a decade, our cross-border enterprises intelligent finance and tax management solutions have remained a leading position in export tax refund informatization area, with a strong technical foundation. We have built a comprehensive technology system covering both foundational

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and general technologies and proprietary core technologies. Based on technologies such as cloud computing, big data, AI, OCR, low-code, and blockchain, we have developed a highly elastic, reliable, and scalable underlying capability platform.

We operate our business in an industry characterized by continuous technological evolution due to the evolving cross-border financial needs faced by our clients. As a result, our results of operations and long-term growth prospects will largely depend on our ability to develop and adopt technology innovation, which is crucial in keeping our solutions competitive in the market. It also requires unremitting and significant investment in R&D activities and talented R&D personnel. We leverage foundational and general technologies to develop proprietary product technologies for use across different products, primarily including intelligent order matching technology, document recognition and matching technology, invoice automation issuance technology, origin certification technology, exporter classification technology, cross-border enterprises risk control technology. We have dedicated significant resources toward our R&D efforts.

As a technology-driven company, we have dedicated, and will continue to dedicate, significant resources in research and development, to keep pace with technological developments, evolving standards and competition in the market. In 2023, 2024 and 2025, we incurred R&D expenses of RMB32.3 million, RMB34.5 million and RMB35.5 million, accounting for 20.1%, 20.1% and 20.2%, respectively of our revenue for the corresponding periods. Going forward, we will continue to invest resources in R&D to support the long-term growth of our business.

The growth of our business largely depends on our R&D talents. We are supported by a robust R&D team comprising industry veterans with an average of over ten years of experience in the industry. Over the years since our establishment, we have built a professional R&D team that provides a solid foundation for the continuous advancement of our technologies and products. As of December 31, 2025, we had assembled a dedicated product operation and R&D team of 206 members, accounting for approximately 64.8% of our total employees. Among them, 137 are professional R&D personnel, accounting for approximately 43.1% of our total employees. We will continue to invest resources to attract more talented R&D personnel and further improve our capabilities.

Our ability to maintain a comprehensive and diversified product mix to address our customers’ needs

We offer a comprehensive range of products, catering to meet customers’ full business cycle needs. Our cross-border enterprises intelligent finance and tax management solutions provide end-to-end capabilities from data collection and intelligent document matching to automated discrepancy resolution, bookkeeping, and document filings, — effectively solving the pain points of cross-border enterprises — including difficult traceability, challenging integration, high error propensity, and cumbersome declaration — which arise from the complexity of business documentation and information as well as the fragmentation of data across different platforms. As of the Latest Practicable Date, we have launched multifaceted digital solutions for cross-border enterprises, comprising three main products: cross-border enterprises intelligent finance and tax management solutions, invoice document integrated management solutions and cross-border enterprise risk management and compliance solutions. Through those solutions, we have achieved a full coverage of tax and financial operations for cross-border enterprises for all scenarios. In 2023, 2024 and 2025, our revenue attributable to sales of our cross-border enterprises intelligent finance and tax management solutions amounted to RMB130.1 million, RMB135.3 million and RMB136.3 million, respectively, and accounted for 80.7%, 78.9% and 77.5% of our total revenue for the corresponding periods. In 2023, 2024 and 2025, our revenue attributable to our invoice document integrated management solutions amounted to RMB24.3 million, RMB25.3 million and RMB25.5 million, respectively, and accounted for 15.1%, 14.8% and 14.5% of our total revenue for the corresponding periods. In 2023, 2024 and 2025, our revenue attributable to our cross-border

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enterprises risk management and compliance solutions amounted to RMB6.7 million, RMB10.8 million and RMB14.1 million, respectively, and accounted for 4.2%, 6.3% and 8.0% of our total revenue for the corresponding periods.

The scale of our business and the growth of our total revenue are largely driven by the expansion, breadth and diversification of our product offerings. Within each product line, we strive to continually expand and upgrade our offerings to provide comprehensive and high-quality solutions for our customers. By leveraging our diversified product offerings and our vertically integrated business model, equipped with end-to-end operational capabilities, we are able to offer customers a variety of product combinations, which we expect to create potential business growth opportunities. We anticipate that our results of operations and profitability will continue to be influenced by the growth and mix of our product offerings.

Our ability to expand customer base

We generate revenue primarily from the provision of multifaceted digital solutions for cross-border enterprises with import and export trade business. Therefore, our growth depends, to a large extent, on our ability to attract customers. Leveraging our comprehensive solutions, strong brand reputation and diversified product and service matrix, we have gradually developed wide and solid customer base during the Track Record Period.

Since our establishment, we have cumulatively reached over 430,000 cross-border enterprises and cross-border e-commerce enterprises, including approximately 160,000 users, and completed over 2.2 million service transactions, becoming the one of the leading cross-border enterprises digital solution providers in terms of customer base. In 2025, we had more than 60,000 active users, including approximately 24,000 paying customers.

Our business operates in Jiangsu, Shanghai, Guangdong, Shandong, Shenzhen, Qingdao, Chongqing and other provinces and cities. During the Track Record Period, our customers included Fortune Global 500 companies, and we have established extensive cooperation with these players.

As we continue to optimize our solution offerings and upgrade and expand solution functions, we believe we are capable of driving customer loyalty and attracting new customers, thereby achieving sustainable growth in the long term.

Seasonality factors

The sales of our products are subject to seasonality impact. During the Track Record Period, we experienced stronger sales during the second half of the financial year, particularly near the end of year, which we believe was due to a substantial portion of our customers who tend to heighten buying activities at certain times of the year, particularly near the end of year. Our marketing activities are also scheduled to follow this market trend which also reinforced this impact.

The seasonality of the market demand of our products results in our sales volume and sales revenue typically being the highest toward the end of our fiscal year. Accordingly, our sales in the second half of our financial year are typically significantly higher than those in the first half of our financial year. For example, for the year ended December 31, 2025, the Group recorded approximately 36.3% and 63.7% of its total revenue in the first half and second half of the year, respectively. It is anticipated that the seasonality patterns will continue for the year 2026 and the near future.

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CRITICAL ACCOUNTING POLICIES AND ESTIMATES

We have identified certain accounting policies that are significant to the preparation of our consolidated financial statements. Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments related to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and operational results. Our management continually evaluates such estimates, assumptions and judgments based on past experience and other factors, including industry practices and expectations of future events that are deemed to be reasonable under the circumstances. There has not been any material deviation from our management’s estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes in these estimates and assumptions in the foreseeable future.

We set forth below those accounting policies that we believe are of critical importance to us or involve the most significant estimates, assumptions and judgments used in the preparation of our financial statements. Our material accounting policy information, estimates, assumptions and judgments, which are important for understanding our financial condition and results of operations, are set forth in Note 4 and Note 5 to the Accountants’ Report in Appendix I to this document.

Revenue Recognition

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

A performance obligation represents a good or service that is distinct or a series of distinct goods or services that are substantially the same.

Our revenue stream consists of a series of different services and product offerings to customers, summarized as below:

Cross-border enterprises intelligent finance and tax management solutions

We provide cloud-based financial and tax compliance management solutions in relation to the tax through its cloud-based platforms separately or in combination, with products and services including customized on-premises software sales, SaaS subscription services, value-added services, and supporting hardware devices and software as well as associated maintenance and support services. The transaction price is the price after discount if any, and is a fixed amount upon signing the contract.

The customized on-premises software has standalone functionality and are capable of being distinct and therefore is accounted for a separate performance obligation. We consider the grant of the licenses for the on-premises software as providing the customers the right to use our intellectual property and the performance obligation is satisfied at a point in time when the software products are accepted by the customers.

The SaaS subscription services grant customers the right to access the software functionality in a hosted environment controlled by us during the contractual term where the customers do not take possession of the software. Accordingly, the SaaS subscription services are accounted for as a single performance obligation. Revenue from the SaaS subscription services is recognized over time during the contractual term on a time-based basis. Customers are required to renew their subscriptions on an annual basis in order to maintain continued access.

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The value-added service provides customers with a comprehensive package comprising multiple services designed to enhance the utilization of on-premises software and SaaS subscription services. Customers purchase the value-added service package on an annual basis. The individual services included in the service package are not available for separate sale and are highly interdependent and interrelated. As such, they are accounted for as a single performance obligation and the revenue is recognized over time as the customers simultaneously receive and consume the benefits.

Supporting hardware devices and software purchased from third parties and sold in combination with the solutions are accounted for as separate performance obligations because they have standalone functionality and are capable of being distinct. The revenue is recognized at a point in time when the supporting hardware devices and software are accepted by the customers.

We also provide maintenance and support services which mainly include on-demand user support services. The customers pay on a fixed fee rate per period. These services are accounted for as separate performance obligations because they are capable of being distinct. Revenue is recognized over time during the contractual term on a time-based basis.

The transaction price is allocated among the performance obligations within one solution contract on a stand-alone selling price basis.

Invoice document integrated management solutions

We provide customers a comprehensive and integrated invoice management solution through its on-premises software and cloud-based SaaS platforms, enabling efficient invoice generation and management.

Revenue recognition for on-premises software and cloud-based SaaS platforms adheres to the same principles as those applicable to cross-border enterprise intelligent finance and tax management solutions above.

Cross-border enterprises risk management and compliance solutions

We provide a multi-functional and all-scenario services integrating customs, tax, invoicing, and certificate of origin management with risk analysis performed through proprietary software.

We provide customers risk assessment reports and the customers pay usage-based fees at a fixed rate. We consider the performance obligation to be satisfied at a point in time upon acceptance of the reports by the clients.

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligation, we allocate the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which we would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, we estimate it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which we expect to be entitled in exchange for transferring the promised goods or services to the customer.

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Principal versus agent

When another party is involved in providing goods or services to a customer, we determine whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. we are a principal) or to arrange for those goods or services to be provided by the other party (i.e. we are an agent). We are a principal if it controls the specified good or service before that good or service is transferred to a customer.

In this case, we take the control the specified hardware or software provided by another party before that hardware or software is transferred to the customer. We are primarily responsible for fulfilling the promise to provide the specified hardware or software and has inventory risk. We also have discretion in establishing the price for the specified good or service. Therefore, we consider itself is a principal satisfies a performance obligation and recognizes revenue in the gross amount of consideration to which it expects to be entitled in exchange for the specified good or service transferred.

Fair value measurement of financial liabilities at FVTPL

We had Shareholders with special rights during Track Record Period. We recorded these financial instruments as financial liabilities at FVTPL for which no quoted prices in an active market exist. The fair value of the financial instruments is established by using valuation techniques, which include market approach and equity allocation model involving various parameters and inputs. Valuation techniques are certified by an independent qualified professional valuer before being implemented for valuation and are calibrated to ensure that outputs reflect market conditions. However, it should be noted that some inputs, such as fair value of our paid-in capital, possibilities under different scenarios such as qualified public offering, liquidation, comparable company's entity value to sales ratio and discount for lack of marketability, require management estimates. Management estimates and assumptions are reviewed periodically and are adjusted if necessary. Should any of assumptions change, it may lead to a change in the fair value of the financial liabilities at FVTPL.

Financial instruments

Financial assets and financial liabilities are recognized when our group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is designated as at FVTPL.

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A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group’s documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

For financial liabilities that are designated as at FVTPL, the amount of changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value is recognized in profit or loss.

Useful lives of intangible assets

Our management determines the estimated useful lives in determining the related depreciation charges for its intangible assets. This estimate is referenced to useful lives of intangible assets of similar nature and functions in the industry. Management will increase the amortization charge where useful lives are expected to be shorter than expected, or will write-off or write-down obsolete assets that have been abandoned or sold.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income, with line items in absolute amounts and as percentages of our revenue for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	RMB'000	% of revenue	RMB'000	% of revenue	RMB'000	% of revenue
Revenue	161,084	100.0	171,383	100.0	175,858	100.0
Cost of revenue	(27,392)	(17.0)	(51,365)	(30.0)	(34,874)	(19.8)
Gross profit	<u>133,692</u>	<u>83.0</u>	<u>120,018</u>	<u>70.0</u>	<u>140,984</u>	<u>80.2</u>
Other income	10,062	6.2	9,914	5.8	8,962	5.1
Other gains and losses	839	0.5	294	0.2	672	0.4
Research and development expenses	(32,308)	(20.1)	(34,461)	(20.1)	(35,492)	(20.2)
Selling and marketing expenses	(27,823)	(17.3)	(29,209)	(17.0)	(30,484)	(17.3)

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	Year ended December 31,					
	2023		2024		2025	
	RMB'000	% of revenue	RMB'000	% of revenue	RMB'000	% of revenue
Administrative expenses	(12,459)	(7.7)	(14,336)	(8.4)	(14,245)	(8.1)
Impairment losses under expected credit loss (“ECL”) model, net of reversal	(412)	(0.3)	(266)	(0.2)	(869)	(0.5)
[REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Fair value changes of financial liabilities at FVTPL	86,753	53.9	(788)	(0.5)	–	–
Finance costs	(130)	(0.1)	(74)	(0.0)	(152)	(0.1)
Profit before tax	<u>158,214</u>	<u>98.2</u>	<u>51,092</u>	<u>29.8</u>	<u>61,647</u>	<u>35.1</u>
Income tax expenses	(5,692)	(3.5)	(3,494)	(2.0)	(4,158)	(2.4)
Profit and total comprehensive income for the year	<u>152,522</u>	<u>94.7</u>	<u>47,598</u>	<u>27.8</u>	<u>57,489</u>	<u>32.7</u>
Profit and total comprehensive income attributable to the:						
Owners of the Company	152,917	94.9	47,448	27.7	57,489	32.7
Non-controlling interests	(395)	(0.2)	150	0.1	–	–
	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>

Re-designation of Shares with Special Rights from Financial Liabilities to Equity

Prior to December 20, 2024, the Shares with special rights issued by our Company to certain Pre-[REDACTED] Investors carried preferential rights, including redemption rights, anti-dilution rights and liquidation preferences. Such Shares with special rights were initially recognized as financial liabilities and measured at FVTPL during the Track Record Period and up to December 19, 2024.

All preferential rights attached to the Shares with special rights were terminated with effect from December 20, 2024. Immediately following the termination, the Shares with special rights ceased to be financial liabilities, and the carrying amount of the related financial liabilities at FVTPL as at December 20, 2024 of approximately RMB299.0 million was re-designated from financial liabilities at FVTPL to equity. No further fair value remeasurement has been recognized in our profit or loss in respect of these instruments thereafter. Please refer to Note 29 to the Accountants’ Report set out in Appendix I to this document for further details.

Non-IFRS Measures

To supplement our consolidated statements of profit or loss and other comprehensive income presented in accordance with IFRS, we also use adjusted net profit (non-IFRS measure), as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that the presentation of these non-IFRS measures facilitate comparisons of the operating performance from period to period and company to company by eliminating potential impacts of certain items. We believe that the presentation of such non-IFRS measures when shown in conjunction with the corresponding IFRS measures provide useful information to potential investors and management in facilitating a comparison of our operating performance from period to period by eliminating potential impacts of certain items.

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However, the use of non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under IFRS. In addition, the non-IFRS financial measures may be defined differently from similar terms used by other companies.

We define adjusted net profit (non-IFRS measure), as profit and total comprehensive income for the year less fair value change of financial liabilities at FVTPL and also adjusted for [REDACTED] expenses. The following table reconciles our adjusted net profit (non-IFRS measure) for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Profit and total comprehensive income for the year	152,522	47,598	57,489
Less:			
[REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Fair value changes of financial liabilities at FVTPL	86,753	(788)	—
Adjusted net profit (non-IFRS measure)	[REDACTED]	[REDACTED]	[REDACTED]

In 2023, 2024 and 2025, we recorded adjusted net profit (non-IFRS measure) of RMB65.8 million, RMB48.4 million and RMB65.2 million, respectively. The decrease in the adjusted net profit from 2023 to 2024 was primarily attributable to a decrease of our gross profit and gross profit margin in 2024, as we incorporated certain supporting hardware into our product offerings as ancillary or value-added service to our customers from time to time at approximately cost price or with low mark-up in order to deliver customized integrated solutions to our customers. While this product strategy enhanced the overall value proposition to our customers, it also resulted in a higher total cost of revenue attributable to the supporting hardware costs. The increase in the adjusted net profit from 2024 to 2025 was primarily attributable to an increase of our gross profit and gross profit margin in 2025, as we recorded an increase in our revenue with a decrease in our supporting hardware costs. Since July 2025, we have strategically adjusted our product strategies and focuses on the development and delivery of our software products and solutions, while the extent to which supporting hardware is incorporated into our integrated solutions has been reduced. Further, in order to achieve long-term sustainable growth and profitability, we strive to take the following measures: (i) broaden our market coverage through an expanded sales network, and promote more standardized, high-margin solutions and products to our customers; (ii) deepening relationships with existing customers by providing better services; and (iii) develop a more comprehensive product portfolio by applying technologies such as AI in practical scenarios so as to better address customers’ diversified commercial needs.

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

During the Track Record Period, we generated revenue primarily from the sales of our products and solutions. Our revenue increased from RMB161.1 million in 2023 to RMB171.4 million in 2024, and further increased to RMB175.9 million in 2025.

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Revenue by Product Type

During the Track Record Period, we had three major types of products and solutions, namely (i) cross-border enterprises intelligent finance and tax management solutions, (ii) invoice document integrated management solutions, and (iii) cross-border enterprises risk management and compliance solutions. The following table sets forth a breakdown of our revenue by product type in absolute amounts and as a percentage of our total revenue for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Cross-border enterprises intelligent finance and tax management solutions.	130,073	80.7	135,259	78.9	136,292	77.5
Invoice document integrated management solutions.	24,277	15.1	25,291	14.8	25,508	14.5
Cross-border enterprises risk management and compliance solutions	6,734	4.2	10,833	6.3	14,058	8.0
Total	161,084	100.0	171,383	100.0	175,858	100.0

Cross-border enterprises intelligent finance and tax management solutions. Our cross-border enterprises intelligent finance and tax management solutions primarily comprise of the Agile Cloud and Export Trade Document Management System. The sales of cross-border enterprises intelligent finance and tax management solutions represent our primary source of revenue. For the three years ended December 31, 2025, our revenue attributable to cross-border enterprises intelligent finance and tax management solutions amounted to RMB130.1 million, RMB135.3 million and RMB136.3 million respectively, representing 80.7%, 78.9% and 77.5% of our total revenue for the corresponding periods. The growth of our revenue from cross-border enterprises intelligent finance and tax management solutions during the Track Record Period was mainly attributable to the increase in numbers of large customers.

Driven by favorable government policies, some clients had the needs to digitalize their financial and taxation system, for which our products can cater to the increasingly expanding market demands and provide comprehensive support. As a result, we established an extensive customer base, particularly medium customers which contributed revenue of RMB3,000 or more but less than RMB5,000 per year and large customers which contributed revenue of RMB5,000 or more per year. In 2023, 2024 and 2025, the total number of medium customers which contributed revenue for our cross-border enterprises intelligent finance and tax management solutions was 2,796, 6,305 and 3,202, respectively, and the total number of large customers which contributed revenue for our cross-border enterprises intelligent finance and tax management solutions was 4,867, 4,568 and 5,325, respectively. Our large customers increased from 4,867 in 2023 to 5,325 in 2025, reversing the decline in 2024, primarily driven by our focus on serving large enterprises with complex operational and compliance needs. Our medium customers increased from 2,796 in 2023 to 6,305 in 2024, and subsequently adjusted to 3,202 in 2025. This fluctuation reflects our proactive tiered operations: the increase in 2024 was due to our expansion of medium enterprises paying base, while the decline in 2025 was resulted from the re-categorization of certain medium customers to large customers as their increases in purchases with us. The reported numbers for each period only include customers who contributed revenue during that period, in accordance with our revenue recognition policy.

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Cross-border enterprises intelligent finance and tax management solutions represent our core product offerings. We will continue to enhance product functionalities and provide a rich portfolio of solutions. By integrating advanced technologies such as artificial intelligence, we aim to deliver innovative customer experiences and expects to maintain stable growth in this segment.

Invoice document integrated management solutions. Our invoice document integrated management solutions primarily consist of the Acumen Invoice Management Cloud and Digitalized Electronic Invoice Management Cloud. For the three years ended December 31, 2025, our revenue attributable to the invoice document integrated management solutions amounted to RMB24.3 million, RMB25.3 million and RMB25.5 million respectively, representing 15.1%, 14.8% and 14.5% of our total revenue for the same periods.

The revenue attributable to the sale of the invoice document integrated management solutions remained relatively stable in 2023, 2024 and 2025.

Cross-border enterprise risk management and compliance solutions. For the three years ended December 31, 2025, our revenue attributable to the cross-border enterprise risk management and compliance solutions amounted to RMB6.7 million, RMB10.8 million and RMB14.1 million respectively, representing 4.2%, 6.3% and 8.0% of our total revenue for the same periods.

Cross-border enterprise risk management and compliance solutions primarily constitute value-added services offered to clients. These products cover a wide range of categories, including (i) Zumoo Enterprises Compliance Service Platform, (ii) Smart Cert FTA Digital Platform, (iii) Cross-border Enterprise Risk Analysis, (iv) Tax Risk Self-Assessment Tool and (vi) Big Data Transfer Platform. Compared to the cross-border enterprises intelligent finance and tax management solutions and invoice document integrated management solutions, our cross-border enterprise risk management and compliance solutions are at a relatively early stage of development. We are continuously optimizing products functionalities and experimenting with different models to identify potential incremental growth opportunities. Accordingly, in the short term, this business segment is subject to fluctuations. Nevertheless, our revenue of cross-border enterprise risk management and compliance solutions increased from RMB6.7 million in 2023 to RMB14.1 million in 2025, mainly attributable to our continuous development of the products and solutions under this business segment.

Cost of Revenue

Our cost of revenue comprises (i) labor costs, (ii) supporting hardware, which involves hardware we procured to be integrated as part of our integrated solution, such as invoice scanner, data entry devices and mobile office terminals, (iii) purchased software and services, and (iv) others. The following table sets forth a breakdown of our cost of revenue by nature in absolute amount and as a percentage of our total cost of revenue for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Labor costs	13,896	50.7	12,790	24.9	12,825	36.8
Supporting hardware	4,499	16.4	32,627	63.5	18,637	53.4
Purchased software and services	7,343	26.8	4,302	8.4	1,392	4.0
Others ⁽¹⁾	1,654	6.1	1,646	3.2	2,020	5.8
Total	27,392	100.0	51,365	100.0	34,874	100.0

Note:

(1) Other costs mainly include taxes and surcharges.

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Gross Profit and Gross Profit Margin

Our gross profit amounted to RMB133.7 million, RMB120.0 million and RMB141.0 million in 2023, 2024 and 2025, respectively. Our gross profit margin for 2023, 2024 and 2025, was 83.0%, 70.0% and 80.2% respectively.

The decrease in our gross profit margin from 2023 to 2024 was primarily due to an increase in supporting hardware costs incurred. In order to deliver customized integrated solutions to our customers, we offered supporting hardware, such as mobile office terminals, invoice scanners and data entry devices, as ancillary or value-added service to our customers from time to time at approximately cost price or with low mark-up. While this product strategy enhanced the overall value proposition to our customers, it also resulted in a higher total cost of revenue attributable to the supporting hardware costs. The increase in our gross profit margin from 2024 to 2025 was primarily due to the increase in our revenue and the decrease in our supporting hardware costs.

Other Income

Other income consists of (i) tax refund, (ii) government grants related to income, (iii) interest income on bank deposits, and (iv) others. The following table sets forth a breakdown of the components of our other income in absolute amounts and as a percentage of total for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Tax refund	7,505	74.6	5,011	50.5	6,569	73.3
Government grants related to income	695	6.9	490	4.9	266	3.0
Interest income on bank deposits	1,729	17.2	4,373	44.1	2,082	23.2
Others	133	1.3	40	0.5	45	0.5
Total	10,062	100.0	9,914	100.0	8,962	100.0

Other Gains and Losses

Our other gains and losses consist of (i) gain on fair value changes on financial assets at FVTPL, (ii) gain on disposal of equipment, and (iii) others. The following table sets forth the breakdown of our other gains and losses for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Gain on fair value changes on financial assets at FVTPL	903	190	729
Gain on disposal of equipment	—	53	—
Others	(64)	51	(57)
Total	839	294	672

Our gain on fair value changes on financial assets at FVTPL was principally influenced by the fair value of our wealth management products. It decreased from RMB0.9 million in 2023 to RMB0.2 million in 2024 and subsequently increased to RMB0.7 million in 2025.

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Selling and Marketing Expenses

Our selling and marketing expenses consist of (i) labor costs, (ii) marketing expenses, (iii) rental and utilities expenses for properties, (iv) depreciation, and (v) other expenses. Our selling and marketing expenses amounted to RMB27.8 million, RMB29.2 million and RMB30.5 million in 2023, 2024 and 2025, respectively, representing 17.3%, 17.0% and 17.3% of our revenue in the corresponding period.

The following table sets forth a breakdown of the major components of our selling and marketing expenses, in absolute amounts and as percentages of our total selling and marketing expenses, for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Labor costs	10,082	36.2	12,444	42.6	14,368	47.1
Marketing expenses	12,080	43.4	11,848	40.6	10,647	34.9
Rental and utilities expenses for properties	789	2.8	745	2.6	1,708	5.6
Depreciation	2,049	7.4	1,877	6.4	1,056	3.5
Others ⁽¹⁾	2,823	10.2	2,295	7.8	2,705	8.9
Total	27,823	100.0	29,209	100.0	30,484	100.0

Note:

- (1) Other expenses mainly include miscellaneous expenses such as office expenses and conference expenses.

Administrative Expenses

Our administrative expenses consist of (i) labor costs, (ii) rental and utilities expenses for properties, (iii) amortization and depreciation of assets, and (iv) other expenses. Our administrative expenses amounted to RMB12.5 million, RMB14.3 million and RMB14.2 million in 2023, 2024 and 2025, respectively, representing 7.7%, 8.4% and 8.1% of our revenue in the corresponding period.

The following table sets forth a breakdown of the components of our administrative expenses, in absolute amounts and as percentages of our total administrative expenses, for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Labor costs	8,057	64.7	10,018	69.9	9,632	67.6
Rental and utilities expenses for properties	138	1.1	166	1.2	322	2.3
Amortization and depreciation of assets	3,213	25.8	3,094	21.6	2,871	20.2
Other expenses ⁽¹⁾	1,051	8.4	1,058	7.3	1,420	10.0
Total	12,459	100.0	14,336	100.0	14,245	100.0

Notes:

- (1) Other expenses include overheads such as the travelling expenses and office expenses.

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Research and Development Expenses

Our research and development expenses consist of (i) labor costs; (ii) software verification and testing service expenses; (iii) rental and utilities expenses for properties; (iv) depreciation; and (v) other expenses. Our research and development expenses amounted to RMB32.3 million, RMB34.5 million and RMB35.5 million in 2023, 2024 and 2025, respectively, representing 20.1%, 20.1% and 20.2% of our revenue in the corresponding period.

The following table sets forth a breakdown of the components of our research and development expenses, in absolute amounts and as percentages of our total research and development expenses, for the periods indicated:

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	%	RMB'000	%	RMB'000	%
Labor costs	30,060	93.0	32,206	93.5	33,497	94.4
Software verification and testing service expenses ⁽¹⁾	286	0.9	333	1.0	82	0.2
Rental and utilities expenses for properties	482	1.5	484	1.4	1,200	3.4
Depreciation	719	2.2	723	2.1	–	–
Other expenses ⁽²⁾	761	2.4	715	2.0	713	2.1
Total	32,308	100.0	34,461	100.0	35,492	100.0

Notes:

- (1) Software verification and testing service expenses include payments made to third parties for cloud services, testing services, and verification services and others.
- (2) Other expenses include office expenses, travelling expenses and others.

Impairment Losses Under ECL Model, Net of Reversal

Our net impairment losses under ECL model primarily relate to the impairment losses of trade receivables. We recorded impairment losses under ECL model of RMB0.4 million, RMB0.3 million and RMB0.9 million in 2023, 2024 and 2025, respectively. We continuously monitor our trade receivables such that our net impairment losses under ECL model were kept at a relatively low level. We believe we have adopted effective credit management strategies to monitor and assess the collectability of our trade receivables and other receivables.

Fair Value Changes of Financial Liabilities at FVTPL

During the Track Record Period, we recognized the financial instruments issued to some investors as financial liabilities, because they were granted with the preferential rights to require us to redeem all of the instruments at a predetermined amount upon certain redemption or liquidation events, which are not all within our control. For additional information, see Note 29 to the Accountants' Report included in Appendix I to this document, and the section headed “History, Development and Corporate Structure — Pre-[REDACTED] Investments.” The change in fair value of financial liabilities decreased to nil in 2025 primarily due to the termination of preferential rights with effect from December 20, 2024.

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Finance Costs

Our finance costs primarily comprise interest on bank loans and lease liabilities. Our finance costs amounted to RMB0.1 million, RMB74 thousand and RMB0.2 million in 2023, 2024, and 2025, respectively.

Income Tax Expenses

We recorded income tax expenses of RMB5.7 million, RMB3.5 million and RMB4.2 million in 2023, 2024 and 2025, respectively.

PRC

As our subsidiaries are all incorporated in Chinese Mainland, they are subject to tax at the statutory rate of 25% on the taxable profits determined in accordance with the PRC Corporate Income Tax Law which became effective on 1 January 2008, except for these subject to tax preferential set out below:

Our Company was granted the qualification of High and New Technology Enterprises and was entitled to a preferential corporate income tax rate of 15% during the Track Record Period.

Pursuant to the tax incentive policy issued by the Ministry of Finance and the State Taxation Administration in April 2012, enterprises recognized as nationally encouraged key software enterprises are eligible for a five-year exemption from income tax since the first profitable year, followed by a reduced tax rate of 10%. Our Company achieved profitability since 2013. Our Company was recognized as a nationally encouraged key software enterprise and benefited from a preferential income tax rate of 10% during the Track Record Period.

Further, pursuant to the relevant laws and regulations in the PRC, our Company enjoyed a deduction of 100% on qualified research and development expenditures for the Track Record Period.

PERIOD-TO-PERIOD COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 Compared with Year Ended December 31, 2024

Revenue

Our total revenue increased by 2.6% from RMB171.4 million in 2024 to RMB175.9 million in 2025, primarily due to an increase in revenue from our cross-border enterprise risk management and compliance solutions and, to a lesser extent, slight increases in revenue from our cross-border enterprises intelligent finance and tax management solutions and invoice document integrated management solutions.

Cross-border enterprises intelligent finance and tax management solutions

Revenue from our cross-border enterprises intelligent finance and tax management solutions remained relatively stable at RMB135.3 million in 2024 and RMB136.3 million in 2025. The slight increase was primarily driven by the increases in purchases by our large customers and the number of our large customers from 4,568 in 2024 to 5,325 in 2025, as we continued to broaden our product lines and enhance product maturity and user experience, partially offset by a decrease in the number of our medium customers from 6,305 in 2024 to 3,202 in 2025, as we shifted our sales focus and resources towards large customers, which resulted in the migration of certain medium customers to our large customer category as their increases in purchase volumes.

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Invoice document integrated management solutions

Revenue from our invoice document integrated management solutions remained relatively stable at RMB25.3 million in 2024 and RMB25.5 million in 2025, the slight increase was primarily driven by an increase in the number of our customers from 1,043 in 2024 to 1,102 in 2025 as our products gained broader market recognition.

Cross-border enterprise risk management and compliance solutions

Revenue from our cross-border enterprise risk management and compliance solutions increased by 29.8% from RMB10.8 million in 2024 to RMB14.1 million in 2025. The increase was primarily driven by (i) the increasing market acceptance of our Zumoo Enterprises Compliance Service Platform and Smart Cert FTA Digital Platform and (ii) the growing compliance needs of cross-border enterprises driven by changes in the regulatory environment, both of which contributed to a substantial increase in the number of customers from 208 in 2024 to 641 in 2025.

Cost of Revenue

Our cost of revenue decreased by 32.1% from RMB51.4 million in 2024 to RMB34.9 million in 2025, primarily due to (i) a decrease of RMB14.0 million in supporting hardware costs, mainly as a result of a decrease in the delivery of customized integrated solutions to our customers from the second half of 2025, as we reduced our offering of supporting hardware to our customers, and (ii) a decrease of RMB2.9 million in purchased software and services costs as we relied on our in-house product team to deliver the relevant technical support in response to customer preference in 2025.

Gross Profit and Gross Profit Margin

Our gross profit increased by 17.5% from RMB120.0 million in 2024 to RMB141.0 million in 2025. Our overall gross profit margin increased from 70.0% in 2024 to 80.2% in 2025, primarily due to the increase in our revenue and the decrease in our supporting hardware costs.

Impairment Losses Under ECL Model, Net of Reversal

Our impairment losses under ECL model, net of reversal increased from RMB0.3 million in 2024 to RMB0.9 million in 2025, primarily due to the increase in our trade receivables as certain of our customers fully utilizing the credit periods granted to them under their contracts.

Other Income

Our other income decreased by 9.6% from RMB9.9 million in 2024 to RMB9.0 million in 2025, primarily due to a decrease of RMB2.3 million in interest income on bank deposits, mainly as a result of the maturity of certain large-denomination certificates of deposit in 2025, partially offset by an increase of RMB1.6 million in tax refund.

Selling and Marketing Expenses

Our selling and marketing expenses increased by 4.4% from RMB29.2 million in 2024 to RMB30.5 million in 2025, primarily due to an increase of RMB1.9 million in labor costs, mainly as a result of the increase in the number of our sales and marketing personnel in line with the expansion of our business, partially offset by a decrease of RMB1.2 million in marketing expenses as a result of fewer marketing and training events we held in 2025.

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Administrative Expenses

Our administrative expenses remained relatively stable at RMB14.3 million in 2024 and RMB14.2 million in 2025.

Research and Development Expenses

Our research and development expenses increased by 3.0% from RMB34.5 million in 2024 to RMB35.5 million in 2025, primarily due to an increase of RMB1.3 million in labor costs, mainly driven by an increase in the number of our research and development personnel together with an increase in the average annual salary of our research and development personnel.

Other Gains and Losses

Our other gains increased from RMB0.3 million in 2024 to RMB0.7 million in 2025, primarily due to an increase of RMB0.5 million in gain on fair value changes of financial assets at FVTPL as a result of the redemption of certain wealth management products.

Finance Costs

Our finance costs increased from RMB74 thousand in 2024 to RMB0.2 million in 2025, primarily due to an increase in interest on bank loans as a result of a new RMB10.0 million bank loan we applied in 2025.

Fair Value Changes of Financial Liabilities at FVTPL

We did not record any fair value change in financial liabilities at FVTPL in 2025, as compared to a fair value loss of RMB0.8 million in 2024, primarily due to the special rights attached to certain of our Shares were terminated with effect from December 20, 2024. See Note 29 to the Accountants’ Report in Appendix I for details regarding the financial liabilities at FVTPL.

Income Tax Expenses

Our income tax expenses increased by 19.0% from RMB3.5 million in 2024 to RMB4.2 million in 2025, primarily due to the increase in our profit before tax in 2025.

Profit for the Year

As a result of the foregoing, our net profit increased by 20.8% from RMB47.6 million in 2024 to RMB57.5 million in 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Our total revenue increased by 6.4% from RMB161.1 million in 2023 to RMB171.4 million in 2024, primarily due to an increase in revenue from our cross-border enterprises intelligent finance and tax management solutions and cross-border enterprise risk management and compliance solutions and, to a lesser extent, an increase in revenue from our invoice document integrated management solutions.

Cross-border enterprises intelligent finance and tax management solutions

Revenue from our cross-border enterprises intelligent finance and tax management solutions increased by 4.0% from RMB130.1 million in 2023 to RMB135.3 million in 2024. For the year ended December 31, 2024, the number of medium customers of our cross-border enterprises

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intelligent finance and tax management solutions was 6,305, representing an increase of 125.5% as compared to 2,796 in 2023, as more small customers have been re-categorized into medium customers in 2024 given their increases in spending with us, partially offset by the decreases in the number of our small customers from 23,478 in 2023 to 16,243 in 2024 for the same reason. The increase in our medium customers for cross-border enterprises intelligent finance and tax management solutions was the main driver of our revenue increase for the corresponding period.

Invoice document integrated management solutions

Revenue from our invoice document integrated management solutions increased by 4.2% from RMB24.3 million in 2023 to RMB25.3 million in 2024, primarily due to the widespread adoption of digital invoices by cross-border enterprises in Chinese Mainland brought strong market demand for our invoice document integrated management solutions.

Cross-border enterprise risk management and compliance solutions

Revenue from our cross-border enterprise risk management and compliance solutions increased by 60.9% from RMB6.7 million in 2023 to RMB10.8 million in 2024. The increase was primarily driven by our FTA certification business in collaboration with Customer I. In particular, we completed the delivery of the certificate of origin application management system and related services to Customer I under a contract with a total contract value of RMB3.4 million in 2024.

Cost of Revenue

Our cost of revenue increased by 87.5% from RMB27.4 million in 2023 to RMB51.4 million in 2024, primarily due to an increase of RMB28.1 million in supporting hardware costs as we procured more hardware as part of our integrated solution to meet the demand of certain customers.

Gross Profit and Gross Profit Margin

Our gross profit decreased by 10.2% from RMB133.7 million in 2023 to RMB120.0 million in 2024. Our overall gross profit margin decreased from 83.0% in 2023 to 70.0% in 2024, primarily because our supporting hardware costs increased. In order to deliver customized integrated solutions to our customers, we offered supporting hardware to our customers, such as mobile office terminals, invoice scanners and data entry devices, as ancillary or value-added service to our customers from time to time at approximately cost price or with low mark-up. While this product strategy enhanced the overall value proposition to our customers, it also resulted in a higher total cost of revenue attributable to the supporting hardware costs.

Impairment Losses Under ECL Model, Net of Reversal

Our impairment losses under ECL model, net of reversal decreased from RMB0.4 million in 2023 to RMB0.3 million in 2024, primarily due to the decrease in our trade receivables.

Other Income

Our other income slightly decreased by 1.5% from RMB10.1 million in 2023 to RMB9.9 million in 2024, primarily due to a decrease of RMB2.5 million in tax refund, partially offset by an increase of RMB2.6 million in interest income on bank deposits as we placed an aggregate of RMB90.0 million in large-denominated deposit between 2023 and 2024, which resulted in the interest income increase in 2024.

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Selling and Marketing Expenses

Our selling and marketing expenses increased by 5.0% from RMB27.8 million in 2023 to RMB29.2 million in 2024, primarily due to an increase of RMB2.4 million in labor costs as a result of our enhanced marketing efforts to expand our business.

Administrative Expenses

Our administrative expenses increased by 15.1% from RMB12.5 million in 2023 to RMB14.3 million in 2024, primarily due to an increase of RMB2.0 million in labor costs as a result of the increase in the number of our administrative personnel.

Research and Development Expenses

Our research and development expenses increased by 6.7% from RMB32.3 million in 2023 to RMB34.5 million in 2024, primarily due to an increase of RMB2.1 million in our labor costs as a result of the increase in the number of our research and development personnel.

Other Gains and Losses

Our other gains decreased from RMB0.8 million in 2023 to RMB0.3 million in 2024, primarily due to a decrease of RMB0.7 million in gain on fair value changes of financial assets at FVTPL as a result of fewer redemptions of wealth management products and accordingly we recognized lower investment gains on financial assets at FVTPL.

Finance Costs

Our finance costs decreased from RMB0.1 million in 2023 to RMB74 thousand in 2024, primarily due to the decrease in our interest on lease liabilities.

Fair Value Changes of Financial Liabilities at FVTPL

We recorded a fair value loss of financial liabilities at FVTPL of RMB0.8 million in 2024, as compared to a fair value gain of financial liabilities at FVTPL of RMB86.8 million in 2023. The fair value changes of financial liabilities at FVTPL was primarily influenced by the fair value of our Shares with special rights and the termination of the special rights with effect from December 20, 2024. See Note 29 to the Accountants’ Report in Appendix I for details regarding the financial liabilities at FVTPL.

Income Tax Expenses

Our income tax expenses decreased by 38.6% from RMB5.7 million in 2023 to RMB3.5 million in 2024, primarily due to a decrease in our profit before tax in 2024.

Profit for the Year

As a result of the foregoing, our net profit decreased by 68.8% from RMB152.5 million in 2023 to RMB47.6 million in 2024.

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DISCUSSION OF CERTAIN KEY CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ITEMS

The table below sets forth our consolidated statements of financial position as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Non-current assets			
Equipment	413	840	841
Right-of-use assets	2,177	898	611
Intangible assets	13,717	11,153	8,578
Term deposits	85,402	31,614	—
	<u>101,709</u>	<u>44,505</u>	<u>10,030</u>
Current assets			
Inventories	1,136	927	—
Trade and other receivables	24,176	17,927	64,579
Tax recoverable	—	481	—
Financial assets at FVTPL ⁽¹⁾	450	25,367	37,775
Term deposits	—	99,814	32,604
Restricted bank deposits	—	76	76
Cash and cash equivalents	46,889	6,975	5,514
	<u>72,651</u>	<u>151,567</u>	<u>140,548</u>
Current liabilities			
Trade and other payables	19,329	143,326	22,919
Income tax payable	74	—	1,642
Lease liabilities	2,427	447	410
Contract liabilities	34,150	13,804	17,307
Amount due to a related party	235	—	1,330
Financial liabilities at FVTPL ⁽²⁾	318,230	—	—
Borrowings	—	—	10,003
	<u>374,445</u>	<u>157,577</u>	<u>53,611</u>
Net current (liabilities) assets	<u>(301,794)</u>	<u>(6,010)</u>	<u>86,937</u>
Total assets less current liabilities	<u>(200,085)</u>	<u>38,495</u>	<u>96,967</u>
Non-current liabilities			
Lease liabilities	115	276	60
Contract liabilities	10,602	10,320	11,906
Deferred tax liabilities	2,302	2,074	1,687
	<u>13,019</u>	<u>12,670</u>	<u>13,653</u>
Net (liabilities) assets	<u>(213,104)</u>	<u>25,825</u>	<u>83,314</u>
Capital and reserves			
Paid-in/share capital	11,183	11,183	25,000

Note:

- (1) Financial assets at FVTPL comprised unlisted financial products investments. For details, please refer to Note 24 to the Accountants' Report in Appendix I.
- (2) Financial liabilities at FVTPL related to shares with special rights. For details, please refer to Note 29 to the Accountants' Report in Appendix I.

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	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Reserves	(224,737)	14,642	58,314
Equity attributable to owners of the Company	(213,554)	25,825	83,314
Non-controlling interests	450	—	—
Total (deficit) equity	(213,104)	25,825	83,314

Equipment

Our equipment comprised of (i) transportation equipment, (ii) machinery and equipment, and (iii) office equipment and furniture.

The following table sets forth the key components of our equipment as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Transportation equipment	29	447	324
Machinery and equipment	335	350	481
Office equipment and furniture	49	43	36
Total	413	840	841

Our equipment increased from RMB0.4 million as of December 31, 2023 to RMB0.8 million as of December 31, 2024, primarily as a result of our acquisition of a new vehicle for daily operation. Our equipment remained relatively stable at RMB0.8 million as of December 31, 2024 and 2025.

Right-of-use Assets

Our right-of-use assets related to leased office premises. Our right-of-use assets decreased from RMB2.2 million as of December 31, 2023 to RMB0.9 million as of December 31, 2024, and further to RMB0.6 million as of December 31, 2025, primarily due to the amortization charges during the relevant periods.

Intangible Assets

Our intangible assets mainly comprised software during the Track Record Period. Our intangible assets decreased from RMB13.7 million as of December 31, 2023 to RMB11.2 million as of December 31, 2024, and further to RMB8.6 million as of December 31, 2025, primarily due to the amortization charges during the relevant periods.

Inventories

Our inventories mainly are goods available for sale. Our inventories amounted to RMB1.1 million as of December 31, 2023, RMB0.9 million as of December 31, 2024, and nil as of December 31, 2025.

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Trade and Other Receivables

Trade receivables represent outstanding amounts due from our customers for our products and services performed in the ordinary course of business. A trade receivable is recorded when we have an unconditional right to receive consideration.

The following table sets forth our trade and other receivables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade receivables	21,821	16,003	54,697
Less: allowance for credit losses	(842)	(1,108)	(1,977)
Total trade receivables	20,979	14,895	52,720
Value-added-tax (“VAT”) refund	1,275	1,612	4,174
Advance to staff	999	517	238
Prepayments	488	416	363
Deposits	297	353	240
Deferred issue costs	—	—	6,397
Prepayment for [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Other receivables	138	134	316
Total	[REDACTED]	[REDACTED]	[REDACTED]

Our trade and other receivables decreased from RMB24.2 million as of December 31, 2023 to RMB17.9 million as of December 31, 2024, primarily because we received settlements of trade receivables from our customers during the year. Our trade and other receivables increased from RMB17.9 million as of December 31, 2024 to RMB64.6 million as of December 31, 2025, primarily due to an increase of RMB37.8 million in our trade receivables, mainly as a result of the increase in our revenue during the period and certain of our customers fully utilizing the credit periods granted to them under their contracts during 2025 in response to the prevailing market environment.

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

	Year ended December 31,		
	2023	2024	2025
Turnover days of our trade receivables ⁽¹⁾	40	40	73

Note:

- (1) Turnover days of our trade receivables for the Track Record Period is calculated based on the average of the beginning and ending balances of our trade receivables for that period divided by revenue for that period and multiplied by 365 days in 2023, 2024 and 2025.

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The turnover days of our trade receivables increased from 40 days in 2023 and 2024 to 73 days in 2025, primarily due to certain of our customers fully utilizing the credit periods granted to them under their contracts during 2025 in response to the prevailing market environment and the delayed payment by certain of our customers, primarily our small customers and medium customers, which we believe was a result of their own cash flow and procurement budget constraints.

We normally grant a credit period of up to 90 days to our major customers on purchase of our goods and services. The following table sets forth an aging analysis of the net carrying amount of our trade receivables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
0-30 days	15,443	8,412	32,975
31-90 days	2,013	2,715	8,994
91-180 days	1,918	1,666	4,518
181 days to 1 year	960	1,163	4,862
Over 1 year	645	939	1,371
Total	20,979	14,895	52,720

As of April 30, 2026, RMB26.8 million, or 49.0% of our trade receivables outstanding as of December 31, 2025 had been subsequently settled.

During the Track Record Period, substantially all of our trade receivables were aged within one year. We implemented stringent internal measures that enhance the collection and management of trade receivables including (i) end-to-end tracking of trade receivables collections; and (ii) periodic reviews on the collection progress of long-aged receivables. In respect of expected credit loss allowances on our trade receivables, we assess customer impairment by reference to aging and we engaged independent third-party professional valuer to assess the expected credit losses on our trade receivables. In light of the above, we believe that the recoverability of our trade receivables is not a material concern and that sufficient provision has been made.

Trade and other Payables

Our trade and other payables primarily comprise (i) trade payables, (ii) accrued payroll and welfares, (iii) other tax payables, (iv) dividend payables; (v) accrued [REDACTED] expense, (vi) accrued deferred issued costs and (vii) other payables. Our trade payables mainly were the amounts due to our suppliers for purchases related to supporting hardware costs.

The following table sets forth a breakdown of our trade and other payables as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade payables	7,454	2,529	34
Accrued payroll and welfares	8,796	10,092	11,403
Other tax payables	2,914	3,377	5,569
Dividend payables	—	127,208	—
Accrued [REDACTED] expense	[REDACTED]	[REDACTED]	[REDACTED]
Accrued deferred issue costs	—	—	2,699
Other payables ⁽¹⁾	165	120	194
Total	[REDACTED]	[REDACTED]	[REDACTED]

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The credit period for our trade payables is up to 90 days. The following table sets forth an aging analysis of our trade payables presented based on the date of purchase dates as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
0 – 90 days	7,445	2,529	34
181 – 365 days	9	–	–
Total	7,454	2,529	34

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

	Year ended December 31,		
	2023	2024	2025
Turnover days of our trade payables ⁽¹⁾ . . .	63	35	13

Note:

- (1) The calculation of trade payables turnover days is based on the average of the beginning and ending balances of our trade payables for the relevant period, divided by the cost of revenue for the same period, and multiplied by 365 days in 2023, 2024 and 2025.

The turnover days of our trade payables decreased from 63 days in 2023 to 35 days in 2024 and further decreased to 13 days in 2025, primarily because we settled substantially all of the outstanding amounts due to our suppliers prior to the end of the relevant financial year.

As of April 30, 2026, RMB34 thousand, or 100.0% of our trade payables outstanding as of December 31, 2025 had been subsequently settled.

Contract Liabilities

Contract liabilities arise from the non-refundable advance payments made by customers while the underlying goods or services are yet to be provided.

The following table sets forth our contract liabilities as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Contract liabilities	44,752	24,124	29,213

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Contract liabilities decreased from RMB44.8 million as of December 31, 2023 to RMB24.1 million as of December 31, 2024, primarily due to the recognition as revenue when the underlying goods or services were provided in December 2024. Contract liabilities increased from RMB24.1 million as of December 31, 2024 to RMB29.2 million as of December 31, 2025, primarily due to an increase in the amount of customer membership service renewals received during 2025, the consideration for which is initially recognized as contract liabilities and released to revenue over the relevant membership service period.

During the Track Record Period, our contract liabilities expected to be recognized as revenue more than one year after the end of the relevant financial year amounted to RMB10.5 million, RMB10.2 million and RMB11.8 million as of December 31, 2023, 2024 and 2025, respectively. Such balances were primarily attributable to customers who, in light of their long-term service relationships with us and our multi-year purchase promotion policies, elected to subscribe for multi-year membership service rights in a single transaction and typically paid the full contract amount upon commencement of the relevant service period.

As of April 30, 2026, RMB8.6 million, or 29.6% of our contract liabilities outstanding as of December 31, 2025, had been subsequently recognized as revenue.

RELATED-PARTY TRANSACTIONS

We purchased term deposits of RMB10.5 million, RMB41.8 million and nil from Nanjing Este and Nanjing Skytech, both being our related parties, in aggregate for the years ended December 31, 2023, 2024 and 2025, respectively. We purchased these term deposits, through Industrial Bank Co., Ltd. as the intermediary, in the form of an aggregate of three large-denomination negotiable certificates of deposit (the “CDs”) with a view to preserving and enhancing the value of our idle funds. The transfer procedures and the determination of the subscription price of the three CDs purchased from Nanjing Este and Nanjing Skytech were arranged through Industrial Bank Co., Ltd. in accordance with prevailing market principles, and our Directors are of the view that they were substantially on the same basis as the other CDs purchased by us from independent third parties.

We enter into transactions with our related parties from time to time. Our Directors are of the view that each of the related party transactions set out in Note 35 to the Accountants’ Report in Appendix I was conducted in the ordinary course of business on an arm’s length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

INDEBTEDNESS AND CONTINGENT LIABILITIES

Our indebtedness during the Track Record Period consisted primarily of borrowings, lease liabilities and financial liabilities at FVTPL. The following table sets forth our indebtedness during the Track Record Period:

	As of December 31,			As of
	2023	2024	2025	April 30,
	RMB’000	RMB’000	RMB’000	2026
				(unaudited)
Borrowings	–	–	10,003	–
Lease liabilities	2,542	723	470	466
Financial liabilities at FVTPL	318,230	–	–	–
Total	320,772	723	10,473	466

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Borrowings

As of December 31, 2023, and 2024, we did not have any borrowings. We recognized bank borrowings of RMB10.0 million as of December 31, 2025, primarily because we received the proceeds amounting to RMB10.0 million from a bank loan with a fixed interest rate at 1.5% per annum and repayable within one year, which was pledged by several trademarks that have not been recognized as intangible assets.

As of April 30, 2026, we did not have any borrowings. Except for incurring additional bank borrowings from time to time in the ordinary course of business, we currently have no material external debt financing plan before or shortly after the [REDACTED].

Lease Liabilities

We recognized lease liabilities of RMB2.5 million, RMB0.7 million and RMB0.4 million as of December 31, 2023, 2024 and 2025, respectively, primarily attributable to our lease of office premises to support our overall business growth.

Financial Liabilities at FVTPL

We recognized financial liabilities at FVTPL of RMB318.2 million as of December 31, 2023, primarily attributable to the fair value of our Shares with special rights. The financial liabilities at FVTPL decreased to nil as of December 31, 2024 and 2025 and April 30, 2026, primarily due to the termination of such special rights with effect from December 20, 2024.

Contingent Liabilities

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

Except as disclosed above and apart from normal trade and other payables, intra-group liabilities and tax payable, as of April 30, 2026, being the latest practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or contingent liabilities.

Since January 1, 2026 and up to the date of this document, there has not been any material change in our indebtedness and contingent liabilities, and our Directors confirm that we did not have any external financing plans as of the Latest Practicable Date. Our Directors do not foresee any potential difficulty in obtaining bank facilities should the need arise.

Net Current (Liabilities)/Assets

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

	As of December 31,			As of
	2023	2024	2025	April 30, 2026
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)
Current assets				
Inventories	1,136	927	–	–
Trade and other receivables	24,176	17,927	64,579	46,239
Tax recoverable	–	481	–	–
Financial assets at FVTPL	450	25,367	37,775	27,982
Term deposits	–	99,814	32,604	32,929
Restricted bank deposits	–	76	76	76
Cash and cash equivalents	46,889	6,975	5,514	5,282
Total current assets	72,651	151,567	140,548	112,507

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	As of December 31,			As of
	2023	2024	2025	April 30,
	RMB'000	RMB'000	RMB'000	2026
				(unaudited)
Current liabilities				
Borrowings	–	–	10,003	–
Trade and other payables	19,329	143,326	22,919	4,784
Income tax payable	74	–	1,642	–
Lease liabilities	2,427	447	410	405
Contract liabilities	34,150	13,804	17,307	16,702
Amount due to a related party	235	–	1,330	–
Financial liabilities at FVTPL	318,230	–	–	–
Total current liabilities	374,445	157,577	53,611	21,891
Net current (liabilities)/assets	(301,794)	(6,010)	86,937	90,616

Our net current liabilities decreased from RMB301.8 million as of December 31, 2023 to RMB6.0 million as of December 31, 2024, primarily due to (i) a decrease in financial liabilities at FVTPL of RMB318.2 million, brought by the termination of special rights attached to certain of our Shares with effect from December 20, 2024, and (ii) an increase in term deposits of RMB99.8 million, partially offset by an increase in trade and other payables of RMB124.0 million.

We recorded net current assets of RMB86.9 million as of December 31, 2025, compared to net current liabilities of RMB6.0 million as of December 31, 2024, primarily due to (i) an increase in trade and other receivables of RMB46.7 million, primarily in line with the growth of our revenue, and (ii) a decrease in trade and other payables of RMB120.4 million, partially offset by a decrease in term deposits of RMB67.2 million.

Our net current assets increased from RMB86.9 million as of December 31, 2025 to RMB90.6 million as of April 30, 2026, primarily as (i) we had subsequently settled trade and other receivables of RMB18.3 million and (ii) RMB18.1 million of trade and other payables had been subsequently settled.

LIQUIDITY AND CAPITAL RESOURCES

We have historically funded our cash requirements principally from proceeds from our business operations, bank borrowings, and shareholder equity contribution. After the [REDACTED], we intend to finance our future capital requirements through cash generated from our business operations and bank borrowings, together with the net [REDACTED] from the [REDACTED]. We do not anticipate any changes to the availability of financing to fund our operations in the future.

We manage our cash flow and working capital by closely monitoring and managing, among other things, (i) the level of our trade payables and receivables and contract liabilities; and (ii) our ability to obtain external financing. We also diligently review future cash flow requirements and assess our ability to meet debt repayment schedules, and if necessary, adjust our investment, financing and dividend payout plans to ensure we maintain sufficient working capital.

We had cash and cash equivalents of RMB46.9 million, RMB7.0 million and RMB5.5 million as of December 31, 2023, 2024 and 2025, respectively.

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Consolidated Statements of Cash Flows

The following table sets forth the selected cash flow data from the consolidated statements of cash flows for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Net cash from operating activities	59,253	31,062	31,686
Net cash (used in)/from investing activities	(40,163)	(67,079)	88,930
Net cash from/(used in) financing activities	(2,640)	(3,897)	(122,077)
Net increase/(decrease) in cash and cash equivalents	16,450	(39,914)	(1,461)
Cash and cash equivalents at beginning of the year	30,439	46,889	6,975
Cash and cash equivalents at end of the year	46,889	6,975	5,514

Net Cash Flows From Operating Activities

We derive our cash inflows from operations principally from the receipts in respect of the sales of our products and services. Our cash outflows from operations are principally payments for cost of revenue, including raw materials, selling and marketing expenses, administrative expenses and research and development expenses.

Cash generated from operations reflects our profit before income tax, adjusted for (i) non-cash and non-operating items, such as depreciation and amortization, net fair value changes of financial liabilities at FVTPL, gain on fair value changes on financial assets at FVTPL and interest income on bank deposits, (ii) the effects of changes in our working capital, such as changes in inventories, trade and other receivables, trade and other payables and contract liabilities, and (iii) income tax paid.

For the year ended December 31, 2025, our net cash from operating activities amounted to RMB31.7 million. During this year, our operating cash inflow before working capital changes but after adjustments for non-cash income and expenses were RMB63.8 million. Our cash flow was further negatively affected by working capital adjustments primarily including an increase in trade and other receivables of RMB41.1 million, partially offset by an increase in contract liabilities of RMB5.1 million.

For the year ended December 31, 2024, our net cash from operating activities amounted to RMB31.1 million. During this year, our operating cash inflow before working capital changes but after adjustments for non-cash income and expenses were RMB53.3 million. Our cash flow was further negatively affected by working capital adjustments primarily including (i) a decrease in contract liabilities of RMB20.6 million, and (ii) a decrease in trade and other payables of RMB3.2 million.

For the year ended December 31, 2023, our net cash from operating activities amounted to RMB59.3 million. During this year, our operating cash inflow before working capital changes but after adjustments for non-cash income and expenses were RMB75.4 million. Our cash flow was further negatively affected by working capital adjustments primarily including (i) a decrease in contract liabilities of RMB11.5 million and (ii) an increase in trade and other receivables of RMB9.1 million. This was partially offset by an increase in trade and other payables of RMB7.1 million.

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Net Cash Flows From/(Used In) in Investing Activities

Our cash used in investing activities consists primarily of (i) purchase of equipment, (ii) purchase of intangible assets, (iii) purchases of unlisted financial products, as recognized as financial assets at FVTPL; and (iv) placement of term deposits. Our cash generated from investing activities consists primarily of redemption of the unlisted financial products and withdrawal of term deposits.

For the year ended December 31, 2025, our net cash flows from investing activities were RMB88.9 million, primarily attributable to (i) redemption of our financial assets at FVTPL of RMB228.6 million and (ii) withdrawal of term deposits of RMB94.4 million. This was partially offset by purchase of financial assets at FVTPL of RMB240.3 million.

For the year ended December 31, 2024, our net cash flows used in investing activities were RMB67.1 million, primarily attributable to (i) purchase of financial assets at FVTPL of RMB56.9 million and (ii) placement of term deposits of RMB41.8 million. This was partially offset by redemption of our financial assets at FVTPL of RMB32.2 million.

For the year ended December 31, 2023, our net cash flows used in investing activities were RMB40.2 million, primarily attributable to (i) purchase of financial assets at FVTPL of RMB27.5 million and (ii) placement of term deposits of RMB51.1 million. This was partially offset by redemption of our financial assets at FVTPL of RMB28.4 million and withdrawal of term deposits of RMB10.0 million.

Net Cash Flows From/(Used In) Financing Activities

Our cash used in financing activities consists primarily of (i) repayment of lease liabilities, (ii) dividends paid, (iii) acquisition of non-controlling interests in subsidiaries, (iv) new borrowings raised and (v) payment of deferred issue costs.

For the year ended December 31, 2025, our net cash flows used in financing activities were RMB122.1 million, primarily attributable to (i) dividends paid of RMB127.2 million and (ii) new borrowings raised of RMB10.0 million.

For the year ended December 31, 2024, our net cash flows used in financing activities were RMB3.9 million, primarily attributable to (i) repayment of lease liabilities of RMB3.3 million and (ii) acquisition of non-controlling interests in subsidiaries of RMB0.5 million.

For the year ended December 31, 2023, our net cash flows used in financing activities were RMB2.6 million, primarily attributable to repayment of lease liabilities of RMB2.5 million.

KEY FINANCIAL RATIOS

The following table sets forth a summary of our key financial ratios for the periods indicated.

	As of/For the year ended December 31,		
	2023	2024	2025
Gross profit margin ⁽¹⁾	83.0%	70.0%	80.2%
Net profit margin ⁽²⁾	94.7%	27.8%	32.7%
Adjusted net profit margin (non-IFRS measure) ⁽⁴⁾	40.8%	28.2%	37.1%
Current ratio ⁽³⁾	19.4%	96.2%	262.2%
Gearing ratio ⁽⁵⁾	222.2%	86.8%	44.7%

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- (1) The calculation of gross profit margin is based on gross profit for the year divided by revenue for the respective year.
- (2) The calculation of net profit margin is based on the net profit for the year divided by revenue for the respective year.
- (3) The calculation of current ratio is based on current assets divided by current liabilities as of year end.
- (4) The calculation of adjusted net profit margin (non-IFRS measure) is based on the adjusted net profit (non-IFRS measure) for the year divided by revenue for the respective year.
- (5) The calculation of gearing ratio is based on total liabilities divided by total assets as of year end.

CAPITAL EXPENDITURES

Our capital expenditures primarily consist of expenditures for (i) equipment, (ii) right-of-use assets, and (iii) intangible assets.

The following table sets forth our capital expenditure for the periods indicated:

	For the year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Equipment	67	744	288
Right-of-use assets	1,399	1,525	769
Intangible assets	–	22	9
Total	1,466	2,291	1,066

During the Track Record Period, we funded our capital expenditure mainly from cash generated from our operating activities and bank borrowings. We estimate that our capital expenditures for the year ending December 31, 2026 will be approximately RMB2.0 million, which we will use primarily for purchases of equipment and right-of-use assets. We expect to fund these capital expenditures through a combination of cash generated from our operations and other equity or debt financings.

CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

Capital Commitments

As of December 31, 2023, 2024 and 2025, we did not have any significant contractual and capital commitments. During the Track Record Period, there was no material change to our indebtedness and capital commitments.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we did not have any material off-balance sheet commitments or arrangements.

FINANCIAL RISKS DISCLOSURE

Our activities expose us to a variety of financial risks: credit risk, liquidity risk and interest rate risk. Our overall risk management procedures focus on the unpredictability of financial markets and seek to minimize potential adverse effects on our Group’s financial performance.

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Credit Risk

Credit risk refers to the risk that our counterparties default on their contractual obligations resulting in our financial losses. Our credit risk exposures are primarily attributable to trade and other receivables, cash and cash equivalents, restricted bank deposits and term deposits.

The carrying amount of the respective recognized financial assets as stated in the consolidated statements of financial position at the end of each reporting period represent our maximum exposure to credit risk without taking into account any collateral or other credit enhancement, which will cause a financial loss to us due to failure to discharge the obligation by counterparties.

Cash and cash equivalents, other receivables and term deposit are determined to have low credit risk at the end of each year because the counterparties are reputable and the risk of inability to pay or redeem at the due date is low.

Liquidity Risk

In the management of our liquidity risk, we monitor and maintain a level of cash and cash equivalents deemed adequate by our management to finance our operations and mitigate the effects of fluctuations in cash flows. We regularly review our major funding positions to ensure that we have adequate financial resources in meeting our financial obligations.

Interest Rate Risk

We are exposed to fair value interest rate risk in relation to restricted bank deposits, term deposits and lease liabilities. Our cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances. Our Directors consider that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

DIVIDEND

A final dividend of nil, RMB0.64 and nil per share totaling nil, RMB127.2 million and nil was declared to the shareholders of our Company in respect of the years ended December 31, 2023, 2024 and 2025, respectively. The dividend distribution for the year ended December 31, 2024 was proposed by the Directors pursuant to board resolutions dated October 16, 2024 and August 7, 2025, respectively and duly approved by the Shareholders at the general meeting held on November 11, 2024 and August 7, 2025. Such dividend distribution was primarily based on our operating performance, including profit after tax recognized and net cash inflows from operating activities, and reflect our long-term commitment to return value to our Shareholders while ensuring our sustainable development. After the completion of the [REDACTED], we may distribute dividends in the form of cash or by other means permitted by our Articles of Association. A decision to declare or to pay dividends in the future and the amount of dividends will be at the discretion of our Board and will depend on a number of factors, including our results of operations, cash flows, financial condition, payments by our subsidiaries of cash dividends to us, business prospects, statutory, regulatory restrictions on our declaration and payment of dividends and other factors that our Board may consider important. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the relevant laws. Any declaration of dividends shall be subject to the approval of our shareholders.

According to applicable PRC laws and our Articles of Association, we will pay dividends out of our profit after tax only after we have made the following allocations: recovery of the losses incurred in the previous year; allocations to the statutory reserve equivalent to 10% of our profit after tax but not exceeding 50% of our registered share capital; and allocations to a discretionary common reserve of certain percentage of our profit after tax that are approved by a Shareholders' meeting.

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Any distributable profits that are not distributed in any given year will be retained and become available for distribution in subsequent years. We have no formal dividend policy or pre-determined dividend payout ratio.

WORKING CAPITAL CONFIRMATION

Taking into account our cash and cash equivalents, operating cash flows, bank borrowings and the estimated net [REDACTED] available to us from the [REDACTED], our Directors believe that we have sufficient working capital for our present requirements and for at least the next 12 months from the date of this document.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we had RMB50.4 million of retained profits available for distribution to our Shareholders.

[REDACTED] EXPENSES

The total [REDACTED] expenses borne or to be borne by us are estimated to be approximately RMB[REDACTED] million (HK\$[REDACTED] million) accounting for approximately [REDACTED]% of the gross [REDACTED] of the [REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range stated in this document and assuming that the [REDACTED] is not exercised. During the Track Record Period, we incurred [REDACTED] expenses of RMB[REDACTED] million (HK\$[REDACTED] million), among which RMB[REDACTED] million (HK\$[REDACTED] million) was charged to our statements of profit or loss and other comprehensive income, and RMB[REDACTED] million (HK\$[REDACTED] million) will be accounted for as a deduction from equity upon the [REDACTED]. Subsequent to the Track Record Period, we expect that approximately RMB[REDACTED] million (HK\$[REDACTED] million) will be charged to our statements of profit or loss and other comprehensive income as [REDACTED] expenses, and approximately RMB[REDACTED] million (HK\$[REDACTED] million) will be accounted for as a deduction from equity upon the [REDACTED]. The [REDACTED] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED [REDACTED] STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

[REDACTED]

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the end date of our latest audited financial statements, and there has been no event that would materially affect the information shown in the Accountants’ Report set out in Appendix I.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, except as otherwise disclosed in this document, as of the Latest Practicable Date, there are no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

See “Business — Strategies” for a detailed description of our future plans.

USE OF [REDACTED]

Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED], we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] million (RMB[REDACTED] million) from the [REDACTED] after deducting the [REDACTED] commissions and other estimated expenses in connection with the [REDACTED] (assuming the [REDACTED] is not exercised).

We intend to use the net [REDACTED] we expect to receive from the [REDACTED] (assuming the [REDACTED] is not exercised) for the purposes and in the amounts set out below over a five-year period from 2027 to 2031.

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million), will be used for enhancing our product competitiveness through technology innovation and product development. See “Business — Strategies” of this document.
 - o Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million), will be used for iterative upgrade and in-depth application of our key technologies, to continuously strengthen our research, development and innovation capabilities, and to drive the in-depth integration of AI products with finance and tax scenarios. In particular, we plan to invest in the upgrade of our proprietary low-code R&D platform, development of AI knowledge base and intelligent R&D platform, cloud computing resources and big data analytics to improve overall R&D efficiency and codify our accumulated industry know-how and engineering insights. We also intend to implement technological upgrades for our intelligent order matching technology, automated invoice issuance engine and invoice recognition technology to enhance our intelligent invoice engine with multimodal recognition capabilities. By enhancing our AI and low-code capabilities, we believe these investments will help us capture market growth opportunities, differentiate our solutions from competitors and support premium pricing. These upgrades are expected to address customer pain points including difficult traceability, challenging integration, high error propensity and cumbersome declaration processes. We expect this allocation to support the revenue growth of our intelligent finance and tax management solutions and enable us to maintain or improve gross profit margin by reducing implementation costs through platform standardization.
 - o Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million), will be used for upgrading and enhancing our product matrix to satisfy our customers’ diverse needs throughout their entire business cycle. In particular, we plan to upgrade and enhance the functionalities of our existing offerings by introducing a new cross-border ERP system and implementing upgrades to our existing SmartCert FTA Digital Platform, Zumoo Enterprises Compliance Service Platform and Cross-border Enterprise Risk Analysis. For cross-border intelligent finance and tax management solutions, we plan to expand automation capabilities such as the scope of automatic tax calculation, build a more precise intelligent order-matching capability, initiation of reconciliation functions, rebates estimation and tax deduction management. For invoice document integrated management solutions, we intend to enlarge the transaction document coverage and support for diverse input formats to diversify their use application scenarios. For cross-border compliance and risk management, we will apply big data analytics technology to improve existing risk identification mechanisms. We also plan to expand our product matrix of data-driven analytics products by launching new products such as Integrated Tax and Customs Compliance Solution, Electronic Accounting Archives Management System and Ecosystem Synergy Product.

FUTURE PLANS AND USE OF [REDACTED]

We expect to implement these initiatives in phases. We aim to complete product design and feasibility assessment by 2027, commence core development from 2027, and progressively launch upgraded versions and new products from 2028 to 2031. This expansion of our product matrix is driven by the following commercial rationale: (i) evolving regulatory requirements, such as the nationwide promotion of digital electronic invoices and electronic voucher accounting data standards, create urgent demand for integrated business-finance-taxation solutions; (ii) the rapid growth of cross-border e-commerce and increasing complexity of global trade rules require more sophisticated compliance and risk management tools; and (iii) our customers’ increasingly complex operational needs demand full-lifecycle digital solutions from pre-transaction compliance to post-transaction archiving. To support these initiatives, we plan to recruit senior product and technical development personnel for our product and R&D team, with the aim of expanding our innovative R&D capabilities and enhancing our product competitiveness. We expect the expanded product matrix to increase our addressable market by covering additional business scenarios, strengthen cross-selling opportunities across our existing customer base, and enhance customer retention through an integrated ecosystem covering rules, compliance, risk management and execution.

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million), will be used for implementing diversified sales strategies and product positioning to achieve market expansion. See “Business — Strategies” of this document. In particular:
 - o Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million), will be used for expanding our nationwide sales network to extend our user outreach. We intend to build and scale our sales network, using the Yangtze River Delta as our core hub while expanding into the Pearl River Delta and across other provinces with robust cross-border trade related industries, focusing primarily on Zhejiang, Jiangsu, Guangdong and Anhui provinces in China. To this end, we intend to establish approximately 14 new sales hubs by 2031. The Yangtze River Delta region, where we had achieved approximately 7.5% market penetration among more than 314,000 cross-border enterprises as of December 31, 2025 according to Frost and Sullivan, will remain our core hub. Each hub is expected to generate annual customer acquisitions upon reaching maturity after approximately two years of operation.
 - o Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million), will be used towards funding our marketing and promotional activities. To broaden our market presence nationwide, we plan to regularly organize, sponsor and participate in national conferences and regional seminars with respect to cross-border enterprises intelligent finance and tax management solutions with the aim to increase visibility to our products and enhance our brand name. We intend to continuously expand our online sales channels with the aid of social media and search engine marketing. Specifically, we intend to conduct content-driven campaigns on social media platforms, regularly publishing valuable content such as product introductions, industry insights, technical articles, and customer case studies to attract user engagement and interaction. In addition, we plan to conduct training conferences to foster closer relationships with prospective customers. We expect to organize approximately one to three national conferences, 25 to 60 regional seminars and 30 to 50 training conferences annually from 2027 to 2031, with estimated costs per event ranging from HK\$50,000 to HK\$500,000 depending on the scale and format. The total annual expenditure on promotional activities is expected to range from HK\$5.2

FUTURE PLANS AND USE OF [REDACTED]

million to HK\$15.9 million. We believe expanded promotional activities will build brand awareness in new markets and stimulate demand for newly launched products such as the Integrated Tax and Customs Compliance Solution.

- o Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million), will be used for recruiting sales personnel. We plan to recruit no more than 90 experienced sales and marketing personnel in total over the next five years (from 2027 to 2031) to be stationed at our core sales hubs, with corresponding annual salary expenditure ranging from approximately HK\$2.6 million to HK\$21.2 million. As of December 31, 2025, we had 80 sales and marketing personnel. We believe the expanded team will support our tiered sales approach for standardized products and SaaS services tailored to large enterprises and SMEs, as described in the “Business — Strategies” of this document. These sales and marketing personnel shall possess work experience in the relevant fields of brand marketing, business development, customer relationship management and public relations.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million), will be used for strategic investments and acquisitions. We will pursue potential investment and acquisition opportunities worldwide that demonstrate synergies with our existing businesses or facilitate our strategic horizontal expansion into new sectors. We will continue to integrate vertically upstream in the supply chain to strengthen our intelligent manufacturing capabilities and enhance our core business competitiveness. We will also focus on high-growth emerging sectors to further broaden our business ecosystem. As of the Latest Practicable Date, we have not identified any specific investment or acquisition targets. We expect to identify and evaluate potential targets through market research and financial advisor engagement during 2027-2031.
- o Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million) will be used for investments in innovative projects in the overseas services sector, focusing on cross-border e-commerce services, digital marketing, cross-border logistics, enterprise SaaS/AI tools, with a view to acquiring small and medium-sized innovative companies with technological barriers, local resources and highly reusable data/algorithms. We expect these investments to (i) leverage target companies’ existing customer relationships and local regulatory expertise for accelerated international market entry, (ii) integrate overseas service capabilities with our UniMind Cloud Platform to offer seamless domestic-to-international solutions, and (iii) reducing geographic concentration in the Chinese domestic market.
- o Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million), will be used for investments in innovative projects in global customs compliance and supply chain management. These projects include global customers compliance technology, customs affairs digitalization, supply chain intelligent optimization, trade risk control and traceability, and ESG and sustainable compliance, focusing on AI and data-driven companies, vertical compliance companies, and cross-border network and technology platform companies. Through the investments, we expect to: (i) enhance our global trade compliance service capabilities and provide accurate customs compliance solutions covering WTO regulations, FTA agreements, and global import tax rules for customers engaged in international business, (ii) foster more efficient supply chain systems by integrating the acquired capabilities with

FUTURE PLANS AND USE OF [REDACTED]

our Smart Cert FTA Digital Platform and Zumoo Enterprises Compliance Service Platform, and (iii) enrich our ecosystem to meet the diversified needs of customers throughout their entire business cycle.

We will evaluate potential targets based on the following criteria established by our Board: (i) Business Focus: overseas services, global customs compliance, supply chain management, or finance-tax digitalization; (ii) Product Capabilities: proprietary products with independent IP, market influence, and recognition by well-known customers; (iii) Financial Performance: average annual revenue of no less than RMB5.0 million and average annual net profit of no less than RMB1.0 million in the three years prior to investment; (iv) Operational History: continuous operation for no less than 5 years; (v) Strategic Fit: alignment with our “Business-Finance-Taxation” ecosystem and ability to integrate with our UniMind Cloud Platform; and (vi) Management Quality: an experienced management team with proven track record. Our strategic investment strategy is consistent with our historical development and future objectives. Since 2012, we have expanded from single-product VAT software to comprehensive cross-border solutions through R&D and strategic capability enhancement, as evidenced by the launch of Agile Cloud in 2016, Zumoo Enterprises Compliance Service Platform in 2019, Smart Cert FTA Digital Platform in 2022, and the pilot of Smart Expense Product in 2025. These milestones demonstrate our consistent strategy of expanding our solution ecosystem through both organic R&D and strategic capability enhancement. Our strategy aims to transform from a China-centric provider to a global cross-border trade digital infrastructure provider. Investments in overseas services, global customs compliance, and supply chain management directly support this objective by extending our domestic expertise into global trade digitization.

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million (RMB[REDACTED] million) will be used for replenishing working capital and general corporate purposes.

To the extent our net [REDACTED] from the [REDACTED] (including the net [REDACTED] from the exercise of the [REDACTED]) are less than expected, we will decrease the intended use of our net [REDACTED] for the above purposes on a pro rata basis.

If the [REDACTED] is exercised in full, we will receive additional [REDACTED] of approximately HK\$[REDACTED] million. We intend to apply the additional net [REDACTED] to the above uses on a pro rata basis.

If any part of our development plan does not proceed as planned for reasons such as changes in government policies that would render the development of any of our projects not viable, or the occurrence of force majeure events, we will carefully evaluate the situation and may reallocate the net [REDACTED] from the [REDACTED].

To the extent that the net [REDACTED] of the [REDACTED] are not immediately used for the above purposes, we will only deposit those net [REDACTED] into short-term interest-bearing accounts with licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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STRUCTURE OF THE [REDACTED]

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STRUCTURE OF THE [REDACTED]

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HOW TO APPLY FOR [REDACTED]

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[REDACTED]

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[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

APPENDIX I

ACCOUNTANTS’ REPORT

The following is the text of a report set out on pages I-1 to I-[56], received from the Company’s reporting accountants, [Deloitte Touche Tohmatsu], Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.

ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF QST INFORMATION TECHNOLOGY LIMITED AND ICBC INTERNATIONAL CAPITAL LIMITED

Introduction

We report on the historical financial information of QST Information Technology Limited* (“南京擎天全税通信息科技股份有限公司”) (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages I-3 to I-[56], which comprises the consolidated statements of financial position of the Group as at December 31, 2023, 2024 and 2025, the statements of financial position of the Company as at December 31, 2023, 2024 and 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the three years ended December 31, 2025 (the “Track Record Period”) and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information set out on pages I-3 to I-[56] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [REDACTED] (the “Document”) in connection with the [REDACTED] of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “Accountants’ Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

* English name is for identification purpose.

APPENDIX I

ACCOUNTANTS’ REPORT

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the Group’s and the Company’s financial position as at December 31, 2023, 2024 and 2025, and of the Group’s financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-3 have been made.

Dividends

We refer to Note 14 to the Historical Financial Information which contains information about the dividends declared and paid by the Company in respect of the Track Record Period.

[Deloitte Touche Tohmatsu]

Certified Public Accountants

Hong Kong

[REDACTED]

APPENDIX I

ACCOUNTANTS’ REPORT

HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards issued by International Accounting Standards Board (the “IASB”) and were audited by us in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board (“Underlying Financial Statements”).

The Historical Financial Information is presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

APPENDIX I

ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Notes</i>	Year ended December 31,		
		2023	2024	2025
		<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Revenue	6	161,084	171,383	175,858
Cost of revenue		(27,392)	(51,365)	(34,874)
Gross profit		133,692	120,018	140,984
Other income	8	10,062	9,914	8,962
Other gains and losses	9	839	294	672
Research and development expenses . .		(32,308)	(34,461)	(35,492)
Selling and marketing expenses		(27,823)	(29,209)	(30,484)
Administrative expenses		(12,459)	(14,336)	(14,245)
Impairment losses under expected credit loss (“ECL”) model, net of reversal		(412)	(266)	(869)
[REDACTED] expenses		[REDACTED]	[REDACTED]	[REDACTED]
Fair value changes of financial liabilities at fair value through profit or loss (“FVTPL”)	29	86,753	(788)	–
Finance costs	10	(130)	(74)	(152)
Profit before tax	12	158,214	51,092	61,647
Income tax expenses	11	(5,692)	(3,494)	(4,158)
Profit and total comprehensive income for the year		152,522	47,598	57,489
Attributable to:				
Owners of the Company		152,917	47,448	57,489
Non-controlling interests		(395)	150	–
		152,522	47,598	57,489
EARNINGS PER SHARE	15			
Basic (RMB)		0.91	0.28	0.29
Diluted (RMB)		0.34	0.22	N/A

APPENDIX I

ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	<i>Notes</i>	As at December 31,		
		2023	2024	2025
		<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Non-current assets				
Equipment	16	413	840	841
Right-of-use assets	17	2,177	898	611
Intangible assets	19	13,717	11,153	8,578
Term deposits	23	85,402	31,614	–
		<u>101,709</u>	<u>44,505</u>	<u>10,030</u>
Current assets				
Inventories	20	1,136	927	–
Trade and other receivables	21	24,176	17,927	64,579
Tax recoverable		–	481	–
Financial assets at FVTPL	24	450	25,367	37,775
Term deposits	23	–	99,814	32,604
Restricted bank deposits	23	–	76	76
Cash and cash equivalents	23	46,889	6,975	5,514
		<u>72,651</u>	<u>151,567</u>	<u>140,548</u>
Current liabilities				
Trade and other payables	25	19,329	143,326	22,919
Income tax payable		74	–	1,642
Lease liabilities	27	2,427	447	410
Contract liabilities	26	34,150	13,804	17,307
Amount due to a related party	22	235	–	1,330
Borrowings	30	–	–	10,003
Financial liabilities at FVTPL	29	318,230	–	–
		<u>374,445</u>	<u>157,577</u>	<u>53,611</u>
Net current (liabilities) assets		<u>(301,794)</u>	<u>(6,010)</u>	<u>86,937</u>
Total assets less current liabilities		<u>(200,085)</u>	<u>38,495</u>	<u>96,967</u>
Non-current liabilities				
Lease liabilities	27	115	276	60
Contract liabilities	26	10,602	10,320	11,906
Deferred tax liabilities	28	2,302	2,074	1,687
		<u>13,019</u>	<u>12,670</u>	<u>13,653</u>
Net (liabilities) assets		<u>(213,104)</u>	<u>25,825</u>	<u>83,314</u>
Capital and reserves				
Paid-in/share capital	31	11,183	11,183	25,000
Reserves		(224,737)	14,642	58,314
Equity attributable to owners of the Company		(213,554)	25,825	83,314
Non-controlling interests		450	–	–
Total (deficit) equity		<u>(213,104)</u>	<u>25,825</u>	<u>83,314</u>

APPENDIX I

ACCOUNTANTS’ REPORT

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	<i>Notes</i>	As at December 31,		
		2023	2024	2025
		<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Non-current assets				
Equipment	16	370	815	822
Right-of-use assets	17	2,035	829	606
Intangible assets	19	10	17	11
Investments in subsidiaries	18	14,096	14,575	14,575
Term deposits	23	74,885	31,614	–
		<u>91,396</u>	<u>47,850</u>	<u>16,014</u>
Current assets				
Inventories	20	18	–	–
Trade and other receivables	21	22,159	15,997	63,857
Tax recoverable		–	481	–
Financial assets at FVTPL	24	–	23,867	35,975
Amounts due from subsidiaries	22	26,918	25,801	6,838
Term deposits	23	–	88,951	32,604
Restricted bank deposits	23	–	76	76
Cash and cash equivalents	23	45,097	5,285	3,295
		<u>94,192</u>	<u>160,458</u>	<u>142,645</u>
Current liabilities				
Trade and other payables	25	18,443	142,290	21,771
Tax payable		74	–	1,533
Lease liabilities	27	2,332	428	410
Contract liabilities	26	33,927	13,738	16,963
Amounts due to subsidiaries	22	3,500	490	6,107
Amount due to a related party	22	235	–	1,330
Financial liabilities at FVTPL	29	318,230	–	–
		<u>376,741</u>	<u>156,946</u>	<u>48,114</u>
Net current (liabilities) assets		<u>(282,549)</u>	<u>3,512</u>	<u>94,531</u>
Total assets less current liabilities		<u>(191,153)</u>	<u>51,362</u>	<u>110,545</u>
Non-current liabilities				
Lease liabilities	27	94	276	60
Contract liabilities	26	10,536	10,237	11,784
Deferred tax liabilities	28	2,302	2,074	1,687
		<u>12,932</u>	<u>12,587</u>	<u>13,531</u>
Net (liabilities) assets		<u>(204,085)</u>	<u>38,775</u>	<u>97,014</u>
Capital and reserves				
Paid-in/share capital	31	11,183	11,183	25,000
Reserves		(215,268)	27,592	72,014
Total (deficit) equity		<u>(204,085)</u>	<u>38,775</u>	<u>97,014</u>

APPENDIX I

ACCOUNTANTS’ REPORT

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company								
						(Accumulated losses)/ Retained earnings		Non- controlling interests	
	Paid-in capital	Share capital	Capital reserves	Other reserves	Statutory reserves		Subtotal		Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Note 31)								
As at January 1, 2023	11,183	–	21,917	(299,000)	5,592	(106,163)	(366,471)	845	(365,626)
Profit (loss) and total comprehensive income (expense) for the year . . .	–	–	–	–	–	152,917	152,917	(395)	152,522
As at December 31, 2023 . .	11,183	–	21,917	(299,000)	5,592	46,754	(213,554)	450	(213,104)
Profit and total comprehensive income for the year	–	–	–	–	–	47,448	47,448	150	47,598
Cancellation of obligations of special rights of shareholders (Note 29)	–	–	–	299,000	–	–	299,000	–	299,000
Acquisition of non- controlling interests (Note 37)	–	–	121	–	–	–	121	(600)	(479)
Dividends recognised as distribution (Note 14)	–	–	–	–	–	(107,190)	(107,190)	–	(107,190)
As at December 31, 2024 . .	11,183	–	22,038	–	5,592	(12,988)	25,825	–	25,825
Profit and total comprehensive income for the year	–	–	–	–	–	57,489	57,489	–	57,489
Conversion into a joint stock company (Note i)	(11,183)	25,000	2,304	–	(5,592)	(10,529)	–	–	–
Transferred to statutory reserves	–	–	–	–	5,824	(5,824)	–	–	–
As at December 31, 2025 . .	–	25,000	24,342	–	5,824	28,148	83,314	–	83,314

Note i: Pursuant to the shareholders’ resolution on June 30, 2025, the shareholders of the Company agreed to convert the Company into a joint stock limited liability company. The net assets of the Company as at conversion date, which is January 31, 2025, including paid-in capital, capital reserves, statutory reserves and retained earnings, were converted into 25,000,000 ordinary shares with a par value of RMB1 each. The excess of the net assets converted over the nominal value of the ordinary shares was credited to the Company’s capital reserves.

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CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
OPERATING ACTIVITIES			
Profit before tax	158,214	51,092	61,647
Adjustments for:			
Financial costs	130	74	152
Depreciation of equipment	410	303	287
Depreciation of right-of-use assets	2,935	2,804	1,056
Amortisation of intangible assets	2,636	2,586	2,584
Allowance for credit losses on trade and other receivables, net	412	266	869
Net fair value changes of financial liabilities at FVTPL	(86,753)	788	–
Gain on disposal of equipment	–	(53)	–
Gain on fair value changes on financial assets at FVTPL	(903)	(190)	(729)
Interest income on bank deposits	<u>(1,729)</u>	<u>(4,373)</u>	<u>(2,082)</u>
Operating cash flows before movements in working capital	75,352	53,297	63,784
Decrease in inventories	35	209	927
Increase in restricted bank deposits	–	(76)	–
(Increase) decrease in trade and other receivables	(9,060)	5,983	(41,124)
Increase (decrease) in amount due to a related party	235	(235)	1,330
Increase (decrease) in trade and other payables	7,084	(3,211)	4,102
(Decrease) increase in contract liabilities. . . .	<u>(11,506)</u>	<u>(20,628)</u>	<u>5,089</u>
Cash generated from operations	62,140	35,339	34,108
Income tax paid	<u>(2,887)</u>	<u>(4,277)</u>	<u>(2,422)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>59,253</u>	<u>31,062</u>	<u>31,686</u>

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	Year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
INVESTING ACTIVITIES			
Interest received.	116	156	6,507
Purchase of equipment.	(67)	(744)	(288)
Proceeds from disposal of equipment.	–	67	–
Purchase of intangible assets.	–	(22)	(9)
Purchase of financial assets at FVTPL.	(27,500)	(56,900)	(240,313)
Redemption of financial assets at FVTPL.	28,403	32,173	228,634
Placement of term deposits.	(51,115)	(41,809)	–
Withdrawal of term deposits.	<u>10,000</u>	<u>–</u>	<u>94,399</u>
NET CASH (USED IN) FROM			
INVESTING ACTIVITIES.	<u>(40,163)</u>	<u>(67,079)</u>	<u>88,930</u>
FINANCING ACTIVITIES			
Repayment of lease liabilities.	(2,510)	(3,344)	(1,022)
Interest paid of lease liabilities.	(130)	(74)	(26)
Acquisition of non-controlling interests			
in subsidiaries.	–	(479)	–
New borrowings raised.	–	–	10,000
Payment of deferred issue costs.	–	–	(3,698)
Interest paid for bank borrowings.	–	–	(123)
Dividends paid.	<u>–</u>	<u>–</u>	<u>(127,208)</u>
NET CASH USED IN FINANCING			
ACTIVITIES.	<u>(2,640)</u>	<u>(3,897)</u>	<u>(122,077)</u>
NET INCREASE (DECREASE) IN CASH			
AND CASH EQUIVALENTS.	16,450	(39,914)	(1,461)
CASH AND CASH EQUIVALENTS AT			
BEGINNING OF THE YEAR.	<u>30,439</u>	<u>46,889</u>	<u>6,975</u>
CASH AND CASH EQUIVALENTS AT			
END OF THE YEAR.	<u><u>46,889</u></u>	<u><u>6,975</u></u>	<u><u>5,514</u></u>

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1. GENERAL INFORMATION

The Company, formerly known as 南京擎天全税通信息科技有限公司 was established in the People’s Republic of China (“PRC”) on December 18, 2012 as a limited liability company. Upon approval by the shareholders’ general meeting held on June 30, 2025, the Company was converted into a joint stock company with limited liability, while its name changed from 南京擎天全税通信息科技有限公司 to QST Information Technology Limited* (“南京擎天全税通信息科技股份有限公司”). The respective address of the registered office and the principal place of business of the Company are set out in the section headed “Corporate Information” to the document of the Company dated [date] (the “Document”). The founder of the Company is Ms. Xin Ying Mei (“辛穎梅”) who is the controlling shareholder of the Company (the “Controlling Shareholder”).

The Group is principally engaged in the provision of multifaceted digital solutions for cross-border enterprises with import and export trade business in China. Details of the subsidiaries are disclosed in Note 37.

The Historical Financial Information is presented in RMB, which is also the functional currency of the Company.

2. BASIS OF PREPARATION OF HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared based on the accounting policies set out in Note 4 which conform with IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”). For the purpose of preparation of the Historical Financial Information, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the Historical Financial Information includes applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The statutory financial statements of the Company for each of the years ended December 31, 2023, 2024 and 2025 were prepared in accordance with Chinese Accounting Standards for Business Enterprises (“CASBE”) and were audited by Yong Tuo Certified Public Accountants LLP Jiangsu Branch* (“永拓會計師事務所(特殊普通合夥)江蘇分所”), certified public accountants registered in the PRC.

3. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

For the purpose of preparing and presenting the Historical Financial Information for the Track Record Period, the Group has consistently applied the accounting policies which conform with the IFRS Accounting Standards, which are effective for accounting period beginning on January 1, 2025, throughout the Track Record Period.

New and amendments to IFRS Accounting Standards in issue but not yet effective

At the date of this report, the following new and amendments to IFRS Accounting Standards have been issued which are not yet effective:

Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards . .	Annual Improvements to IFRS Accounting Standards – Volume 11 ²
IFRS 18	Presentation and Disclosure in Financial Statements ³

1 Effective for annual periods beginning on or after a date to be determined.

2 Effective for annual periods beginning on or after January 1, 2026.

3 Effective for annual periods beginning on or after January 1, 2027.

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Except for the new IFRS Accounting Standards mentioned below, the Directors anticipate that the application of all the amendments to IFRS Accounting Standards will have no material impact on the Group’s consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statements of profit or loss and other comprehensive income.

4. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies.

All intragroup assets and liabilities, equity, incomes, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group’s equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

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Changes in the Group’s interests in existing subsidiaries

Changes in the Group’s interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group’s relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group’s and the non-controlling interests’ proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Revenue from contracts with customers

Information about the Group’s accounting policies relating to revenue from contracts with customers is provided in Notes 6 and 26.

Leases

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

Short-term leases

The Group applies the short-term lease recognition exemption to office premise leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Right-of-use assets

The cost of right-of-use assets include the amounts of the initial measurement of the lease liabilities.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statements of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted for under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

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Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate depends on the term and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment whether the risk profile of the entity that enters into the lease is different to that of the Group and whether the lease benefit from a guarantee from the Group.

The lease payments include fixed payments.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statements of financial position.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under “other income”.

Employee benefits

Retirement benefit costs

Payments to state-managed retirement benefit schemes in the PRC are recognised as an expense when employees have rendered service entitling them to the contributions.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS Accounting Standards requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will

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be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss.

Equipment

Equipment are tangible assets that are held for use for administrative purposes. Equipment are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

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Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible assets so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible assets;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on equipment, right-of-use assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its equipment, right -of-use assets and intangible assets with finite useful lives to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the

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carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated to assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statements of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale, including costs to be incurred in marketing, selling and distribution.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place concerned.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets the Group hold are subsequently measured at FVTPL.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is not a designated and effective hedging instrument.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(ii) Financial assets at FVTPL

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other gains and losses” line item.

Impairment of financial assets subject to impairment assessment under IFRS 9

The Group performs impairment assessment under ECL model on financial assets (including trade and other receivables, amounts due from subsidiaries, term deposits, restricted bank deposits and cash and cash equivalents) which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of past events and the current conditions at the reporting date as well as the forecast of future economic conditions.

The Group always recognises lifetime ECL for trade receivables.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

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(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group’s debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group’s core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument’s external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor’s ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor’s ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

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(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group’s recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status; and
- Nature, size and industry of debtors.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade and other receivables where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

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Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is designated as at FVTPL.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group’s documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

For financial liabilities that are designated as at FVTPL, the amount of changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value is recognised in profit or loss.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables and amount due to a related party are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statements of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, which are described in Note 4, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group’s accounting policies and that have the most significant effect on the amounts recognised in the Historical Financial Information.

Identification of performance obligations in contracts with customers

Contracts with customers may include multiple performance obligations. Judgements are made by the Directors to determine whether performance obligations are distinct that should be accounted for separately, or not distinct within the context of the contracts and accounted for together. The Directors consider a performance obligation as distinct when the customers can benefit from the good or service either on its own or together with other resources that are readily available to the customers and the Group’s promise to transfer the good or service to the customers is separately identifiable from other promises in the contract.

The Directors identified all goods and services disclosed in Note 6 as distinct performance obligations and established standalone selling prices for each. Performance obligations for contracts with customers and revenue recognition policies are set out in Note 6.

Allocation of transaction price to each distinct performance obligation

When the performance obligations are assessed to be distinct from each other in contracts with customers, the Group allocates the transaction price to each performance obligation based on their relative stand-alone selling prices. The Directors generally determine relative stand-alone selling prices based on its standard price list, taking into consideration of market conditions and our overall pricing strategy.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve months.

Fair value measurement of financial liabilities at FVTPL

The Group has had shareholders with special rights during Track Record Period as set out in Note 29. The Group recorded these financial instruments as financial liabilities at FVTPL for which no quoted prices in an active market exist. The fair value of the financial instruments is established by using valuation techniques, which include market approach and equity allocation model involving various parameters and inputs. Valuation techniques are certified by an independent qualified professional valuer before being implemented for valuation and are calibrated to ensure that outputs reflect market conditions. However, it should be noted that some inputs, such as fair value of the paid-in capital of the Company, possibilities under different scenarios such as qualified public offering, liquidation, comparable company’s entity value to sales ratio and discount for lack of marketability, require management estimates. Management estimates and assumptions are reviewed periodically and are adjusted if necessary. Should any of assumptions change, it may lead to a change in the fair value of the financial liabilities at FVTPL.

The fair value of the financial liabilities at FVTPL of the Group and the Company as at December 31, 2023 is RMB318,230,000.

Useful lives of intangible assets

The Group’s management determines the estimated useful lives in determining the related amortisation charges for its intangible assets. This estimate is referenced to useful lives of intangible assets of similar nature and functions in the industry. Management will increase the amortisation charge where useful lives are expected to be shorter than expected, or will write-off or write-down obsolete assets that have been abandoned or sold. The Group’s carrying amount of intangible assets at December 31, 2023, 2024 and 2025 is RMB13,717,000, RMB11,153,000 and RMB8,578,000, respectively, as disclosed in Note 19.

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6. REVENUE

(i) Disaggregation of revenue from contracts with customers

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Type of goods or services			
Cross-border enterprises intelligent finance and tax management solutions	130,073	135,259	136,292
Invoice document integrated management solutions	24,277	25,291	25,508
Cross-border enterprises risk management and compliance solutions	6,734	10,833	14,058
	<u>161,084</u>	<u>171,383</u>	<u>175,858</u>

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Timing of revenue recognition			
Over time	48,625	32,221	25,291
At a point in time	112,459	139,162	150,567
	<u>161,084</u>	<u>171,383</u>	<u>175,858</u>

(ii) Performance obligations for contracts with customers and revenue recognition policies

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service that is distinct or a series of distinct goods or services that are substantially the same.

The Group’s revenue stream consists of a series of different service and product offering to customers, summarised as below:

Cross-border enterprises intelligent finance and tax management solutions

The Group provides cloud-based financial and tax compliance management solutions in relation to the tax through its cloud-based platforms separately or in combination, with products and services including customised on-premises software sales, SaaS subscription services, value-added services, and supporting hardware devices and software as well as associated maintenance and support services. The transaction price is the price after discount if any, and is a fixed amount upon signing the contract.

The customised on-premises software has standalone functionality and are capable of being distinct and therefore is accounted for a separate performance obligation. The Group considers the grant of the licenses for the on-premises software as providing the customers the right to use the Group’s intellectual property and the performance obligation is satisfied at a point in time when the software products are accepted by the customers.

The SaaS subscription services grant customers the right to access the software functionality in a hosted environment controlled by the Group during the contractual term where the customers do not take possession of the software. Accordingly, the SaaS subscription services are accounted for as a single performance obligation. Revenue from the SaaS subscription services is recognised over time during the contractual term on a time-based basis. Customers are required to renew their subscriptions on an annual basis in order to maintain continued access.

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The value-added service provides customers with a comprehensive package comprising multiple services designed to enhance the utilization of on-premises software and SaaS subscription services. Customers purchase the value-added service package on an annual basis. The individual services included in the service package are not available for separate sale and are highly interdependent and interrelated. As such, they are accounted for as a single performance obligation and the revenue is recognised over time as the customers simultaneously receive and consume the benefits.

Supporting hardware devices and software purchased from third parties and sold in combination with the solutions are accounted for as separate performance obligations because they have standalone functionality and are capable of being distinct. The revenue is recognised at a point in time when the supporting hardware devices and software are accepted by the customers.

The Group also provides maintenance and support services which mainly include on-demand user support services. The customers pay on a fixed fee rate per period. These services are accounted for as separate performance obligations because they are capable of being distinct. Revenue is recognised over time during the contractual term on a time-based basis.

The transaction price is allocated among the performance obligations within one solution contract on a stand-alone selling price basis.

Invoice document integrated management solutions

The Group provides customers a comprehensive and integrated invoice management solution through its on-premises software and cloud-based SaaS platforms, enabling efficient invoice generation and management.

Revenue recognition for on-premises software and cloud-based SaaS platforms adheres to the same principles as those applicable to cross-border enterprise intelligent finance and tax management solutions above.

Cross-border enterprises risk management and compliance solutions

The Group provides a multi-functional and all-scenario services integrating customs, tax, invoicing, and certificate of origin management with risk analysis performed through proprietary software.

The Group provides customers risk assessment reports and the customers pay usage-based fees at a fixed rate. The Group considers the performance obligation to be satisfied at a point in time upon acceptance of the reports by the customers.

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligation, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent). The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

In this case, the Group takes the control the specified hardware or software provided by another party before that hardware or software is transferred to the customer. The Group is primarily responsible for fulfilling the promise to provide the specified hardware or software and has inventory risk. The Group also has discretion in establishing the price for the specified good or service. Therefore, the Group considers itself is a principal satisfies a performance obligation and recognises revenue in the gross amount of consideration to which it expects to be entitled in exchange for the specified good or service transferred.

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(iii) Transaction price allocated to the remaining performance obligation for contracts with customer

Unsatisfied performance obligations

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Unsatisfied performance obligations	53,861	48,685	59,910

Management expects that the transaction price allocated to the Group’s remaining unsatisfied performance obligations will be recognised as revenue as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within one year	41,273	27,719	34,694
More than one year but not more than two years .	7,415	12,561	14,465
More than two years	5,173	8,405	10,751
	53,861	48,685	59,910

7. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (“CODM”), who is also identified as the chief executive officer of the Group, in order to allocate resources to segments and to assess their performance. During the Track Record Period, the CODM assesses the operating performance and allocates the resources of the Group as a whole. Therefore, the CODM considers the Group only has one operating segment.

The CODM reviews the overall results and financial position of the Group as a whole prepared based on the same accounting policies as set out in Note 4 and no further analysis of the single segment is presented.

Entity-wide disclosures

Geographical information

No geographical analysis is provided as the Group’s revenue from external customers is derived solely from its operation in the PRC and all non-current assets of the Group are located in the PRC.

Information about major customers

During the Track Record Period, revenue from a customer of the corresponding periods contributing over 10% of the total revenue of the Group is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Customer A	*	26,275	24,072
	=		

* The corresponding revenue contributed to the total revenue of the Group was less than 10% during the corresponding years.

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8. OTHER INCOME

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Tax refund (<i>note i</i>)	7,505	5,011	6,569
Government grants related to income (<i>Note ii</i>) . .	695	490	266
Interest income on bank deposits.	1,729	4,373	2,082
Others	133	40	45
	<u>10,062</u>	<u>9,914</u>	<u>8,962</u>

Notes:

- i According to the “Notice on Value-Added Tax Policies for Software Products” (Cai Shui [2011] No. 100) issued by the Ministry of Finance and the State Taxation Administration of the PRC, for general taxpayers of value-added tax selling software products they have independently developed and produced, after levying value-added tax at a rate of 17%, the portion of the actual tax burden exceeding 3% will be refunded immediately upon collection.
- ii The amount represents unconditional government grants received from local government in connection with the operating activities of the Group during the Track Record Period.

9. OTHER GAINS AND LOSSES

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Gain on fair value changes on financial assets at FVTPL	903	190	729
Gain on disposal of equipment	–	53	–
Others	(64)	51	(57)
	<u>839</u>	<u>294</u>	<u>672</u>

10. FINANCE COSTS

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Interest on lease liabilities.	130	74	26
Interest on bank loans	–	–	126
	<u>130</u>	<u>74</u>	<u>152</u>

11. INCOME TAX EXPENSE

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current tax	5,255	3,722	4,545
Deferred tax	437	(228)	(387)
	<u>5,692</u>	<u>3,494</u>	<u>4,158</u>

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Under the Law of the People’s Republic of China on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the statutory tax rate of the Company and its PRC subsidiaries is 25% during the Track Record Period.

The Company has been accredited as a “High and New Technical Enterprise” (“HNTE”) by the Science and Technology Bureau of Jiangsu and relevant authorities in 2021 and renewed their HNTE in 2024 for a term of three years to 2026. In accordance with the “Notice of the State Tax Bureau of the Ministry of Finance Regarding Certain Preferential Treatment Policies on Enterprise Income Tax”, HNTE is subject to income tax at a tax rate of 15%.

Pursuant to the tax incentive policy issued by the Ministry of Finance and the State Taxation Administration in April 2012, enterprises recognised as nationally encouraged key software enterprises are eligible for a five-year exemption from income tax since the first profitable year, followed by a reduced tax rate of 10%. The Company achieved profitability since 2013. The Company was officially recognised as a nationally encouraged key software enterprise and benefited from a preferential income tax rate of 10% during the Track Record Period.

Pursuant to the relevant laws and regulations in the PRC, the Company enjoyed a super deduction of 100% on qualified research and development expenditures for the years ended December 31, 2023, 2024 and 2025.

The income tax expenses during the Track Record Period can be reconciled to the profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Profit before tax	158,214	51,092	61,647
Tax at the PRC EIT rate of 25%	39,554	12,773	15,412
Tax effect of expenses not deductible for tax purpose	2,365	2,660	1,886
Tax effect of income not taxable for tax purpose	(21,688)	–	–
Effect of additional tax deduction for research and development expenses	(7,553)	(8,114)	(8,209)
Tax effect of tax losses not recognised	1,355	1,633	999
Utilisation of tax losses previously not recognised	(16)	(153)	(90)
Tax effect of deductible temporary differences not recognised	212	(65)	229
Income tax at concessionary rate	(8,537)	(5,240)	(6,069)
Income tax expenses	<u>5,692</u>	<u>3,494</u>	<u>4,158</u>

As at December 31, 2023, 2024 and 2025, the unused tax losses were approximately RMB27,920,000, RMB29,538,000 and RMB25,687,000 available for offset against future profits respectively. During the year ended December 31, 2023, 2024 and 2025, the unused tax losses with approximately nil, RMB4,304,000 and RMB7,489,000 were expired respectively. No deferred tax asset has been recognised in respect of unused tax losses due to the unpredictability of future profit stream of the subsidiaries.

The unused tax losses will expire as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
2024	4,304	–	–
2025	7,489	7,489	–
2026	7,647	7,108	7,108
2027	3,062	2,989	2,629
2028	5,418	5,418	5,418
2029	–	6,534	6,534
2030	–	–	3,998
	<u>27,920</u>	<u>29,538</u>	<u>25,687</u>

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12. PROFIT BEFORE TAX

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Profit before tax has been arrived at after charging:			
Depreciation of equipment	410	303	287
Depreciation of right-of-use assets	2,935	2,804	1,056
Amortisation of intangible assets	2,636	2,586	2,584
Total depreciation and amortisation	5,981	5,693	3,927
Auditor’s remunerations	208	149	97
[REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Directors’ and supervisor’s remuneration (<i>Note 13</i>)	2,353	3,114	2,594
Other staff costs:			
Salaries and other benefits	50,619	52,084	54,862
Discretionary bonus	3,684	6,579	6,680
Retirement benefit scheme contributions	2,910	3,392	3,783
Total staff costs	59,566	65,169	67,919
Staff costs	29,009	31,324	32,387
Service fees	286	333	82
Depreciation of right-of-use assets	719	723	–
Rental fees	–	–	721
Others	2,294	2,081	2,302
Total research and development costs recognised as an expense	32,308	34,461	35,492
Cost of inventories recognised as cost of revenue	11,896	37,119	20,364

13. DIRECTORS’, SUPERVISOR’S AND CHIEF EXECUTIVE OFFICER’S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

Details of the emoluments paid or payable by the entities comprising the Group to the directors, supervisor and chief executive officer of the Company (including emolument for services as employee/directors of the group entities prior to becoming the directors and supervisors of the Company) during the Track Record Period are as follows:

	Date of appointment	Salaries and other benefits	Retirement benefit scheme contributions	Performance-related bonus	Total
		RMB'000	RMB'000	RMB'000	RMB'000
For the year ended December 31, 2023					
Executive directors:					
Xin Ying Mei	November 22, 2012	–	–	–	–
Yan Wei Xing	December 18, 2020	492	16	200	708
Zhang Liu Song	December 18, 2020	438	16	150	604
Qiu Bin	November 26, 2024	314	16	75	405
Ye Fei	October 10, 2025	331	16	50	397
Non-executive directors:					
Lu Yin	January 29, 2021	–	–	–	–
Shi Xin	September 22, 2021	–	–	–	–
Supervisor:					
Yang Yan	December 18, 2020	207	14	18	239
Total		1,782	78	493	2,353

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	<u>Date of appointment</u>	<u>Salaries and other benefits</u>	<u>Retirement benefit scheme contributions</u>	<u>Performance-related bonus</u>	<u>Total</u>
		<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
For the year ended December 31, 2024					
<i>Executive directors:</i>					
Xin Ying Mei	November 22, 2012	900	–	–	900
Yan Wei Xing	December 18, 2020 (Resigned on November 26, 2024)	467	27	–	494
Zhang Liu Song	December 18, 2020	438	16	150	604
Qiu Bin	November 26, 2024	359	16	100	475
Ye Fei	October 10, 2025	332	16	50	398
<i>Non-executive directors:</i>					
Lu Yin	January 29, 2021	–	–	–	–
Shi Xin	September 22, 2021	–	–	–	–
<i>Supervisor:</i>					
Yang Yan	December 18, 2020	208	14	21	243
Total.		<u>2,704</u>	<u>89</u>	<u>321</u>	<u>3,114</u>
For the year ended December 31, 2025					
<i>Executive directors:</i>					
Xin Ying Mei	November 22, 2012	960	–	–	960
Zhang Liu Song	December 18, 2020	438	16	126	580
Qiu Bin	November 26, 2024 (Resigned on October 10, 2025)	363	13	90	466
Ye Fei	October 10, 2025	346	16	90	452
<i>Non-executive directors:</i>					
Lu Yin	January 29, 2021	–	–	–	–
Shi Xin	September 22, 2021	–	–	–	–
<i>Supervisor:</i>					
Yang Yan	December 18, 2020 (Resigned on June 30, 2025)	104	7	25	136
Total.		<u>2,211</u>	<u>52</u>	<u>331</u>	<u>2,594</u>

The executive directors’ and chief executive officer emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group during the Track Record Period.

The supervisor’s emoluments were for her service as supervisor of the Company during the Track Record Period.

Five Highest Paid Employees

The five highest paid employees of the Group during the years ended December 31, 2023, 2024 and 2025 included 2, 3 and 3 directors, respectively, details of whose remuneration are set out above. Details of the remuneration of the remaining 3, 2 and 2 highest paid employees, respectively, for the years ended December 31, 2023, 2024 and 2025 are as follows:

	Year ended December 31,		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Salaries and other benefits	1,562	1,096	1,014
Retirement benefit scheme contributions	36	30	46
Performance-related bonuses	150	130	92
	<u>1,748</u>	<u>1,256</u>	<u>1,152</u>

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Performance-related bonus is determined based on their duties and responsibilities of the relevant individuals within the Group and the Group’s performance.

The numbers of the five individuals (including directors of the Company) are within the following bands:

	Year ended December 31,		
	2023	2024	2025
	<i>No. of employees</i>	<i>No. of employees</i>	<i>No. of employees</i>
Nil to HK\$1,000,000	5	4	4
HK\$1,000,001 to HK\$1,500,000	—	1	1
Total	5	5	5
	=	=	=

During the Track Record Period, no emoluments were paid by the Group to any of the directors, supervisors nor the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors and supervisors of the Company has waived or agreed to waive any emoluments during the Track Record Period.

14. DIVIDENDS

	Year ended December 31,		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Dividends to shareholders of the Company:			
Ordinary shareholders	—	107,190	—
Shareholders with special rights	—	20,018	—
	—	127,208	—
	=	=	=

A final dividend of nil, RMB0.64 and nil per share totaling nil, RMB127,208,000 and nil was declared to the shareholders of the Company in respect of the years ended December 31, 2023, 2024 and 2025, respectively. The full amount declared in respect of the year ended December 31, 2024, was paid during the next year.

As set out in Note 31, upon approval by the shareholders’ general meeting held on June 30, 2025, the Company was converted from a limited liability company into a joint stock company with limited liability. The Company converted net assets value of RMB40,817,000 on January 31, 2025 into 25,000,000 ordinary shares with a par value of RMB1 each. Pursuant to the resolutions of the Shareholders dated October 10, 2025, the ordinary shares will be [REDACTED] immediately prior to the [REDACTED], and the nominal value of the ordinary shares will be changed from RMB1 each to RMB[REDACTED] each. Immediately after the [REDACTED], the registered share capital of the Company will be RMB[REDACTED] with [REDACTED] shares in a nominal value of RMB[REDACTED] each. The number of shares used in the calculation of dividend per share is adjusted retrospectively for the Company’s conversion into a joint stock company and [REDACTED], as if 200,000,000 shares were in issue as at the beginning of the Track Record Period.

15. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Year ended December 31,		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Earnings (RMB’000):			
Profit for the year attributable to owners of the Company for basic earnings per share	152,917	47,448	57,489
Effect of diluted potential ordinary shares:			
Adjustment to fair value change of financial liabilities at FVTPL (net of income tax)	(86,753)	788	—

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	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Earnings for the purpose of diluted earnings per share	66,164	48,236	57,489
Number of shares ('000)			
Weighted average number of ordinary shares for the purpose of basic earnings per share . . .	168,526	169,623	200,000
Effect of diluted potential ordinary shares:			
Financial liabilities at FVTPL	23,977	46,016	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	192,503	215,639	200,000

The Group has had shareholders with special rights during the Track Record Period, and their interests are recorded as financial liabilities at FVTPL in Note 29. These interests are not treated as outstanding shares and thus are excluded in the calculation of basic earnings per share until the special rights were legally terminated on December 20, 2024.

As set out in Note 31, upon approval by the shareholders’ general meeting held on June 30, 2025, the Company was converted from a limited liability company into a joint stock company with limited liability. The Company converted net assets value of RMB40,817,000 on January 31, 2025 into 25,000,000 ordinary shares with a par value of RMB1 each. Pursuant to the resolutions of the Shareholders dated October 10, 2025, the ordinary shares will be [REDACTED] immediately prior to the [REDACTED], and the nominal value of the ordinary shares will be changed from RMB1 each to RMB[REDACTED] each. Immediately after the [REDACTED], the registered share capital of the Company will be RMB[REDACTED] with [REDACTED] shares in a nominal value of RMB[REDACTED] each. For the purpose of determining basic and diluted earnings per share, the number of shares in issue before the Company’s conversion into a joint stock limited liability company and [REDACTED], were deemed to be the weighted average number of ordinary shares as if the above conversion had occurred on January 1, 2023, at the conversion ratio according to the resolutions of the shareholders on June 30, 2025 and October 10, 2025.

For calculation of diluted earnings per share of the Group for the years ended December 31, 2023 and 2024, the dilutive impact from the shareholdings with special rights have been taken into consideration. As the special rights were legally terminated on December 20, 2024, no diluted earnings per share were presented for the year ended December 31, 2025.

16. EQUIPMENT

The Group

	Transportation equipment	Machinery and equipment	Office equipment and furniture	Total
	RMB'000	RMB'000	RMB'000	RMB'000
COST				
As at January 1, 2023	510	1,662	51	2,223
Additions	–	43	24	67
As at December 31, 2023	510	1,705	75	2,290
Additions	516	219	9	744
Disposals	(257)	–	(2)	(259)
As at December 31, 2024	769	1,924	82	2,775
Additions	–	281	7	288
As at December 31, 2025	769	2,205	89	3,063

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	Transportation equipment	Machinery and equipment	Office equipment and furniture	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
DEPRECIATION				
As at January 1, 2023	411	1,039	17	1,467
Provided for the year	70	331	9	410
As at December 31, 2023	481	1,370	26	1,877
Provided for the year	85	204	14	303
Eliminated on disposals	(244)	–	(1)	(245)
As at December 31, 2024	322	1,574	39	1,935
Provided for the year	123	150	14	287
As at December 31, 2025	445	1,724	53	2,222
CARRYING VALUES				
As at December 31, 2023	29	335	49	413
As at December 31, 2024	447	350	43	840
As at December 31, 2025	324	481	36	841

The Company

	Transportation equipment	Machinery and equipment	Office equipment and furniture	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
COST				
As at January 1, 2023	320	1,629	45	1,994
Additions	–	33	19	52
As at December 31, 2023	320	1,662	64	2,046
Additions	516	219	9	744
Disposals	(257)	–	–	(257)
As at December 31, 2024	579	1,881	73	2,533
Additions	–	278	7	285
As at December 31, 2025	579	2,159	80	2,818
DEPRECIATION				
As at January 1, 2023	270	1,029	16	1,315
Provided for the year	34	320	7	361
As at December 31, 2023	304	1,349	23	1,676
Provided for the year	82	193	11	286
Eliminated on disposals	(244)	–	–	(244)
As at December 31, 2024	142	1,542	34	1,718
Provided for the year	123	142	13	278
As at December 31, 2025	265	1,684	47	1,996
CARRYING VALUES				
As at December 31, 2023	16	313	41	370
As at December 31, 2024	437	339	39	815
As at December 31, 2025	314	475	33	822

The above items of equipment, is depreciated on a straight-line basis, after taking into account of the residual values, over the following periods:

Transportation equipment	4 years
Machinery and equipment	3-5 years
Office equipment and furniture	5 years

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17. RIGHT-OF-USE ASSETS

The Group

	Office premises
	<i>RMB'000</i>
COST	
As at January 1, 2023	7,607
Additions	1,399
Expiration of leases	<u>(1,477)</u>
As at December 31, 2023	7,529
Additions	1,525
Expiration of leases	<u>(6,884)</u>
As at December 31, 2024	2,170
Additions	769
Expiration of leases	<u>(1,214)</u>
As at December 31, 2025	<u>1,725</u>
DEPRECIATION	
As at January 1, 2023	3,894
Charge for the year	2,935
Expiration of leases	<u>(1,477)</u>
As at December 31, 2023	5,352
Charge for the year	2,804
Expiration of leases	<u>(6,884)</u>
As at December 31, 2024	1,272
Charge for the year	1,056
Expiration of leases	<u>(1,214)</u>
As at December 31, 2025	<u>1,114</u>
CARRYING VALUES	
As at December 31, 2023	<u>2,177</u>
As at December 31, 2024	<u>898</u>
As at December 31, 2025	<u>611</u>

	Year ended December 31,		
	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Expense relating to short-term leases	133	52	1,915
Total cash outflow for leases	<u>2,773</u>	<u>3,470</u>	<u>2,963</u>

The Company

	Office premises
	<i>RMB'000</i>
COST	
As at January 1, 2023	7,197
Additions	1,399
Expiration of leases	<u>(1,477)</u>

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	Office premises
	<i>RMB’000</i>
As at December 31, 2023	7,119
Additions	1,467
Expiration of leases	<u>(6,712)</u>
As at December 31, 2024	1,874
Additions	769
Expiration of leases	<u>(977)</u>
As at December 31, 2025	<u>1,666</u>
DEPRECIATION	
As at January 1, 2023	3,743
Charge for the year	2,818
Expiration of leases	<u>(1,477)</u>
As at December 31, 2023	5,084
Charge for the year	2,673
Expiration of leases	<u>(6,712)</u>
As at December 31, 2024	1,045
Charge for the year	992
Expiration of leases	<u>(977)</u>
As at December 31, 2025	<u>1,060</u>
CARRYING VALUES	
As at December 31, 2023	<u>2,035</u>
As at December 31, 2024	<u>829</u>
As at December 31, 2025	<u>606</u>

The Group and the Company regularly entered into short-term leases for office premises. As at December 31, 2023, 2024 and 2025, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

During the Track Record Period, the Group and the Company leases various properties for its operations. Lease contracts are entered into for fixed term of 24 months to 60 months. Lease terms are negotiated on an individual basis and contain different terms and conditions. There were no extension or termination options in the lease contracts. In determining the lease term and assessing the length of the non-cancellable period, the Group and the Company applies the definition of a contract and determines the period for which the contract is enforceable.

Restrictions or covenants on leases

In addition, lease liabilities of RMB2,542,000, RMB723,000 and RMB470,000 are recognised with related right-of-use assets of RMB2,177,000, RMB898,000 and RMB611,000 as at December 31, 2023, 2024 and 2025, respectively. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Details of the lease maturity analysis of lease liabilities are set out in Notes 27 and 33.

18. INVESTMENTS IN SUBSIDIARIES

The Company

	As at December 31,		
	2023	2024	2025
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Cost of investment	<u>14,096</u>	<u>14,575</u>	<u>14,575</u>

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19. INTANGIBLE ASSETS

The Group

	Software
	<i>RMB'000</i>
COST	
As at December 31, 2022 and 2023	47,593
Additions	22
As at December 31, 2024	47,615
Additions	9
As at December 31, 2025	47,624
AMORTISATION	
As at January 1, 2023	31,240
Provided for the year	2,636
As at December 31, 2023	33,876
Provided for the year	2,586
As at December 31, 2024	36,462
Provided for the year	2,584
As at December 31, 2025	39,046
CARRYING VALUES	
As at December 31, 2023	13,717
As at December 31, 2024	11,153
As at December 31, 2025	8,578

The Company

	Software
	<i>RMB'000</i>
COST	
As at December 31, 2022 and 2023	21,893
Additions	22
As at December 31, 2024	21,915
Additions	9
As at December 31, 2025	21,924
AMORTISATION	
As at January 1, 2023	21,817
Provided for the year	66
As at December 31, 2023	21,883
Provided for the year	15
As at December 31, 2024	21,898
Provided for the year	15
As at December 31, 2025	21,913
CARRYING VALUES	
As at December 31, 2023	10
As at December 31, 2024	17
As at December 31, 2025	11

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

Software	2-10 years

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20. INVENTORIES

	The Group			The Company		
	As at December 31,			As at December 31,		
	2023	2024	2025	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Goods available for sale	1,136	927	–	18	–	–
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

21. TRADE AND OTHER RECEIVABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade receivables	21,821	16,003	54,697
Less: allowance for ECL	(842)	(1,108)	(1,977)
	<u>20,979</u>	<u>14,895</u>	<u>52,720</u>
Value-added-tax (“VAT”) refund	1,275	1,612	4,174
Advance to staff	999	517	238
Prepayments	488	416	363
Deposits	297	353	240
Deferred issue costs	–	–	6,397
Prepayment for [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Others	138	134	316
	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade receivables	19,801	14,207	54,056
Less: allowance for ECL	(780)	(1,088)	(1,967)
	<u>19,021</u>	<u>13,119</u>	<u>52,089</u>
VAT refund	1,275	1,609	4,174
Advance to staff	997	421	230
Prepayments	453	414	358
Deposits	283	300	192
Deferred issue costs	–	–	6,397
Prepayment for [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Others	130	134	286
	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>

As at January 1, 2023, the Group’s and the Company’s trade receivables from contracts with customers amounting to RMB12,691,000 and RMB12,136,000 (net of ECL allowance of RMB430,000 and RMB389,000), respectively.

The Group and the Company has a policy of allowing a credit period of up to 90 days for customers whereas longer credit terms are allowed to certain selected customers with good credit histories, subject to a maximum duration of 180 days.

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The following is an aging analysis of the Group’s trade receivables, net of allowance for ECL, presented based on revenue recognition date at the end of each reporting period:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
0-30 days	15,443	8,412	32,975
31-90 days	2,013	2,715	8,994
91-180 days	1,918	1,666	4,518
181 days to 1 year	960	1,163	4,862
Over 1 year	645	939	1,371
	<u>20,979</u>	<u>14,895</u>	<u>52,720</u>

The following is an aging analysis of the Company’s trade receivables, net of allowance for ECL, presented based on revenue recognition date at the end of each reporting period:

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
0-30 days	13,610	7,794	32,803
31-90 days	1,942	1,790	8,684
91-180 days	1,918	1,610	4,388
181 days to 1 year	959	987	4,846
Over 1 year	592	938	1,368
	<u>19,021</u>	<u>13,119</u>	<u>52,089</u>

The Group and the Company does not hold any collateral over these balances.

As at December 31, 2023, 2024 and 2025, included in the Group’s trade receivables balance are debtors with aggregate carrying amount of RMB3,523,000, RMB3,768,000 and RMB10,751,000, respectively, which are past due as at the reporting date. Out of the past due balances, RMB1,605,000, RMB2,102,000 and RMB6,233,000 has been past due 90 days or more and is not considered as in default considering the historical and expected subsequent repayment from the trade debtors.

As at December 31, 2023, 2024 and 2025, included in the Company’s trade receivables balance are debtors with aggregate carrying amount of RMB3,469,000, RMB3,535,000 and RMB10,602,000 respectively which are past due as at the reporting date. Out of the past due balances, RMB1,551,000, RMB1,925,000 and RMB6,214,000 has been past due 90 days or more and is not considered as in default considering the historical and expected subsequent repayment from the trade debtors. Details of the assessment on the provision of ECL of trade and other receivables are set out in Note 33.

22. AMOUNTS DUE FROM SUBSIDIARIES/AMOUNT(S) DUE TO A RELATED PARTY/SUBSIDIARIES

The Group and the Company

Amount due to a related party

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Nanjing Este Real Estate Co., Ltd.* (南京艾斯特置業有限公司)	<u>235</u>	<u>—</u>	<u>1,330</u>

* English name is for identification purpose.

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The amount was related to accrued property management expense and rental expenses.

The following is an aged analysis of the trade nature amount due to a related party, presented based on the invoice date, at the end of each reporting period:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
0-30 days	235	—	1,330
	<u>235</u>	<u>—</u>	<u>1,330</u>

The Company

Amounts due from subsidiaries

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
<i>Non-trade nature</i>			
Jiangsu Skytech Zumoo Co., Limited* (江蘇擎天助貿科技有限公司)	25,700	25,700	5,135
Shandong Skytech Qishuitong Computer Software Co., Ltd.* (山東擎天企稅通計算機軟件有限公司)	—	—	1,703
<i>Trade nature</i>			
Shandong Skytech Qishuitong Computer Software Co., Ltd.* (山東擎天企稅通計算機軟 件有限公司)	1,218	101	—
	<u>26,918</u>	<u>25,801</u>	<u>6,838</u>

The following is an aged analysis of trade nature amounts due from a subsidiary, presented based on the revenue recognition date at the end of each reporting period.

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
0-30 days	492	101	—
Over 1 year	726	—	—
	<u>1,218</u>	<u>101</u>	<u>—</u>
	<u>1,218</u>	<u>101</u>	<u>—</u>

Amounts due to subsidiaries

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
<i>Trade-related</i>			
Jiangsu Skytech Zumoo Co., Limited* (“江蘇擎天助貿科技有限公司”)	3,500	490	2,750

* English name is for identification purpose.

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	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Shandong Skytech Qishuitong Computer Software Co., Ltd.* (山東擎天企稅通計算機軟件有限公司)	–	–	2,536
Guangzhou Skytech Qishuitong Computer Software Co., Ltd. * (廣州擎天企稅通計算機軟件有限公司)	–	–	821
	<u>3,500</u>	<u>490</u>	<u>6,107</u>

The following is an aged analysis of the trade nature amounts due to subsidiaries, presented based on the invoice date, at the end of each reporting period:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
0 – 90 days	–	490	6,107
Over 1 year	<u>3,500</u>	<u>–</u>	<u>–</u>
	<u>3,500</u>	<u>490</u>	<u>6,107</u>

23. CASH AND CASH EQUIVALENTS/RESTRICTED BANK DEPOSITS/TERM DEPOSITS

The Group and the Company

Cash and cash equivalents comprise demand deposits held by the Group and the Company. Bank balances of the Group and the Company carry interests at market rates which was from 0.05% to 0.80%, 0.05% to 0.10% and 0.05% to 0.10% per annum as at December 31, 2023, 2024 and 2025, respectively.

The Group’s and the Company’s restricted bank deposits carry interests at market rates which was 0.10% as at December 31, 2024 and 2025.

As at December 31, 2023, 2024 and 2025, the Group’s and the Company’s term deposits carry interests at market rates ranged from 3.30% to 3.55%, 3.30% to 3.55% and at 3.30% per annum, respectively.

Details of impairment assessment of bank balances, restricted bank deposits and term deposits are set out in Note 33.

24. FINANCIAL ASSETS AT FVTPL

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Unlisted financial products (note)	<u>450</u>	<u>25,367</u>	<u>37,775</u>

The Company

	At December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Unlisted financial products (note)	<u>–</u>	<u>23,867</u>	<u>35,975</u>

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Note: Unlisted financial products investments are managed by banks in the PRC to invest principally in certain financial assets including bonds, trusts or cash funds in accordance with the entrusted agreements entered into between the parties involved.

25. TRADE AND OTHER PAYABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade payables	7,454	2,529	34
Accrued payroll and welfares	8,796	10,092	11,403
Other tax payables	2,914	3,377	5,569
Other payables	165	120	194
Dividend payables	–	127,208	–
Accrued [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Accrued deferred issue costs	–	–	2,699
	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Trade payables	7,445	2,529	34
Accrued payroll and welfares	8,049	9,155	10,551
Other tax payables	2,784	3,286	5,278
Other payables	165	112	189
Dividend payables	–	127,208	–
Accrued [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]
Accrued deferred issue costs	–	–	2,699
	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>

The credit period on purchase of goods and services of the Group and the Company is up to 90 days.

The following is an aging analysis of the Group’s trade payables presented based on the date of purchase dates at the end of each year:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
0 - 90 days	7,445	2,529	34
181 - 365 days	9	–	–
	<u>7,454</u>	<u>2,529</u>	<u>34</u>

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The following is an aging analysis of the Company’s trade payables presented based on the date of purchase dates at the end of each year:

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
0-90 days	7,445	2,529	34

26. CONTRACT LIABILITIES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current	34,150	13,804	17,307
Non-current	10,602	10,320	11,906
	44,752	24,124	29,213

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Current	33,927	13,738	16,963
Non-current	10,536	10,237	11,784
	44,463	23,975	28,747

Contract liabilities related to the Group’s service periods that extend beyond one year are classified as non-current, while all other contract liabilities are recognised as current.

As at January 1, 2023, the Group’s and the Company’s balance of contract liabilities amounted to RMB56,258,000 and RMB55,999,000, respectively.

Contract liabilities of the Group and the Company arise from the non-refundable advance payments made by customers while the underlying goods or services are yet to be provided.

The contract liabilities of the Group as at January 1, 2023, 2024 and 2025, amounted to RMB40,941,000, RMB34,150,000, and RMB13,804,000 were recognised as revenue during the years ended December 31, 2023, 2024 and 2025, respectively.

The contract liabilities of the Company as at January 1, 2023, 2024 and 2025, amounted to RMB40,717,000, RMB33,927,000, and RMB13,738,000 were recognised as revenue during the years ended December 31, 2023, 2024 and 2025, respectively.

During the years ended December 31, 2023, 2024 and 2025, there were no revenue recognised that related to performance obligations that were satisfied in prior years.

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27. LEASE LIABILITIES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Lease liabilities payable:			
Within one year	2,427	447	410
Within a period of more than one year but not exceeding two years	115	276	60
	2,542	723	470
Less: Amount due for settlement within 12 months shown under current liabilities . . .	(2,427)	(447)	(410)
Amount due for settlement after 12 months shown under non-current liabilities	115	276	60

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Lease liabilities payable:			
Within one year	2,332	428	410
Within a period of more than one year but not exceeding two years	94	276	60
	2,426	704	470
Less: Amount due for settlement within 12 months shown under current liabilities . . .	(2,332)	(428)	(410)
Amount due for settlement after 12 months shown under non-current liabilities	94	276	60

The weighted average incremental borrowing rates applied to the Group’s lease liabilities are 4.63%, 4.54% and 3.50% per annum for the years ended December 31, 2023, 2024 and 2025, respectively.

28. DEFERRED TAX

The following is the analysis of the deferred tax balances for financial reporting presentation purposes:

The Group and The Company

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Deferred tax liabilities	2,302	2,074	1,687

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The following are the deferred tax liabilities recognised and the movement thereon during the years:

	Tax refund
	<i>RMB’000</i>
At January 1, 2023	1,865
Credit to profit or loss	437
At December 31, 2023	2,302
Charge to profit or loss	(228)
At December 31, 2024	2,074
Charge to profit or loss	(387)
At December 31, 2025	1,687

Deferred tax liabilities are calculated at the tax rates that are expected to apply to the period when the liability is settled, based on tax rates and tax laws that have been enacted at the end of the reporting period. As set out in Note 11, the Company has recognised the deferred tax liability at income tax rate of 10%.

Under the “Notice of the Ministry of Finance and the State Administration of Taxation on Value-Added Tax Policies for Software Products” [Cai Shui (2011) No.100], VAT refund received by the entities from the sale of self-developed software products are classified as non-taxable income and may be subtracted from total revenue in the calculation of taxable income. The VAT refund is restricted to expenditures related to product research and development or the acquisition of assets, and shall not be eligible for tax deduction in future periods. Any portion remaining unused over a five-year period will be subject to additional tax adjustments.

29. FINANCIAL LIABILITIES AT FVTPL

Shareholders with special rights

The founding shareholders of the Company, Nanjing Qingtian Venture Capital Partnership Enterprise (Limited Partnership)* (南京擎天創業投資合夥企業(有限合夥)) and Ms. Xin Ying Mei (together, the “Founding Shareholders”), entered into several share transfer agreements (collectively, the “Agreements”) with independent investors in 2021 (the “Investors”), pursuant to which the Founding Shareholders transferred certain equity interests of the Company to the Investors as follows:

	Date of transfer	Transferred amount of registered capital	Subscription price per registered capital	Total Subscription price
		<i>RMB</i>	<i>RMB</i>	<i>RMB’000</i>
Nanjing CICC Qihong Investment Fund Partnership (Limited Partnership)* (南 京中金啟泓投資基金合夥企業(有限 合夥)) (“CICC Qihong”)	January 27, 2021	588,598.99	169.89	100,000
Zhangjiagang Shenzhen Investment Holdings SEG Hechuang Equity Investment Partnership (Limited Partnership)* (張家港深投控賽格合創 股權投資合夥企業(有限合夥)) (“Zhangjiagang SIH”)	June 30, 2021	117,719.80	169.89	20,000
Guozhong Private Equity Investment Fund (Xi’an) Partnership (Limited Partnership)* (國中私募股權投資基金 (西安)合夥企業(有限合夥)) (“Guozhong Fund”)	September 17, 2021	582,713.00	169.89	99,000

* English name is for identification purpose.

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	Date of transfer	Transferred amount of registered capital	Subscription price per registered capital	Total Subscription price
		RMB	RMB	RMB'000
Nanjing Tietou Jushi Hub Economic and Industrial Investment Fund Partnership (Limited Partnership)* (南京鐵投巨石樞紐經濟產業投資基金合夥企業(有限合夥)) (“Tietou Jushi Fund”)	October 17, 2021	235,439.59	169.89	40,000
Huafu Growth Investment Co., Ltd.* (華福成長投資有限公司) (“Huafu Growth”)	October 17, 2021	176,579.70	169.89	30,000
Rudong Jushi Changfa Intelligent Manufacturing Investment Partnership (Limited Partnership)* (如東巨石長發智能製造投資合夥企業(有限合夥)) (“Rudong Jushi”)	October 26, 2021	58,859.90	169.89	10,000
Total		<u>1,759,910.98</u>		<u>299,000</u>

The Agreements were entered in 2021 and granted the following special rights to the Investors.

(a) Redemption rights

The Investors have the right to require the Company and the Founding Shareholders jointly or separately to redeem the shares held by the Investors upon the occurrence of certain contingent events, mainly including: (i) the Company has not completed a qualified initial public offering within five years after the investment date, or (ii) the Founding Shareholders in breach of the contractual covenants, including the control and ownership continuity, the Founding Shareholders’ and the Company’s financial integrity and legal compliance requirement.

The redemption price shall be the higher of: (i) the value of the equity based on the net assets of the Company attributable on the Investors on the redemption date; or (ii) the original investment from the Investors plus a yield at 8% per annum, less dividends received by the Investors.

(b) Liquidation preference

In the event of any liquidation, dissolution or winding up of the Company, the Investors shall be entitled to receive the liquidation preference amount, prior and in preference to any distribution of any of the assets or surplus funds of the Company to the holders of ordinary shares. The liquidation price shall be including: (i) the original investment from the Investors plus a yield at 8% per annum, less dividends received by the Investors (the “priority liquidation amount”); and (ii) the remaining distributable assets after the payment of the priority liquidation amount shall distribute in accordance with the share ratios to Investors.

(c) Anti-dilution rights

If the Company issues new shares at a price lower than the price paid by the Investors on a per registered capital basis, the Investors have a right to require the Company to issue new paid-in capital at the lowest price allowed by the law to the Investors.

Termination of the special rights

On December 20, 2024, the Founding Shareholders, the Company and the Investors entered into a supplemental agreement to terminate the obligations of the Company for the special rights, and the obligations of the Founding Shareholders for the special rights will be temporarily terminated upon the submission of listing application to the Stock Exchange until the earlier of (1) the Company withdraws the said application; (2) the Company fails the hearing with the Listing Committee of the Stock

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Exchange within 18 months since the submission of listing application to the Stock Exchange; (3) the application is not accepted or declined by the Stock Exchange; or (4) the Company was unable to complete the public offering within one month of receiving the approval of the application from the Stock Exchange.

The Group designated these shares with special rights as financial liabilities at FVTPL on initial recognition and revalued prior to the termination of the special rights with fair value changes recognised in “fair value changes of financial liabilities at FVTPL” in profit or loss.

The fair value of the abovementioned financial liabilities were assessed by the management of the Group with reference to an independent valuation varied out by Jinzheng (Shanghai) Assets Valuation Co., Ltd.* (金證(上海)資產評估有限公司) with registered address of Room 1303-1, No. 2539, Chengliu Middle Road, Jiading District, Shanghai, PRC, which has appropriate qualifications and experiences in valuation of similar instruments.

The Company used the guideline public company model (“GCM Model”) to determine the underlying equity value of the Company as at December 31, 2023, and performed an equity allocation based on a hybrid method to arrive at the fair value of the financial liabilities as at December 31, 2023. Key valuation assumptions used to determine the fair value of financial liabilities at FVTPL as at December 31, 2023 is as follows.

	As at December 31,
	2023
Risk-free interest rate	2.29%
Discount for lack of marketability (the “DLOM”).	19.61%
Probability under liquidation scenario	20%
Probability under redemption scenario	40%
Probability under listing scenario	40%
Volatility	55.18%

Volatility was determined by reference to the comparable companies in the industry.

The movements of the Group’s and the Company’s financial liabilities at FVTPL are set out below:

	Financial liabilities at FVTPL
	RMB’000
As at January 1, 2023	404,983
Changes in fair value	(86,753)
As at December 31, 2023	318,230
Changes in fair value	788
Dividend paid	(20,018)
Termination of special rights	(299,000)
As at December 31, 2024 and 2025	—

* English name is for identification purpose.

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30. BORROWINGS

The Group

	As at December 31,
	2025
	RMB’000
Bank borrowings	10,003
Secured and unguaranteed (<i>note i</i>)	10,003

Note i: During the year ended December 31, 2025, the Group newly obtained a bank loan amounting to RMB10,000,000, which was pledged by the Group’s several trademarks that have not been recognised as intangible assets

The carrying amounts of the above other borrowings are analysed based on contractual repayment date as follows:

	As at December 31,
	2025
	RMB’000
Carrying amount repayable: (based on scheduled payment terms)	
Within one year	10,003

The loan carries interest at fixed interest rates of 1.5% per annum and is repayable within one year.

31. PAID-IN/SHARE CAPITAL

Upon approval by the shareholders’ general meeting held on June 30, 2025, the Company converted into a joint stock company with limited liability. The balance as at January 1, 2023, December 31, 2023 and 2024 and January 1, 2025 represented the paid-in capital of the Company prior to the conversion of the Company. Share capital as at December 31, 2025 represented the issued share capital of the Company. The summary of movements in the Company’s paid-in capital and share capital are set out as below:

	Paid-in Capital
	RMB’000
Issued and fully paid	
As at January 1, 2023 and December 31, 2023 and 2024	11,183

	Number of shares	Share Capital
	’000	RMB’000
Ordinary shares of RMB1 each		
Authorised and issued and fully paid		
At January 1, 2025	N/A	N/A
Issue of ordinary shares upon conversion into a joint stock company (<i>note</i>)	25,000	25,000
As at December 31, 2025	25,000	25,000

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Note: Upon approval by the shareholders’ general meeting held on June 30, 2025, the Company was converted from a limited liability company into a joint stock company with 25,000,000 ordinary shares of RMB1 per share.

32. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group’s overall strategy remains unchanged throughout the Track Record Period.

The capital structure of the Group consists of net asset balance, which includes cash and cash equivalents, restricted bank deposits, term deposits, lease liabilities, financial liabilities at FVTPL, and equity of the Group, comprising issued share/paid-in capital, accumulated losses/retain profits, other reserves and non-controlling interests.

The management of the Group regularly reviews the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debts and redemption of existing debts.

33. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The Group

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Financial assets			
Amortised cost	154,704	154,378	91,708
FVTPL	450	25,367	37,775
	<u>155,154</u>	<u>179,745</u>	<u>129,483</u>
Financial liabilities			
Amortised cost	7,854	129,857	11,561
FVTPL	318,230	–	–
	<u>326,084</u>	<u>129,857</u>	<u>11,561</u>

The Company

	As at December 31,		
	2023	2024	2025
	RMB’000	RMB’000	RMB’000
Financial assets			
Amortised cost	167,331	165,701	95,610
FVTPL	–	23,867	35,975
	<u>167,331</u>	<u>189,568</u>	<u>131,585</u>
Financial liabilities			
Amortised cost	11,345	130,339	7,660
FVTPL	318,230	–	–
	<u>329,575</u>	<u>130,339</u>	<u>7,660</u>

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(b) Financial risk management objectives and policies

The Group’s and the Company’s major financial instruments include trade and other receivables, financial assets at FVTPL, cash and cash equivalents, restricted bank deposits, term deposits, trade and other payables, amounts due from/to subsidiaries/a related party, borrowings and financial liabilities at FVTPL. Details of these financial instruments are disclosed in respective notes.

The risks associated with these financial instruments include market risk (interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below.

The Directors manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

The Group’s activities expose it primarily to interest rate risk. There has been no change in the Group’s exposure to the risk or the manner in which it manages and measures the risk.

Interest rate risk

The Group and the Company are exposed to fair value interest rate risk in relation to restricted bank deposits, term deposits, borrowings and lease liabilities. The Group’s and the Company’s cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances. The Directors consider that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant, therefore no sensitivity analysis on such risk has been prepared.

Credit risk and impairment assessment

Credit risk refers to the risk that the Group’s and the Company’s counterparties default on their contractual obligations resulting in financial losses to the Group and the Company. The Group’s and the Company’s credit risk exposures are primarily attributable to its trade and other receivables, cash and cash equivalents, restricted bank deposits and term deposits.

The Group’s and the Company’s carrying amount of the respective recognised financial assets as stated in the consolidated statements of financial position at the end of each reporting period represent the Group’s and the Company’s maximum exposure to credit risk without taking into account any collateral or other credit enhancement, which will cause a financial loss to the Group and the Company due to failure to discharge the obligation by counterparties.

Cash and cash equivalents, other receivables and term deposit are determined to have low credit risk at the end of each year because the counterparties are reputable and the risk of inability to pay or redeem at the due date is low.

In order to minimize the credit risk with customers, the management of the Group has delegated its finance team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of trade receivables at the end of each reporting period to ensure that adequate impairment losses allowance are made for irrecoverable amounts.

For trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The ECL on trade receivables are assessed collectively, based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forward-looking information that is available without undue cost or effort at the end of each reporting period.

RMB10,388,000, RMB4,524,000 and RMB17,960,000 of the trade receivables was due from the five largest debtors, representing 49.52%, 30.37% and 34.07% of total trade receivables as at December 31, 2023, 2024 and 2025, respectively.

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The tables below detail the credit risk exposures of the Group’s and the Company’s financial assets which are subject to ECL assessment:

The Group

			Gross carrying amount		
	Internal credit rating	12-month or lifetime ECL	31/12/2023	31/12/2024	31/12/2025
			RMB’000	RMB’000	RMB’000
Financial assets at amortised cost					
Term deposits	Low risk	12m ECL	85,402	131,428	32,604
Cash and cash equivalents	Low risk	12m ECL	46,889	6,975	5,514
Restricted bank deposits	Low risk	12m ECL	–	76	76
Other receivables	Low risk	12m ECL	1,434	1,004	794
Trade receivables	<i>note i</i>	Lifetime ECL (not credit-impaired)	21,821	16,003	54,697

The Company

			Gross carrying amount		
	Internal credit rating	12-month or lifetime ECL	31/12/2023	31/12/2024	31/12/2025
			RMB’000	RMB’000	RMB’000
Financial assets at amortised cost					
Term deposits	Low risk	12m ECL	74,885	120,565	32,604
Cash and cash equivalents	Low risk	12m ECL	45,097	5,285	3,295
Restricted bank deposits	Low risk	12m ECL	–	76	76
Amounts due from subsidiaries	Low risk	12m ECL	26,918	25,801	6,838
Other receivables	Low risk	12m ECL	1,410	855	708
Trade receivables	<i>note i</i>	Lifetime ECL (not credit-impaired)	19,801	14,207	54,056

Note i: For trade receivables, the Group and the Company has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group and the Company determines the ECL on these items on a collective basis by aging, based on their historical credit loss experience according to the past due status adjusted, as appropriate, to reflect current conditions and estimates of future economic conditions.

Provision matrix — Debtors’ aging

As part of the Group’s and the Company’s credit risk management, the Group and the Company use debtors’ aging to assess the impairment for its customers because these customers with common risk characteristics that are representative of the customers’ abilities to pay all amounts due in accordance with the contractual terms. The following table provides information about the exposure to credit risk for trade receivables which are assessed on a collective basis by using provision matrix within lifetime ECL.

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The Group

	Average loss rate	31/12/2023		31/12/2024		31/12/2025	
		Gross amount of trade receivables	ECL amount	Gross amount of trade receivables	ECL amount	Gross amount of trade receivables	ECL amount
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
0-90 days	0.5%	17,543	87	11,182	55	42,179	210
91-180 days	3%	1,977	59	1,718	52	4,658	140
181-1 year	5%	1,011	51	1,224	61	5,118	256
Over 1 year	50%	1,290	645	1,879	940	2,742	1,371
		<u>21,821</u>	<u>842</u>	<u>16,003</u>	<u>1,108</u>	<u>54,697</u>	<u>1,977</u>

The Company

	Average loss rate	31/12/2023		31/12/2024		31/12/2025	
		Gross amount of trade receivables	ECL amount	Gross amount of trade receivables	ECL amount	Gross amount of trade receivables	ECL amount
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
0-90 days	0.5%	15,630	78	9,632	48	41,695	208
91-180 days	3%	1,977	59	1,660	50	4,524	136
181-1 year	5%	1,010	51	1,039	52	5,101	255
Over 1 year	50%	1,184	592	1,876	938	2,736	1,368
		<u>19,801</u>	<u>780</u>	<u>14,207</u>	<u>1,088</u>	<u>54,056</u>	<u>1,967</u>

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach using provision matrix:

The Group

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Beginning balance	430	842	1,108
Loss allowance recognised, net	<u>412</u>	<u>266</u>	<u>869</u>
Closing balance	<u>842</u>	<u>1,108</u>	<u>1,977</u>

The Company

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Beginning balance	389	780	1,088
Loss allowance recognised, net	<u>391</u>	<u>308</u>	<u>879</u>
Closing balance	<u>780</u>	<u>1,088</u>	<u>1,967</u>

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Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group’s and the Company’s operations and mitigate the effects of fluctuations in cash flows. The Group and the Company regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

The following table details the Group’s and the Company’s remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. The table includes both interest and principal cash flows.

The Group

	Weighted average effective interest rate	Less than 3 months	3 months to 1 year	Over 1 year	Undiscounted cash flow Total	Carrying amount
		RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
At December 31, 2023						
Trade and other payables	–	7,619	–	–	7,619	7,619
Amount due to a related party.	–	235	–	–	235	235
Financial liabilities at FVTPL	8.00%	340,947	–	–	340,947	318,230
Lease liabilities	4.63%	1,013	1,617	653	3,283	2,542
		<u>349,814</u>	<u>1,617</u>	<u>653</u>	<u>352,084</u>	<u>328,626</u>
At December 31, 2024						
Trade and other payables	–	129,857	–	–	129,857	129,857
Lease liabilities	4.54%	171	277	298	746	723
		<u>130,028</u>	<u>277</u>	<u>298</u>	<u>130,603</u>	<u>130,580</u>
At December 31, 2025						
Trade and other payables	–	228	–	–	228	228
Amount due to a related party.	–	1,330	–	–	1,330	1,330
Borrowings	1.50%	10,028	–	–	10,028	10,003
Lease liabilities	3.50%	89	331	62	482	470
		<u>11,675</u>	<u>331</u>	<u>62</u>	<u>12,068</u>	<u>12,031</u>

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The Company

	Weighted average effective interest rate	Less than 3 months	3 months to 1 year	Over 1 year	Undiscounted cash flow Total	Carrying amount
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2023						
Trade and other payables	–	7,610	–	–	7,610	7,610
Amount due to a subsidiary	–	–	–	3,500	3,500	3,500
Amount due to a related party.	–	235	–	–	235	235
Financial liabilities at FVTPL	8.00%	340,947	–	–	340,947	318,230
Lease liabilities	4.63%	992	1,552	653	3,197	2,426
		<u>349,784</u>	<u>1,552</u>	<u>4,153</u>	<u>355,489</u>	<u>332,001</u>
At December 31, 2024						
Trade and other payables	–	129,849	–	–	129,849	129,849
Amount due to a subsidiary	–	490	–	–	490	490
Lease liabilities	4.54%	152	277	298	727	704
		<u>130,491</u>	<u>277</u>	<u>298</u>	<u>131,066</u>	<u>131,043</u>
At December 31, 2025						
Trade and other payables	–	223	–	–	223	223
Amounts due to subsidiaries	–	6,107	–	–	6,107	6,107
Amount due to a related party.	–	1,330	–	–	1,330	1,330
Lease liabilities	3.50%	89	331	62	482	470
		<u>7,749</u>	<u>331</u>	<u>62</u>	<u>8,142</u>	<u>8,130</u>

(c) Fair value measurements of financial instruments

The management of the Group have closely monitored and determined the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of financial instruments, the Group and the Company use market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Group and the Company engage third party qualified valuers to perform the valuation and works closely with the qualified valuer to establish the appropriate valuation techniques and inputs to the model.

(i) Fair value of the Group’s financial assets that are measured at fair value on a recurring basis

The financial liabilities at FVTPL held by the Group and the Company measured through fair value in the Historical Financial Information are disclosed in Note 29.

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The following table gives information about how the fair values of these financial liabilities are determined.

	Fair value as at			Fair value hierarchy	Valuation technique and key input	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	31/12/2023	31/12/2024	31/12/2025				
	RMB'000	RMB'000	RMB'000				
Financial assets at FVTPL . . .	450	25,367	37,775	Level 2	Net asset value as published by licensed financial institutions	N/A	N/A
Financial liabilities at FVTPL . . .	318,230	–	–	Level 3	GCM Model is estimated based on prices at which stocks of comparable companies trading in a public market	DLOM	The higher the DLOM, the lower the fair value (<i>Note</i>)

Note: A 1% increase or decrease in DLOM holding all other variables keep constant would decrease or increase the carrying amount of the financial liabilities at FVTPL as at December 31, 2023 by RMB2,045,000.

There were no transfers between level 1 and level 2 during the Track Record Period.

(ii) Reconciliation of Level 3 fair value measurements

The only financial liability measured at fair value on Level 3 fair value measurement represents the financial liabilities at FVTPL. Changes in fair value, which are recognised in profit or loss, and relevant changes arising from dividend payment, are disclosed in Note 29 during the Track Record Period.

(iii) Fair value of financial assets and financial liabilities that are not measured at fair value

The directors of the Company consider that the carrying amount of the Group’s and the Company’s financial assets and financial liabilities recorded at amortised cost in the Historical Financial Information approximate to their fair values.

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group’s liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statements of cash flows as cash flows from financing activities.

	Lease liabilities	Dividend payables	Financial liabilities at FVTPL	Borrowings	Accrual of deferred issue costs	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2023	3,653	–	404,983	–	–	408,636
Financing cash flows	(2,640)	–	–	–	–	(2,640)
<i>Non-cash change:</i>						
Finance costs . .	130	–	–	–	–	130
New lease entered	1,399	–	–	–	–	1,399
Net fair value changes of financial liabilities at FVTPL	–	–	(86,753)	–	–	(86,753)

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	Lease liabilities	Dividend payables	Financial liabilities at FVTPL	Borrowings	Accrual of deferred issue costs	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2023 . . .	2,542	—	318,230	—	—	320,772
Financing cash flows	(3,418)	—	—	—	—	(3,418)
<i>Non-cash change:</i>						
Finance costs . .	74	—	—	—	—	74
Dividends declared . . .	—	127,208	(20,018)	—	—	107,190
New lease entered	1,525	—	—	—	—	1,525
Cancellation of obligations of special rights of shareholders	—	—	(299,000)	—	—	(299,000)
Net fair value changes of financial liabilities at FVTPL	—	—	788	—	—	788
As at December 31, 2024 . . .	723	127,208	—	—	—	127,931
Financing cash flows	(1,048)	(127,208)	—	9,877	(3,698)	(122,077)
<i>Non-cash change:</i>						
Finance costs . .	26	—	—	126	—	152
New lease entered	769	—	—	—	—	769
Deferred issue costs	—	—	—	—	6,397	6,397
As at December 31, 2025 . . .	470	—	—	10,003	2,699	13,172

35. RELATED PARTY TRANSACTIONS

(a) Names and relationships with the related parties

The following companies are the related parties of the Group that had material transactions with the Group during the Track Record Period.

Name of the related parties	Relationship with the Group
Nanjing Este Real Estate Co., Ltd.* (“南京艾斯特置業有限公司”) (“Este”)	Controlled by the ultimate controlling person of the Company
Nanjing Skytech Co., Ltd.* (“南京擎天科技有限公 司”) (“Nanjing Skytech”)	Controlled by the ultimate controlling person of the Company

* English name is for identification purpose.

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(b) Transactions with the related parties

The Group have the following material transactions with the related parties:

Purchase of term deposits

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Este	10,451	—	—
Nanjing Skytech	—	41,809	—
	<u>10,451</u>	<u>41,809</u>	<u>—</u>

In the opinion of the directors of the Company, all term deposits purchases were executed directly through a bank at the prevailing market rates.

Rental expenses

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Este	<u>1,639</u>	<u>1,639</u>	<u>1,639</u>

Property management fee

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Este	<u>885</u>	<u>885</u>	<u>885</u>

In the opinion of the directors of the Company, the related parties transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

(c) Compensation of key management personnel

The remuneration of Directors and other members of key management personnel during the Track Record Period was as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Salaries and other benefits.	3,089	3,439	3,255
Performance-related bonuses	560	480	615
Retirement benefit scheme contributions	<u>105</u>	<u>136</u>	<u>133</u>
	<u>3,754</u>	<u>4,055</u>	<u>4,003</u>

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36. RETIREMENT BENEFIT PLANS

The employees of the Group in PRC are members of a state-managed retirement benefit plan operated by the PRC government. The Group is required to contribute a specified percentage of payroll costs as determined by respective local government authorities to the retirement benefit plan to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions under the plan. The retirement benefits cost charged to profit or loss for the years ended December 31, 2023, 2024 and 2025 amounted to RMB2,988,000, RMB3,481,000, and RMB3,835,000, respectively.

37. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

At the date of this report, the Company has direct equity interests in the following subsidiaries:

Name of subsidiary	Place of incorporation and operations	Date of establishment	Paid-in capital	Equity interest/voting rights attributable to the Company			At the date of this report	Principal activities
				As at December 31,				
				2023	2024	2025		
			RMB'000					
Jiangsu Skytech Zumoo Co., Ltd.* (江蘇擎天助貿科技有限公司)	Jiangsu, the PRC	July 26, 2018	11,110	100%	100%	100%	[100%]	Research and development of software; Sales of software
Shandong Skytech Qishuitong Computer Software Co., Ltd.* (山東擎天企稅通計算機軟件有限公司).	Shandong, the PRC	May 12, 2021	3,500	57.14%	100% (note i)	100%	[100%]	Sales of software
Guangzhou Skytech Qishuitong Computer Software Co., Ltd.* (廣州擎天企稅通計算機軟件有限公司).	Guangzhou, the PRC	October 21, 2021	1,700	88.24%	100% (note ii)	100%	[100%]	Sales of software

Note i: On December 23, 2024, the Company and Chaotuo Enterprise Management (Jinan) Co., Ltd. entered into a share transfer agreement, pursuant to which the Company acquired 42.86% equity interests in Shandong Skytech Qishuitong Computer Software Co., Ltd. with a cash consideration of RMB250,000. The Group’s interests in the subsidiary increased from 57.14% to 100% accordingly upon the completion of the transaction. The increase of the Group’s equity interests in the subsidiary did not result in the change of the Group’s control over the subsidiary and is accordingly accounted for as an equity transaction. The difference between the consideration of RMB250,000 and the amount of non-controlling interests of RMB450,000 at the transaction date, was credited to the capital reserve.

Note ii: On September 18, 2024, the Company and Gong Chao, Su Jian Jun entered into a share transfer agreement, pursuant to which the Company acquired 11.76% equity interests in Guangzhou Skytech Qishuitong Computer Software Co., Ltd. with a cash consideration of RMB229,000. The Group’s interest in Guangzhou Skytech Qishuitong Computer Software Co., Ltd. increased from 88.24% to 100% accordingly upon the completion of the transaction. The increase of the Group’s equity interests in the subsidiary did not result in the change of the Group’s control over the subsidiary and is accordingly accounted for as an equity transaction. The difference between the consideration of RMB229,000 and the amount of non-controlling interests of RMB150,000, was debited to the capital reserve.

* English name is for identification purpose.

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No statutory financial statements have been prepared for all of the subsidiaries for the years ended December 31, 2023, 2024 and 2025.

38. STATEMENT OF RESERVES OF THE COMPANY

	Capital reserves	Other reserves	Statutory reserves	(Accumulated losses)/retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2023	13,513	(299,000)	5,592	(91,012)	(370,907)
Profit and total comprehensive income for the year	—	—	—	155,639	155,639
As at December 31, 2023	13,513	(299,000)	5,592	64,627	(215,268)
Profit and total comprehensive income for the year	—	—	—	51,050	51,050
Dividends recognised as distribution (<i>Note 14</i>)	—	—	—	(107,190)	(107,190)
Cancellation of obligations of special rights of shareholders	—	299,000	—	—	299,000
As at December 31, 2024	13,513	—	5,592	8,487	27,592
Profit and total comprehensive income for the year	—	—	—	58,239	58,239
Conversion into a joint stock company	2,304	—	(5,592)	(10,529)	(13,817)
Transferred to statutory reserves	—	—	5,824	(5,824)	—
As at December 31, 2025	15,817	—	5,824	50,373	72,014

39. SUBSEQUENT EVENTS

There are no other material subsequent events undertaken by the Group after December 31, 2025 and up to the date of issuance of this Historical Financial Information.

40. SUBSEQUENT FINANCIAL STATEMENTS

[No audited financial statements of the Group, the Company or any of the subsidiaries have been prepared in respect of any period subsequent to December 31, 2025 and up to the date of this report.]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX III

SUMMARY OF KEY LEGAL AND REGULATORY REQUIREMENTS IN CHINA

This appendix summarizes certain aspects of PRC laws and regulations relevant to the Company’s operations and business. This appendix also contains a summary of the PRC Company Law and other relevant legal and regulatory provisions. The primary purpose of this summary is to provide potential [REDACTED] with an overview of the principal legal and regulatory provisions applicable to the Company. This summary is not intended to contain all of the information that is important to potential [REDACTED]. For the discussion of the laws and regulations relevant to our business, please refer to the “Regulatory Overview” section of the Document.

I. THE LEGAL SYSTEM OF CHINA

The PRC legal system is based on the Constitution of the People’s Republic of China 《中華人民共和國憲法》 (the “**Constitution**”) and is made up of written laws, administrative regulations, local regulations, autonomous regulations, individual regulations, departmental regulations of the State Council, local government regulations, laws of special administrative regions, and international treaties to which the Chinese Government is a signatory and other normative documents. Court precedents do not constitute legally binding examples, but they can be used as judicial references and guidelines.

According to the Constitution and the Legislation Law of the People’s Republic of China 《中華人民共和國立法法》 (the “**Legislation Law**”), the National People’s Congress (NPC) and the Standing Committee of the NPC (NPCSC) are authorized to exercise the legislative power of the State. The NPC has the power to enact and amend basic laws governing civil and criminal matters, state organs and other matters. The NPCSC is empowered to enact and amend laws other than those required to be enacted by the NPC and to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments shall not be in conflict with the basic principles of such laws.

The State Council is the highest administrative organ of the State and is authorized to enact administrative regulations in accordance with the Constitution and laws.

The people’s congresses of each province, autonomous region and municipality directly under the Central Government, and their respective standing committees, may enact local regulations in the light of the specific circumstances and practical needs of their respective administrative regions, provided that such local laws and regulations shall comply with the provisions of the Constitution, the laws and administrative regulations. The people’s congresses of cities with districts and their respective standing committees may, in accordance with the specific conditions and actual needs of the city, enact local regulations on matters relating to urban and rural construction and management, environmental protection, and the protection of historical and cultural heritage, provided that they do not conflict with the Constitution, the laws, the administrative regulations and the local regulations of the province or autonomous region. If the law stipulates otherwise regarding the matters of formulating local regulations by the cities with subordinate districts, such provisions shall prevail. Local laws and regulations of cities with districts shall be submitted to the Standing Committee of

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the People’s Congress of the province or autonomous region for approval before they come into force. The Standing Committee of the People’s Congress of a province or autonomous region shall examine the legality of a local regulation submitted for approval and issue an approval within four months if it does not conflict with the Constitution, laws, administrative regulations and local regulations of the province or autonomous region. The standing committee of the people’s congress of a province or autonomous region shall make a decision on how to deal with a local regulation of a city with a regional district that it finds to be in conflict with a regulation of the people’s government of the province or autonomous region when it examines the local regulation of the city that has been submitted for approval. The people’s congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in light of the political, economic and cultural characteristics of the nationality (nationalities) in the areas concerned.

The ministries and commissions of the State Council, the People’s Bank of China, the National Audit Office of the People’s Republic of China and the agencies directly under the State Council with administrative functions may formulate regulations within the jurisdictional areas of their respective departments in accordance with laws and administrative regulations and the decisions and orders of the State Council. The provisions of departmental regulations shall fall within the scope of matters relating to the implementation of laws and administrative regulations and the decisions and orders of the State Council. The people’s governments of provinces, autonomous regions, municipalities directly under the Central Government, and cities and autonomous prefectures that have set up districts may formulate regulations in accordance with the laws, administrative regulations and local regulations of the provinces, autonomous regions and municipalities directly under the central government concerned.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of local regulations is greater than that of the rules of the local governments at and below the corresponding level. The authority of the rules enacted by the people’s governments of the provinces or autonomous regions is greater than that of the rules enacted by the people’s governments of the cities with subordinate districts or autonomous prefectures within the administrative areas of the provinces and the autonomous regions.

The NPC has the power to alter or annul any inappropriate laws enacted by its Standing Committee, and to annul any autonomous regulations or separate regulations which have been approved by its Standing Committee but contravene the Constitution or the Legislation Law. The Standing Committee of the NPC has the power to annul any administrative regulations that contravene the Constitution and laws, to annul any local regulations that contravene the Constitution, laws or administrative regulations, and to annul any autonomous regulations or local regulations approved by the standing committees of the people’s congresses of the relevant provinces, autonomous regions or municipalities directly under the Central

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Government but contravene the Constitution and the Legislation Law. The State Council has the power to alter or annul any inappropriate departmental rules and rules of local governments. The people’s congresses of provinces, autonomous regions or municipalities directly under the Central Government have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees. The people’s governments of provinces or autonomous regions have the power to alter or annul any inappropriate rules enacted by the people’s governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the Standing Committee of the NPC. Pursuant to the Decision of the Standing Committee of the NPC Regarding the Strengthening of Interpretation of Laws 《全國人民代表大會常務委員會關於加強法律解釋工作的決議》 adopted on June 10, 1981, where the boundaries of the law need to be further clarified or supplementary provisions are made, the Standing Committee of the National People’s Congress shall provide explanations or make regulations. Issues related to the application of the law in court trials shall be explained by the Supreme People’s Court. Issues related to the application of the law in the work of procuratorial organs shall be explained by the Supreme People’s Procuratorate. If there is a difference in principle between the interpretations of the Supreme People’s Court and the Supreme People’s Procuratorate, the interpretations shall be reported to the Standing Committee of the National People’s Congress for interpretation or decision. Other legal issues that are not part of the trial and prosecution work shall be interpreted by the State Council and the competent authorities. The State Council and its ministries and commissions are also vested with the power to give interpretation of the administrative regulations and department rules which they have promulgated. At the local level, the right to interpret local laws is vested in the local legislative and executive bodies that enacted the laws in question.

II. THE JUDICIAL SYSTEM OF CHINA

Under the Constitution and the Organic Law of the People’s Courts of the People’s Republic of China 《中華人民共和國人民法院組織法》 amended on October 26, 2018, the PRC judicial system is made up of the Supreme People’s Court, the local people’s courts, and other special people’s courts.

The local people’s courts are comprised of the primary people’s courts, the intermediate people’s courts and the higher people’s courts. The higher people’s courts supervise the primary and intermediate people’s courts. The people’s procuratorates also have the right to exercise legal supervision over the civil proceedings of people’s courts of the same level and lower levels. The Supreme People’s Court is the highest judicial body in the PRC. It supervises the adjudication work of the people’s courts at all levels.

The People’s Courts adopt the two-tier trial system, which means that the judgment or ruling of the People’s Court of second instance is final. The parties may appeal against the first instance judgment or decision of the local people’s court. The people’s procuratorate may, in accordance with the procedures prescribed by law, lodge a protest with the people’s court at a

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higher level. If the parties concerned have not filed any appeals and the People’s Procuratorate has not filed any protest within the stipulated period of time, the judgment or ruling of the people’s court shall be final. Second-instance judgments or rulings rendered by the Intermediate People’s Court, the Higher People’s Court and the Supreme People’s Court are final. The first instance judgment or ruling of the Supreme People’s Court is also final. However, if the Supreme People’s Court finds errors in the judgments, rulings and conciliations of the people’s courts at all levels that have become legally effective, or the people’s courts at higher level find in the judgments, rulings and conciliations of the people’s courts at lower levels that have become legally effective, they shall have the right to bring them to trial or to direct the people’s courts at lower levels to retry them. Where the presidents of the people’s courts at all levels find errors in the judgments, rulings and conciliations of their courts that have entered into legal force and believe that they need to be retried, they shall submit them to the trial committees of the people’s courts at their respective levels for discussion and decision.

The Civil Procedure Law of the People’s Republic of China 《中華人民共和國民事訴訟法》 (the “**PRC Civil Procedure Law**”), which was adopted on April 9, 1991 and amended in 2007, 2012, 2017, 2021 and 2023, provides for the conditions for filing a civil lawsuit, the jurisdiction of the People’s Courts, the procedures for civil lawsuits, and the procedures for enforcing civil judgments or decisions. All parties involved in civil litigation within China must abide by the PRC Civil Procedure Law. Civil cases are generally heard in the court where the defendant is domiciled. All parties to a contract may, by express agreement, choose the court of jurisdiction for civil litigation, provided that such court of jurisdiction shall be the court of jurisdiction of the place of residence of the plaintiff or the defendant, the place of conclusion or performance of the contract, or the place where the object of the action is located, etc., which has a substantial connection with the dispute. However, such choices shall in no case violate the provisions of hierarchical and exclusive jurisdiction.

Foreign individuals, stateless persons, foreign enterprises or foreign organizations shall enjoy the same litigation rights and obligations as Chinese citizens or legal persons. Where a foreign court restricts the civil litigation rights of citizens, legal persons and other organizations of the People’s Republic of China, the people’s courts of the People’s Republic of China shall apply the principle of reciprocity to the civil litigation rights of the citizens, enterprises and organizations of that country. Where foreigners, stateless persons, foreign enterprises and organizations lodge or respond to a lawsuit in a people’s court and need to appoint a lawyer to represent them in the litigation, they must appoint a lawyer from the People’s Republic of China. In accordance with international treaties concluded by the People’s Republic of China or to which it has acceded, or in accordance with the principle of reciprocity, the People’s Courts of China and the courts of foreign States may, at each other’s request, act on behalf of each other in the service of documents, the investigation and collection of evidence, and the conduct of other acts of litigation. Where a foreign court’s request for assistance is detrimental to the sovereignty, security or public interests of the People’s Republic of China, the Chinese people’s courts shall not carry it out.

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Civil judgments and rulings that have the force of law shall be fulfilled by the parties concerned. If either party to a civil action refuses to comply with a judgment or ruling issued by a people’s court or an award issued by a Chinese arbitral tribunal, the other party may, within two years, apply to a people’s court for the enforcement of the relevant judgment or ruling, but may apply for an extension of time for enforcement or for its annulment. If, within the prescribed period of time, the party has not complied with the judgment for which the court has issued leave to enforce, the court may enforce the judgment on the application of the other party.

If one party applies against another party for the enforcement of a judgment or ruling issued by a people’s court, and the party against whom the application is made or whose assets are located outside China, the party making the application may apply for the recognition and enforcement of the judgment or ruling to a foreign court having jurisdiction over the case. A foreign judgment or ruling may also be recognized and enforced by the people’s court according to PRC enforcement procedures if the PRC has entered into or acceded to an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court’s examination according to the principle of reciprocity, unless the people’s court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the PRC, its sovereignty or security or against social and public interest.

III. COMPANY LAW, ADMINISTRATIVE MEASURES FOR DOMESTIC LISTING, AND GUIDELINES FOR THE ARTICLES OF ASSOCIATION OF LISTED COMPANIES

A joint stock limited company incorporated in the PRC and seeking a listing on the Hong Kong Stock Exchange is mainly subject to the following laws and regulations in the PRC:

The Company Law of the People’s Republic of China 《中華人民共和國公司法》 (the “**Company Law**”), which was adopted by the Fifth Session of the Standing Committee of the Eighth National People’s Congress on December 29, 1993, became effective as of July 1, 1994, and was amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023. The latest amendments to the Company Law came into effect on July 1, 2024.

The Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises 《境內企業境外發行證券和上市管理試行辦法》 (the “**Administrative Measures for Overseas Listing**”) and its five interpretative guidelines, which were promulgated by the CSRC on February 17, 2023, came into effect on March 31, 2023, and are applicable to direct and indirect offshore share subscription and listing of domestic companies.

Pursuant to the Administrative Measures for Overseas Listing and its interpretative guidelines, a domestic company that directly issues and lists overseas shall formulate its articles of association in accordance with the Guidelines for the Articles of Association of Listed

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Companies 《上市公司章程指引》, in order to replace the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas 《到境外上市公司章程必備條款》, which were no longer applicable as of March 31, 2023. The Guidelines on Articles of Association of Listed Companies were promulgated by the CSRC on December 16, 1997 and last revised on March 28, 2025.

The main elements of the above provisions are summarized below:

1. General Provisions

A joint stock limited company is an enterprise legal person incorporated in China in accordance with the Company Law, whose registered capital is divided into shares. The company is liable for its debts with all the assets it owns, and the shareholders are liable to the Company to the extent of the shares they have subscribed for. In engaging in business activities, the Company shall abide by laws and regulations, social morality and business ethics, be honest and trustworthy, and accept the supervision of the government and the public.

2. Incorporation

A joint stock limited company may be established either by promotion or public share offer. In order to establish a joint stock limited company, there shall be no fewer than one but no more than two hundred sponsors, a majority of whom shall be domiciled in the territory of the People’s Republic of China.

If a company limited by shares is established by way of promotion, the sponsors shall subscribe to the full amount of shares to be issued upon the establishment of the Company as stipulated in the articles of association. In the case of establishing a joint stock limited company by public share offer, the shares subscribed for by the sponsors shall be not less than 35% of the total shares to be issued upon the Company’s establishment. Where laws and administrative regulations stipulate otherwise, such stipulations shall apply.

The sponsors of a joint stock limited company established by public share offer shall convene an inaugural meeting of the Company within 30 days from the date on which the shares to be issued upon the establishment of the Company have been fully paid up. The sponsors shall notify the subscribers of the date of the meeting or make an announcement 15 days prior to the date of the inaugural meeting. The inaugural meeting shall be held in the presence of a majority of the subscribers holding voting rights. The board of directors shall authorize a representative to apply for registration of the establishment with the Company registration authority within 30 days after the conclusion of the inaugural meeting.

The company is formally established and acquires legal person status after the business license has been issued by the relevant registration authority. The date of issuance of the Company’s business license is the date of incorporation.

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3. Share Capital

According to the Company Law, shareholders may make capital contributions in cash, or in kind, intellectual property rights, land use rights, equity or debentures, and other non-monetary property that can be valued in money and can be transferred in accordance with the law. According to the Administrative Measures for Overseas Listing, domestic enterprises listing abroad may raise funds and distribute dividends in foreign exchange or RMB.

Pursuant to the Administrative Measures for Overseas Listing, shareholders of unlisted domestic shares of a domestic company that is directly listed in an overseas offering and applies to convert those shares into shares listed and traded on an overseas trading venue should comply with the relevant regulations issued by the CSRC and authorize the domestic company to file a record with the CSRC on their behalf. Domestic unlisted shares as mentioned in the above paragraph refer to shares issued by domestic enterprises but yet listed or traded on domestic stock exchanges. Domestic unlisted shares shall be registered and deposited with domestic securities registration and clearing institutions. The registration and settlement arrangements for shares listed overseas shall be carried out according to the regulations of the place of overseas listing.

A joint stock company shall prepare a register of shareholders and keep it available at the Company. The register of shareholders shall contain the following particulars: (1) the name or names and domicile of the shareholders; (2) the type of shares subscribed to by each shareholder and the number of shares; (3) the number of the share certificate, if the share certificate is issued in paper form; and (4) the date on which each shareholder acquired the shares.

A joint stock company shall keep its articles of incorporation, register of shareholders, minutes of the General Meeting, minutes of the board meeting, minutes of meeting of supervisory committee, financial and accounting reports, and a register of bondholders.

4. Offering of Shares

All shares issued by a joint stock company should follow the principles of equality and fairness. The same class of shares must carry equal rights. Shares of the same class under the same offering must be issued on the same terms and at the same price. A joint stock company can issue its shares at par value or at a premium, but it must not issue shares at a price lower than the par value. Shares with par value issued by the Company shall be registered shares. After the Company has raised the required funds by issuing shares, an announcement should be made.

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Domestic enterprises issuing and listing overseas shall file with the CSRC in accordance with the provisions of the Administrative Measures for Overseas Listing, submitting the filing report, legal opinion and other relevant information, and truly, accurately and completely describing the shareholders’ information and other circumstances. Where a domestic enterprise directly issues shares and then lists them overseas, the issuer shall file with the CSRC. Where a domestic enterprise is indirectly listed overseas, the issuer shall designate the main domestic business entity as the domestic responsible person and file a report with the CSRC.

5. Increase of Share Capital

According to the Companies Law, the issuance of new shares by a joint stock company shall be resolved by the General Meeting as to the type and number of new shares, the issue price of the new shares, the commencement and termination dates of the issuance of the new shares, and the type and number of new shares to be issued to the existing shareholders (if any). In the case of the issuance of shares without par value, the proceeds from the issuance of new shares shall be credited to the registered capital. In addition, if the Company intends to make a public offering of shares, it shall be registered by the securities regulatory authority under the State Council and announce the document.

6. Reduction of Share Capital

The company shall reduce its registered capital in accordance with the following procedures stipulated in the Company Law: (1) the Company shall prepare a balance sheet and a list of property; (2) the Company shall make a resolution on the reduction of registered capital at the General Meeting; (3) the Company shall notify the creditors of the resolution on the reduction of registered capital within 10 days of the date on which the resolution on the reduction of registered capital is made by the General Meeting, and shall make an announcement on the newspapers or on the national enterprise credit information disclosure system within 30 days of the date of the resolution; (4) the creditors shall be entitled to demand the Company to liquidate its debts or provide corresponding guarantees within 30 days of the date of the notification or within 45 days of the date of announcement if no notice is received; and (5) the Company shall apply for registration of changes with the Company registration authority.

If the Company reduces its registered capital, it shall reduce the amount of capital contribution or shares according to the proportion of shareholders’ capital contribution or shareholding, unless otherwise provided by law, agreed by all shareholders of the limited liability company, or stipulated in the articles of association of the joint stock limited company.

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7. Repurchase of Shares

According to the Company Law, the Company shall not repurchase its own shares except in the following circumstances: (1) to reduce the registered capital of the Company; (2) to merge with other companies holding the Company’s shares; (3) to use the shares for employee stock ownership plan or equity incentives; (4) to request the Company to acquire the shares of the shareholders due to their dissenting views on the resolution of the General Meeting on the Company’s merger or division; (5) to use the shares for the conversion of corporate bonds issued by the Company that are convertible into shares; and (6) necessary for the listed company to safeguard the value of the Company and shareholders’ rights and interests.

The acquisition of the Company’s shares by the Company under the circumstances stipulated in item (1) or (2) above shall be resolved by the General Meeting; the acquisition of the Company’s shares by the Company under the circumstances stipulated in item (3), (5) or (6) above may be resolved by the Board meeting attended by more than two-thirds of the Directors in accordance with the Articles of Association or the authorization of the General Meeting.

The shares repurchased by the Company in accordance with paragraph 1 of this section shall be processed in the following ways: for the circumstance in item (1), such shares shall be canceled in 10 days after the date of repurchase; for the circumstance in item (2) or (4), such shares shall be transferred or canceled in 6 months; for the circumstance in item (3), (5) or (6), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled in three years.

If a listed company purchases its own shares, it shall perform its obligation of information disclosure in accordance with the Securities Law of the People’s Republic of China. If the listed company intends to repurchase its own shares in the situations prescribed in item (3), (5) or (6) of paragraph 1 of this section, the repurchase shall be conducted through public and centralized trading.

The company shall not accept its own shares as collateral.

8. Transfer of Shares

Shares held by shareholders are legally transferable.

Pursuant to the Company Law, transfer of shares by shareholders shall be carried out at a legally established securities exchange or in other ways stipulated by the State Council. Transfer of registered shares must be made by means of an endorsement by shareholders or by other means stipulated by laws or administrative regulations. After the transfer of shares, the Company shall record the name and domicile of the transferee in the register of Shareholders. Alteration registration for the register of shareholders referred to in the preceding paragraph shall not be carried out for a period of 20 days prior to the holding of a General Meeting, or

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5 days prior to the record date for the purpose of dividend distribution determined by the Company. If the laws, administrative regulations or the securities regulatory authorities under the State Council provide otherwise for the registration of changes in the register of Shareholders of a listed company, the relevant provisions shall apply.

Pursuant to the Company Law, shares that have been issued before the public offering shall not be transferred for a period of one year commencing from the date of trading of the Company's shares on a stock exchange. Directors, supervisors and senior management shall declare to the Company their shareholdings and changes therein. They shall not transfer more than 25% of all the shares they hold in the Company annually during their tenure. The shares of the Company held by directors, supervisors and senior management shall not be transferred within 1 year as of the listing date of the shares of the Company. These persons shall not transfer the shares of the Company held by them within 6 months from their departure from the Company.

If the shares are pledged within the period of restriction on transfer prescribed by laws and administrative regulations, the pledgee shall not exercise the pledge right within the period of restriction on transfer.

9. Shareholders

According to the Company Law and the Guidelines on the Articles of Association of Listed Companies, shareholders of ordinary shares of the Company have the following rights: (1) to receive dividends and other forms of distributions in proportion to their shareholdings; (2) to attend, or to appoint proxies to attend, General Meetings and to exercise their voting rights; to supervise and manage the business operations of the Company, and to make proposals or raise inquiries; (3) to transfer their shares in accordance with the provisions of the laws and administrative regulations and the Articles of Association of the Company; (4) to inspect the articles of association, register of shareholders, corporate bond stubs, minutes of General Meetings, resolutions of the board meetings, resolutions of meetings of supervisory committee, and financial and accounting reports of the Company, and to make suggestions or make inquiries on the operation of the Company; (5) to participate in the distribution of the remaining assets of the Company according to the proportion of shareholding in the event of the Company's closure or liquidation; and (6) to exercise any other rights conferred by laws, administrative regulations and the articles of association of the Company.

The obligations of the shareholders of ordinary shares include: (1) to comply with the Articles of Association of the Company; (2) to pay the subscription amount in accordance with the number of shares subscribed for and the method of subscription; (3) to refrain from abusing the rights of shareholders to the detriment of the interests of the Company or other shareholders; and to refrain from abusing the Company's independent legal personality and the limited liability of the shareholders to the detriment of the interests of the Company's creditors; and (4) to comply with the other obligations stipulated in the laws, administrative regulations and the Articles of Association.

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10. General Meeting

The General Meeting is the authority of the Company, and exercises the following powers and functions: (1) electing and replacing directors and supervisors, and deciding on matters relating to the remuneration of directors and supervisors; (2) considering and approving the report of the Board of Directors; (3) considering and approving the report of the Supervisory Committee; (4) considering and approving the plan for distribution of the profits of the Company and the plan for making up for the losses; (5) making a resolution on the increase or reduction of the registered capital of the Company; (6) making a resolution on the issuance of corporate bonds; (7) making resolutions on the merger, division, dissolution, liquidation or change of corporate form of the Company; (8) amending the Articles of Association of the Company; and (9) other powers and functions provided for in the Articles of Association of the Company.

The Annual General Meetings shall be convened once a year. An Extraordinary General Meeting shall be convened within two months in any of the following cases: (1) when the number of directors is less than the number prescribed by this Law or two-thirds of the number prescribed in the Articles of Association; (2) when the Company’s unrecovered losses amount to one-third of the total amount of the share capital; (3) when requested by shareholders holding, individually or in the aggregate, more than ten percent of the shares of the Company; (4) when the Board of Directors deems it necessary; (5) when the Supervisory Committee proposes to convene a meeting; and (6) in other cases as prescribed by the Articles of Association.

A General Meeting shall be convened by the board of directors and shall be presided over by the chairman of the board. Where the chairman is unable to or does not perform their duties, the meeting shall be presided over by the vice-chairman. Where the vice-chairman is unable to or does not perform their duties, the meeting shall be presided over by one director jointly appointed by a majority of all the directors.

Where the board of directors is unable to or does not perform the duties to convene a General Meeting, the meeting shall be called and presided over by the Supervisory Committee in a timely manner. Where the Supervisory Committee is unable to or does not perform the duties to call and preside over a General Meeting of shareholders, the shareholders individually or jointly holding more than 10% of the shares of the Company for over consecutive 90 days or more may, at their own discretion, convene and preside over a General Meeting.

In the event that shareholders who individually or collectively hold more than ten percent of the Company’s shares request the convening of an Extraordinary General Meeting, the Board of Directors or the Supervisory Committee shall make a decision on whether or not to convene an Extraordinary General Meeting within 10 days from the date of receipt of the request, and shall reply to the shareholders in writing.

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The shareholders shall be notified of the time and place of the meeting and the matters to be considered 20 days prior to the convening of the General Meeting, and 15 days prior to the convening of the Extraordinary General Meeting.

The shareholders holding more than 1% of the shares of the Company separately or jointly may raise provisional proposals and submit them to the Board in writing 10 days before the General Meeting is held. There shall be clear topics and specific resolution matters in the provisional proposal. The Board shall notify the shareholders within 2 days after the receipt of the proposal and submit the provisional proposal to the General Meeting for deliberation, except that the provisional proposal is in violation of the provisions of the laws, administrative regulations or the Articles of Association of the Company or does not fall within the terms of reference of the General Meeting. The company shall not increase the percentage of shares held by a shareholder required to make a provisional proposal.

The company that makes a public offering of its shares shall give the notice provided for in the preceding two paragraphs by means of a public announcement. The General Meeting shall not make resolutions on matters not specified in the notice. A shareholder attending a General Meeting shall have one vote for each share held, except for shareholders of class shares. The company's own shares held by the Company shall not have the voting right. Resolutions at a General Meeting shall be adopted by a majority of the votes held by the Shareholders present at the meeting. Resolutions of the General Meeting to amend the articles of association, to increase or decrease the registered capital, and to merge, separate, dissolve or change the form of the Company shall be passed by more than two-thirds of the votes held by the shareholders present at the meeting.

Pursuant to the provisions of the Articles of Association or a resolution of the General Meeting, the cumulative voting system may be adopted for the election of Directors and Supervisors at the General Meeting. The “cumulative voting system” means that each share has the number of voting rights identical to the number of directors or supervisors to be elected, and the voting rights owned by the shareholders may be cumulatively used when the General Meeting elects the directors or supervisors.

Pursuant to the Company Law, shareholders attending the General Meeting are entitled to one vote for each share they hold, save that shares held by the Company are not entitled to any voting rights.

Pursuant to the Company Law, a resolution at a General Meeting requires the affirmative vote of more than half of the votes represented by the shareholders present at the General Meeting. Matters relating to the merger, division or dissolution of the Company, the increase or reduction of registered capital, the change of the form of the Company, or the amendment of the Articles of Association must be approved by more than two-thirds of the votes held by the shareholders present at the meeting.

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11. Board of Directors

According to the Company Law, a joint stock company shall have a board of directors, which shall consist of three or more members, and the term of office of the directors shall be specified in the Company’s articles of association, but each term of office shall not exceed three years. A director may continue to serve his post if he is re-elected upon the expiration of his term.

A board of directors shall have one chairman and may have a vice-chairman. The chairman and vice-chairman shall be elected by the board of directors through affirmative votes by more than half of all the directors. The chairman shall convene and preside over meetings of the board of directors and supervise the implementation of resolutions adopted by the board of directors. The vice-chairman shall assist the chairman in his work. Where the chairman is unable to or does not perform their duties, the vice-chairman appointed by the chairman shall perform such duties in his capacity. Where the vice-chairman is unable to or does not exercise their duties, a director jointly nominated by more than half of all the directors shall perform such duties.

The board of directors shall exercise the following powers and functions: (1) to convene the General Meeting and report to the General Meeting on its work; (2) to implement the resolutions of the General Meeting; (3) to decide on the Company’s business plan and investment program; (4) to formulate the Company’s profit distribution plan and make up for the losses; (5) to formulate the plan for the Company’s increase or reduction of registered capital and the issuance of bonds; (6) to formulate the plan for the Company’s merger, division, dissolution or change of company form; (7) to decide on the establishment of the internal management organization of the Company; (8) to decide on the appointment or dismissal of the manager of the Company and his remuneration, and to decide on the appointment or dismissal of the deputy manager and the chief financial officer of the Company based on the nomination of the manager and his remuneration; (9) to formulate the basic management system of the Company; and (10) to exercise other powers and functions as stipulated in the articles of association of the Company or as conferred by the General Meeting. Limitations on the powers of the board of directors in the articles of association shall not be imposed against a bona fide counterparty.

The board of directors shall hold meetings at least twice a year, and notice shall be given to all directors and supervisors 10 days in advance. Shareholders representing one tenth or more of voting rights, or one third or more of all the directors or supervisors may propose to have an extraordinary meeting of the board. The Chairman shall, within 10 days after receipt of such proposal, convene and preside over a meeting of the board. Where an extraordinary meeting of the board of directors is to be held, the method and time limit for notification for convening the extraordinary meeting may be prescribed separately.

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Directors shall be liable for the resolutions of the Board of Directors. Where a resolution of the Board violates laws, administrative regulations, the Articles of Association or resolutions of the General Meeting, thereby causing serious losses to the Company, the Directors who took part in the resolution shall be liable for the damages to the Company. However, where a Director can prove that he expressed his opposition to such a resolution when it was put to be voted on, and that such an opposition was recorded in the minutes of the meeting, the Director may be relieved from such liabilities.

A joint stock limited company that is small in size or has a small number of shareholders is not required to have a supervisory committee. It may have one supervisor who shall exercise the powers and functions of the supervisory committee as provided for in this Law. A joint-stock company may, in accordance with the provisions of the Articles of Association, set up an Audit Committee consisting of Directors on its Board to exercise the powers and functions of the Supervisory Committee under the provisions of this Law, in lieu of having a Supervisory Committee or Supervisors.

12. Manager and Senior Management

According to the relevant provisions of the Company Law, a joint stock company shall have a manager, who shall be appointed or dismissed by the decision of the board of directors. The Manager shall be accountable to the Board and exercise his authority in accordance with the provisions of the Articles of Association or as delegated by the Board. The Manager shall be present at Board meetings. The Board of Directors may decide that a member of the Board shall also be the manager.

Pursuant to the Company Law, senior management shall mean the Manager, Deputy Manager, Chief Financial Officer, Secretary to the Board (in case of a listed company) of the Company and other personnel as stipulated in the Articles of Association.

13. Responsibilities of Director, Supervisor and Senior Management

According to the Company Law, directors, supervisors and senior management shall comply with laws, administrative regulations and the articles of association. The directors, supervisors and senior officers have a duty of loyalty to the Company; they shall take measures to avoid conflicts between their own interests and the interests of the Company, and they shall not make use of their powers to gain undue benefits. The directors, supervisors and senior officers have a duty of diligence to the Company, and shall perform their duties with the reasonable care normally expected of managers in the best interests of the Company.

A person in any of the following categories may not serve as a director, supervisor, or a senior officer of a company: (1) Persons without capacity or with limited capacity for civil conduct; (2) anyone who has been sentenced to criminal penalties for embezzlement, bribery, property misappropriation, diversion of property, or disruption of the socialist market economic order, or who has been deprived of political rights due to criminal conviction, and

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for whom a period of five years has not elapsed since the completion of the sentence; or anyone under probation, for whom a period of two years has not elapsed since the expiration of the probationary period; (3) persons who acted as directors, or factory managers or managers of bankrupt or liquidated companies or enterprises who bear personal liability for the bankruptcy or liquidation of such companies or enterprises, where three years have not lapsed following the date of completion of such bankruptcy or liquidation; (4) persons who were legal representatives of a company or enterprise, which had its business license revoked due to a violation of the law and were ordered to close down, and who were personally liable for the revocation of business license of such company or enterprise, where less than three years have elapsed since the date of the revocation of business license of such company or enterprise; and (5) persons who have been listed by the People's Court as defaulters because they have incurred debts of a large amount that have not been settled by the due date. If the Company elects or appoints a director or supervisor or employs a senior officer in violation of the above paragraph, such election, appointment or employment is invalid. The company shall remove the director, supervisor or senior officer once the circumstances described in item (1) occur during the term of service of such person.

The directors, supervisors and senior officers shall not engage in the following acts: (1) encroaching upon the assets of the Company, misappropriating the funds of the Company; (2) opening accounts in their own names or other names for the deposit of the Company funds; (3) taking advantage of their functions and powers to accept bribes or obtain other illegal income; (4) accepting and keeping privately commissions on transactions with the Company; (5) disclosing the secrets of the Company without authorization; and (6) other acts in violation of the duty of loyalty to the Company.

Directors, supervisors and senior management, who directly or indirectly enter into contracts or conduct transactions with the Company, shall report to the Board or the General Meeting on matters relating to the conclusion of the contract or the conduct of the transaction, which shall be adopted by a resolution of the Board or the General Meeting in accordance with the provisions of the Articles of Association. The provisions of the preceding paragraph shall apply to the conclusion of contracts or transactions with the Company by close relatives of Directors, Supervisors and Senior Management, enterprises directly or indirectly controlled by Directors, Supervisors and Senior Management or their close relatives, as well as connected persons with whom Directors, Supervisors and Senior Management have other affiliations.

Directors, Supervisors and Senior Management shall not utilize the convenience of their positions to seek business opportunities belonging to the Company for themselves or others, except in any of the following circumstances: (1) It has been reported to the Board or the General Meeting and approved by a resolution of the Board or the General Meeting in accordance with the Articles of Association; and (2) According to laws, administrative regulations or the Articles of Association, the Company cannot take advantage of the business opportunity;

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Directors, Supervisors and Senior Management shall not operate the same kind of business as the Company they work in for themselves or for another person without reporting to the Board or the General Meeting and passing a resolution by the Board or the General Meeting in accordance with the provisions of the Articles of Association. If the director, supervisor or senior officer causes detriment to the Company while performing their duties in violation of laws, administrative regulations or the articles of association, he shall be liable for the loss so caused. Where a director or senior officer causes damage to others in the performance of their duties, the Company shall be liable for compensation. If the director or senior officer commits intentional or gross negligence, he shall also be liable for compensation.

14. Finance and Accounting

Under the Company Law, the Company shall establish financial and accounting systems according to laws, administrative regulations and the regulations of the financial authority under the State Council. The Company shall at the end of each financial year prepare a financial and accounting report which shall be audited by an accounting firm as required by law. The financial and accounting report shall be prepared in accordance with provisions of the laws, administrative regulations and the regulations of the financial department of the State Council.

When the Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory surplus reserve. If the accumulated amount of the statutory surplus reserve reaches 50% of the registered capital, the Company is released from the obligation of withdrawing statutory surplus reserve. Where the statutory surplus reserve of the Company is not sufficient to recover its losses in the previous years, the profits of the current year shall be used to make up the loss before withdrawing the statutory surplus reserve in accordance with the above provisions. After the Company has withdrawn the statutory surplus reserve from the after-tax profit, it can also withdraw the discretionary surplus reserve from the after-tax profit by a resolution of the General Meeting.

After making up its losses and making allocations for its common reserve fund, a limited liability company shall distribute the remaining after-tax profits to its shareholders in proportion to the paid-in capital of each shareholder, unless all shareholders agree to distribute profits otherwise. A joint stock company shall distribute its profit in accordance with the shareholding by its Shareholders, unless otherwise provided for in the Articles of Association. No profits shall be distributed to the Company for its own shares.

A joint-stock company shall distribute profits in proportion to the shares held by its shareholders, unless the Articles of Association of the joint-stock company stipulate that the distribution shall not be made in accordance with the proportion of shares held.

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Premiums received by the Company from the issuance of shares at an issue price in excess of the par value of the shares, the amount of proceeds from the issuance of no-par value shares that are not credited to the registered capital, and other items required by the financial authority under the State Council to be included in the capital reserve, shall be included in the capital reserve of the Company.

The surplus reserve of the Company shall be used to cover the Company’s losses, expand its production and operation, or increase its capital. To make up for the Company’s losses, the Company shall first use the discretionary surplus reserve and statutory surplus reserve; If they are insufficient, the capital reserve can be used in accordance with the regulations. Upon the conversion of statutory surplus reserve into registered capital, the balance of the statutory surplus reserve shall not be less than 25% of the registered capital of the Company before such conversion.

The Company shall not set up any other accounting books except for the legal accounting books.

15. Appointment and Dismissal of Accounting Firms

Pursuant to the Company Law, the appointment or dismissal of accounting firms responsible for the auditing of the Company shall be determined by the General Meeting, the Board, or Supervisory Committee in accordance with the Articles of Association. The accounting firm should be allowed to make representations when the General Meeting, board of directors or supervisory committee conducts a vote on the dismissal of the accounting firm. The Company shall provide true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting data to the accounting firm it employs without any refusal, withholding or provision of false information.

If a listed company establishes an Audit Committee in the board of directors, the resolution of the board of directors on the following matters shall be passed by a majority of all the members of the Audit Committee before the board makes a resolution: (1) employing or dismissing the accounting firm that undertakes the Company’s auditing business; (2) employing or dismissing the chief financial officer; (3) disclosing the financial accounting report; and (4) other matters stipulated by the securities regulatory authorities under the State Council.

According to the Guidelines on Articles of Association, the Company shall ensure the provision of true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the appointed accounting firm, and shall not refuse, conceal or make false reports. The audit fee of an accounting firm shall be decided by the General Meeting.

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16. Profit Distribution

If the Company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall return the profits distributed in violation of the provisions to the Company. If any loss is caused to the Company, the shareholders and the responsible directors, supervisors and senior management shall be liable for compensation.

17. Amendment to the Articles of Association

Pursuant to the Company Law, a resolution to amend the Articles of Association at a General Meeting of the Company shall be passed by more than two-thirds of the votes held by the shareholders present at the meeting. According to the Mandatory Provisions, the Company may amend its Articles of Association as required by the provisions of laws, administrative regulations and the Articles of Association. Any amendment to the Articles of Association involving the content of the Mandatory Provisions shall come into effect after being approved by the examination and approval department authorized by the State Council. Where the Company’s registered items are involved, change registration shall be made with the relevant authorities according to law.

18. Dissolution and Liquidation

According to the Company Law, the Company shall be dissolved by reason of the following: (1) the term of its operations set down in the Articles of Association has expired or other events of dissolution specified in the Articles of Association have occurred; (2) the General Meeting has resolved to dissolve the Company; (3) the Company is dissolved by reason of merger or division; (4) the business license is revoked, or the Company is ordered to close down or be dissolved; (5) shareholders holding shares that represent more than 10% of the voting rights of the Company request the people’s court to dissolve the Company, on the grounds that the Company suffers significant hardship in its operation and management that cannot be resolved through other means, and the ongoing existence of the Company would bring significant losses to the interests of shareholders, and the Company is dissolved by the people’s court in accordance with law.

If the Company has the reasons for dissolution specified in the above paragraph, it shall publicize the reasons for dissolution through the national enterprise credit information publicity system within 10 days.

If the Company is dissolved under item (1), (2), (4) or (5) above, it shall be liquidated. The director is the liquidation obligors of the Company and shall form a liquidation team to carry out the liquidation within 15 days from the date of the occurrence of the cause of dissolution. The liquidation team shall consist of the directors, unless the Articles of Association provide otherwise or the General Meeting resolves to elect another person. If the liquidation obligors fail to perform the liquidation obligation in time and cause losses to the Company or the creditors, they shall be liable for compensation.

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If the liquidation team is not established within the prescribed period, or liquidation is not carried out after the establishment of the liquidation team, the interested party may request the people’s court to appoint the relevant personnel to establish the liquidation team to carry out the liquidation. The people’s court shall accept the application and shall, in a timely manner, organize a liquidation team to conduct liquidation.

The liquidation team shall exercise the following functions and power during liquidation: (1) to clear up the assets of the Company and prepare a balance sheet and property list respectively; (2) to notify creditors by a notice or public announcement; (3) to handle the outstanding business of the Company in connection with liquidation; (4) to settle all outstanding tax payment and the tax payment which arise in the course of the liquidation process; (5) to settle claims and debts; (6) to distribute the remaining assets after full payment of the Company’s debts; and (7) to participate in civil litigation on behalf of the Company.

The liquidation team shall notify the creditors within 10 days since the date it is established, publish the relevant announcements in the newspaper or the national enterprise credit information publicity system within 60 days. Creditors shall declare their claims to the liquidation team within 30 days from the date of receiving the notice, or within 45 days from the date of the public announcement if no notice was received.

After the liquidation team has thoroughly examined the Company’s assets and prepared a balance sheet and schedule of assets, it shall formulate a liquidation plan and submit such plan to the General Meeting or the people’s court for confirmation. After a company pays off respectively the liquidation expenses, employees’ wages, the social insurance premiums and the statutory compensations, pays its tax arrears and clears up its debts, the remaining property of a limited liability company shall be distributed in proportion to the capital contributions made by its shareholders; and the remaining property of a joint stock company shall be distributed in proportion to the shares held by its shareholders. During the period of liquidation, the Company shall continue to exist, but it shall not engage in any operational activities not related to liquidation. The property of the Company shall not be distributed to its shareholders before it has made the payments as specified in the provisions of the preceding paragraph.

If the liquidation team, having thoroughly examined the Company’s property and prepared a balance sheet and schedule of assets, discovers that the Company’s property is insufficient to pay its debts in full, it shall immediately apply to the People’s Court for bankruptcy liquidation. After the people’s court accepts the bankruptcy application, the liquidation team shall hand over the liquidation affairs to the bankruptcy administrator appointed by the people’s court.

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The liquidation team members shall perform the duties of liquidation and shall have obligations of loyalty and diligence. Where a member of the liquidation team causes losses to the Company due to his failure in performing the liquidation duties, he shall be liable for compensation; where losses are caused to the creditors due to intent or gross negligence, he shall be liable for compensation.

After the liquidation of a company is completed, the liquidation team shall prepare a liquidation report and submit the report to the General Meeting or the people’s court for confirmation, and shall submit it to the Company registration authority to apply for cancellation of the registration of the Company.

19. Loss of Share Certificates

If a share certificate is stolen, lost or destroyed, the shareholder may petition a people’s court for the invalidation thereof through the public notice procedure prescribed in the Civil Procedure Law of the People’s Republic of China. After the people’s court has invalidated such share certificate through the public notice procedure, the shareholder may apply to the Company for re-issuance of a certificate for the share.

20. Merger and Division

Merger of the Company may take the form of merger by absorption and merger by new establishment.

In the event of a merger between a company and a company in which it holds ninety percent or more of the shares, the merged company shall not be required to pass a resolution at a General Meeting, but shall notify the other shareholders, who shall have the right to request the Company to acquire their equity or shares at a reasonable price. If the price paid for a company merger does not exceed ten percent of the Company’s net assets, it may not require a resolution by the General Meeting, unless otherwise stipulated in the Articles of Association. A merger of the Company in accordance with the provisions of the above two paragraphs shall be resolved by the Board of Directors if the merger is not resolved by the General Meeting.

In the event of a merger, the parties to the merger shall enter into a merger agreement, and prepare a balance sheet and an inventory of assets. The Company shall inform its creditors of the merger within 10 days and publish an announcement on newspapers or the national enterprise credit information publicity system within 30 days after the resolution approving the merger has been adopted. The creditors shall, within 30 days from the date of receiving a written notice or within 45 days from the date of the announcement if no notice is received, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee.

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When companies merge, the claims and debts of all the parties to the merger shall be succeeded to by the Company that continues to exist after the merger or by the newly established company.

21. Suspension and Termination of Listing

Where there are circumstances that necessitate the delisting as stipulated by a stock exchange, the stock exchange shall terminate the listing and the trading of the relevant securities according to business rules. Where a stock exchange decides to terminate the listing and trading of securities, it shall announce the decision in a timely manner and file it with the record to the securities regulatory authority under the State Council.

According to the Administrative Measures for Overseas Listing, if an issuer voluntarily terminates its listing or is subject to compulsory termination of its listing, it shall report the details to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters. If the issuer is not allowed to issue and list overseas, it shall suspend or terminate the issuance and listing overseas and promptly report to the CSRC and the relevant competent authorities of the State Council.

IV. SECURITIES LAWS AND REGULATIONS

A series of regulations relating to the issuance and trading of company shares and information disclosure have been enacted in China. In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee was responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities-related institutions in the PRC and administering the CSRC. The CSRC was the regulatory arm of the Securities Committee, responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offers of securities by PRC companies in the PRC or overseas, regulating the trading of securities, compiling securities related statistics and undertaking relevant research and analysis. On March 29, 1998, the State Council merged the two organizations and reformed the CSRC.

The Provisional Regulations on the Administration of Stock Issuance and Trading 《股票發行與交易管理暫行條例》, promulgated by the State Council and put into effect on April 22, 1993, provide for the application and approval procedures for the public issuance of shares, the trading of shares, the acquisition of listed companies, the safekeeping of listed shares, the liquidation and transfer of shares, the disclosure of information by listed companies, investigations and penalties, as well as the arbitration of disputes.

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The Regulations of the State Council on Domestic Listing of Foreign-oriented Stocks by Share-holding Companies promulgated by the State Council 《國務院關於股份有限公司境內上市外資股的規定》 and put into effect on December 25, 1995, mainly provide for the issuance, subscription, purchase and sale of domestically listed foreign shares, payment of dividends, as well as the disclosure of information by joint-stock companies that own domestically listed foreign shares.

The Securities Law 《證券法》 came into effect on July 1, 1999 and was amended on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014, and December 28, 2019, with the most recent amendment effective on March 1, 2020. The Securities Law is the first national securities law in China and comprehensively regulates the activities of the Chinese securities market. It is divided into 14 chapters and 226 entries, covering the issuance and trading of securities, takeovers of listed companies, stock exchanges, securities companies, securities registrars and clearing houses, and the duties of securities regulatory authorities. Article 224 of the Securities Law provides that domestic enterprises that directly or indirectly issue securities overseas or list and trade their securities overseas shall comply with the relevant provisions of the State Council. At present, the issuance and trading of shares (including H-shares) outside the PRC are still subject to the regulations and rules promulgated by the State Council and the CSRC.

V. ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

The Standing Committee of the National People’s Congress enacted the Arbitration Law of the People’s Republic of China 《中華人民共和國仲裁法》 (the “**Arbitration Law**”) on August 31, 1994, which came into effect on September 1, 1995, and was most recently amended on September 1, 2017 and implemented on January 1, 2018, respectively. The Arbitration Law applies to foreign economic disputes where the parties have entered into a written agreement to submit the matter to arbitration before an arbitration commission constituted in accordance with the Arbitration Law. Before the China Arbitration Association formulates its arbitration rules, the Arbitration Commission may formulate provisional arbitration rules in accordance with the relevant provisions of the Arbitration Law and the Civil Procedure Law of the People’s Republic of China. If the parties choose to resolve disputes through arbitration, and one party files a lawsuit with the court, the court will not accept it.

According to the Arbitration Law, the arbitration award shall be final and binding on the parties to the arbitration. If one of the parties fails to comply with the award, the other party to the award may apply to the People’s Court to enforce the arbitral decision in accordance with the Civil Procedure Law of the People’s Republic of China. If the arbitration procedure is unlawful (including the composition of the Arbitration Commission or the procedure of the arbitration being in violation of the statutory procedure, or the matters to be awarded not falling within the scope of the arbitration agreement or the Arbitration Commission not having the authority to arbitrate), the people’s court may verdict that the arbitration decision made by the Arbitration Commission shall not be enforced. Where one party seeks to enforce an arbitral award of a foreign-related arbitration commission against the other party, and the person

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against whom the award is to be enforced or whose property is not located in the territory of the People’s Republic of China, the party shall apply directly to a foreign court of competent jurisdiction for recognition and enforcement. Similarly, arbitral awards made by foreign arbitral institutions may also be recognized and enforced by Chinese courts in accordance with the principle of reciprocity or any international treaty signed by or acceded to by China.

Pursuant to the Arrangement of the Supreme People’s Court Concerning Reciprocal Enforcement of Arbitral Awards between the Chinese Mainland and the Hong Kong Special Administrative Region 《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》 promulgated by the Supreme People’s Court on January 24, 2000, which came into effect on February 1, 2000, and the Supplementary Arrangement of the Supreme People’s Court Concerning Reciprocal Enforcement of Arbitral Awards between the Chinese Mainland and the Hong Kong Special Administrative Region 《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》 promulgated on November 26, 2020 and coming into force on November 27, 2020, awards made by arbitral institutions in Chinese Mainland are enforceable in Hong Kong and Hong Kong arbitral awards are enforceable in Chinese Mainland.

APPENDIX IV

SUMMARY OF ARTICLES OF ASSOCIATION

This appendix sets forth a summary of the principal provisions of the Articles of Association approved on October 10, 2025, which will become effective from the date of [REDACTED] of the H Shares on the Hong Kong Stock Exchange. The main purpose of this Appendix is to provide potential [REDACTED] with an overview of the Company’s Articles of Association, and therefore it may not contain all the information that is important to potential [REDACTED].

GENERAL PROVISIONS

The Company is a perpetual joint stock company. Shareholders shall be liable to the Company to the extent of the shares they have subscribed for, while the Company shall be liable for its debts with all of its assets.

From the effective date of the Articles of Association, they shall constitute legally binding documents governing the organization and operations of the Company, as well as the rights and obligations between the Company and its shareholders, and among the shareholders themselves. The Articles of Association shall be binding upon the Company, its shareholders, directors and senior management. Pursuant to the Articles of Association, shareholders may bring legal actions against other shareholders, the Company, or its directors and senior management; while the Company may bring legal actions against its shareholders, directors and senior management.

BUSINESS SCOPE

The legally registered business scope of the Company includes: software development; software sales; technology promotion services; information system integration services; computer and office equipment maintenance; technical services, technical development, technical consulting, technical exchange, technology transfer, and technology promotion; network technology services; information technology consulting services; financial consulting; tax services; environmental protection monitoring; ecological resource monitoring; energy conservation management services; technology import and export; goods import and export; import and export agency; business training (excluding educational training, vocational skills training, and other training requiring permits); educational consulting services (excluding educational training activities subject to licensing and approval)

SHARES

Issuance of Shares

The shares of the Company shall be issued in the form of share certificates.

The ordinary shares issued by the Company consist of domestic shares and foreign shares. Share issuance shall be issued in accordance with the principles of openness, fairness and justice, and each of the shares of the same class shall carry the same rights. Shares of the same class in the same offering shall be issued under the identical terms and at the same price per share. Each of the shares shall be subscribed for at the same price.

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Increase, Decrease and Repurchase of Shares

According to the operation and development needs of the Company, subject to the laws and regulations and the Hong Kong Listing Rules, the Company may increase the registered capital by the following ways upon approval of separate resolutions at the shareholders’ meeting:

- (I) issuing shares to unspecified parties;
- (II) issuing shares to specific targets;
- (III) distribution of bonus shares to existing shareholders;
- (IV) converting the reserve funds into share capital;
- (V) other methods permitted by laws, administrative regulations, the CSRC, and the Hong Kong Stock Exchange.

The Company shall not acquire its own shares, except in any of the following circumstances:

- (I) to reduce the registered capital of the Company;
- (II) to merger with other companies holding shares in the Company;
- (III) to use shares for employee shareholding schemes or as equity incentives;
- (IV) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any shareholders’ meeting regarding the merger or division of the Company;
- (V) to use the shares to satisfy the conversion of the convertible corporate bonds into shares issued by the Company;
- (VI) to safeguard corporate value and shareholders’ interests as the Company deems necessary.

The Company may repurchase its own shares through centralized public trading or by other methods permitted under applicable laws, administrative regulations, the Hong Kong Listing Rules, securities regulatory requirements of the jurisdiction where the shares of the Company are listed, and the CSRC (if applicable).

The Company shall obtain approval at the shareholders’ meeting when acquiring its own shares under the circumstances specified in items (I) and (II) as set out above. In cases where the Company acquires its shares pursuant to items (III) and (V) as set out above, such

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acquisition shall be approved by a resolution of the board of directors, passed by more than two-thirds of all directors present, in accordance with the Articles of Association or the authorization granted by the shareholders’ meeting.

Where the Company acquires its shares under the circumstance described in item (I), it shall cancel the shares within 10 days of the purchase date. If the acquisition falls under item (II) or (IV), the Company shall transfer or cancel the shares within six months. For acquisitions under item (III) or (V), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or canceled within three years.

Transfer of Shares

The shares of the Company shall be transferred in accordance with the provisions of laws, regulations, and the Articles of Association.

The shares issued by the Company prior to the public issuance of shares shall not be transferred within one year from the date of listing and trading of the Company’s shares on the stock exchange.

The directors and senior management of the Company shall notify the Company of their holdings of shares in the Company and the changes therein. The shares transferrable by them during each year of their tenures as determined at the time of appointment shall not exceed 25% of their total holdings of shares of the same class in the Company. The shares in the Company held by them shall not be transferred within one year from the date on which the Company’s shares are listed for trading. The shares in the Company held by them shall not be transferred within half a year from their departure from the Company.

When shareholders holding more than 5% of the shares, directors and senior management of the Company sell their shares or other equity securities within six months from the acquisition of such shares, or purchase shares within six months from the disposal of such shares, the listing rules of places where the Company’s shares are listed shall prevail.

Upon file with the CSRC, the holders of unlisted shares of the Company may have all or part of the shares held by them listed and traded on overseas stock exchange(s); the holders of domestic unlisted shares of the Company may transfer all or part of the shares held by them to foreign investors and have the shares listed and traded on overseas stock exchange(s); All or part of domestic unlisted shares are convertible into overseas-listed shares which may be listed and traded on overseas stock exchange(s). The shares transferred or converted shall comply with the regulatory procedures, provisions and requirements of the overseas securities market when listed and traded in an overseas stock exchange. No shareholders’ meeting is required to be convened for voting in respect of the conversion and/or transfer and listing of such shares on overseas stock exchanges.

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SHAREHOLDERS AND SHAREHOLDERS’ MEETINGS

General Provisions on Shareholders

The Company shall maintain a register of shareholders based on the records provided by the securities registrar. The register of shareholders shall serve as sufficient evidence of a shareholder’s ownership of the Company’s shares. Shareholders shall enjoy rights and assume obligations in accordance with the class of shares they hold, and shareholders holding the same class of shares shall be entitled to identical rights and subject to identical obligations.

The transfer and change of ownership of shares shall be recorded in the register of shareholders. The original register of shareholders for overseas-listed foreign shares listed in Hong Kong shall be maintained in Hong Kong.

Shareholders of the Company shall have the following rights:

- (I) to receive dividends and other forms of profit distribution in proportion to the number of shares they hold;
- (II) to request the convening of, to convene, to preside over, and to attend shareholders’ meetings in person or by proxy, and to exercise corresponding voting rights in accordance with the law;
- (III) to supervise the Company’s operations and to make suggestions or inquiries;
- (IV) to transfer, grant, or pledge their shares in accordance with applicable laws, administrative regulations, and the Articles of Association;
- (V) to inspect and copy the Articles of Association, register of shareholders, minutes of shareholders’ meeting, resolutions of board meetings and financial accounting reports, and shareholders who meet the requirements may inspect the Company’s accounting books and certificates of account;
- (VI) to participate in the distribution of the Company’s residual assets in proportion to their shareholdings upon termination or liquidation of the Company;
- (VII) to require the Company to repurchase their shares if they dissent from a resolution of the shareholders’ meeting on merger or division;
- (VIII) to inspect the Hong Kong branch register of members of the Company, provided that the Company may suspend the registration of members on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
- (IX) to enjoy other rights conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, and the Articles of Association.

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In the event that the content of a resolution adopted by a shareholders’ meeting or a Board meeting violates any law or administrative regulation, shareholders shall have the right to request a people’s court to declare the resolution void.

If the convening procedures or voting methods of a shareholders’ meeting or a Board meeting violate any law, administrative regulation, or the Articles of Association, or if the content of a resolution violates the Articles of Association, shareholders may, within 60 days from the date the resolution is passed, request a people’s court to revoke the resolution. However, if the procedural irregularities in the convening or voting are minor and have not had a substantive impact on the outcome of the resolution, the resolution shall remain valid.

Where disputes arise among the board of directors, shareholders, or relevant parties regarding the validity of a shareholders’ meeting resolution, the disputing parties shall promptly initiate legal proceedings with the People’s Court. Prior to a judgment or ruling by the People’s Court, all relevant parties shall comply with and implement the resolution, and no party may refuse to execute such resolutions on the grounds of their alleged invalidity. The Company, its directors, and senior management shall diligently fulfill their duties to ensure the Company’s normal operations.

The resolutions of shareholders’ meeting of the Company or Board meetings shall be deemed invalid under any of the following circumstances:

- (I) the resolution was adopted without convening a shareholders’ meeting or Board meeting;
- (II) no voting was conducted on the subject matter of the resolution at the shareholders’ meeting or Board meeting;
- (III) the number of attendees or the voting rights represented at the meeting failed to meet the quorum requirements prescribed under the Company Law or the Articles of Association;
- (IV) the number of votes or voting rights in favour of the resolution failed to meet the thresholds prescribed under the Company Law or the Articles of Association.

Where the directors or senior management (other than members of the Audit Committee) violate the provisions of laws, administrative regulations or the Articles of Association during the performance of their duties and cause losses to the Company, the shareholders severally or jointly holding 1% or more of the Company’s shares for a period of 180 consecutive days or longer are entitled to request the Audit Committee to initiate legal proceedings with the people’s court in writing; where the members of the Audit Committee violate the provisions of laws, administrative regulations or the Articles of Association in the performance of duties and cause losses to the Company, the aforesaid shareholders may request the board of directors to initiate legal proceedings with the people’s court in writing.

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Upon receipt of shareholders' written request stipulated in the preceding paragraph, if the Audit Committee or the board of directors refuses to initiate legal proceedings or fails to initiate such legal proceedings within 30 days from receipt of such request, or in the event of emergency where the interest of the Company will suffer irreparable damages if legal proceedings is not initiated immediately, the shareholders stipulated in the preceding paragraph shall have the right to initiate legal proceedings directly with the people's court in their own name for the interest of the Company.

Shareholders of the Company shall undertake the following obligations:

- (I) to comply with laws, administrative regulations and the Articles of Association;
- (II) to pay subscription monies according to the number of shares subscribed and the method of subscription;
- (III) not to withdraw its share capital unless in the circumstances stipulated by laws and regulations;
- (IV) not to abuse their shareholders' rights to jeopardise the interests of the Company or other shareholders; and not to abuse the status of the Company as an independent legal person and the limited liability of shareholders to jeopardise the interests of any creditors of the Company;
- (V) other obligations as required by laws, administrative regulations, the Articles of Association and rules governing the listing of securities of the place where the shares of the Company.

Shareholders of the Company who abuse their shareholders' rights and cause losses to the Company or other shareholders shall be liable for compensation according to laws. Shareholders of the Company who abuse the independent status of the Company as a legal person and the limited liability of shareholders to evade debts and seriously damage the interests of the creditors of the Company shall bear joint and several liabilities for the debts of the Company.

Shareholders' Meeting

The shareholders' meeting of the Company is composed of all shareholders. The shareholders' meeting is the authority of the Company and shall exercise the following powers:

- (I) to elect and replace the directors and to decide on matters relating to the remuneration of directors;
- (II) to consider and approve reports of the board of directors;

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- (III) to consider and approve the profit distribution plan and loss recovery plan of the Company;
- (IV) to decide on the increase or reduction of the registered capital of the Company;
- (V) to decide on the issue of corporate bonds of the Company;
- (VI) to decide on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;
- (VII) to amend to the Articles of Association;
- (VIII) to decide on the appointment, dismissal of the accounting firm engaged in the audit work of the Company;
- (IX) to consider and approve the guarantees issues as prescribed in Article 44 of the Articles of Association;
- (X) to consider the purchase or disposal of material assets within one year with an amount exceeding 30% of the latest audited total assets of the Company;
- (XI) to consider and approve matters relating to changes in the use of proceeds;
- (XII) to consider and approve equity incentive plans and employee stock option plans;
- (XIII) to consider other matters required to be resolved by the shareholders’ meeting pursuant to laws, administrative regulations, departmental rules and regulations, the Articles of Association.

The shareholders’ meeting may authorize the board of directors to resolve on the issue of corporate bonds.

The Company may issue shares, corporate bonds convertible into shares by a resolution of the shareholders’ meeting or by a resolution of the board of directors as authorized by the Articles of Association or the shareholders’ meeting, the specific implementation of which shall comply with the laws, administrative regulations, the provisions of the CSRC or the Hong Kong Stock Exchange.

Unless otherwise provided by law, administrative regulations, the provisions of the CSRC and the stock exchange where the Company’s shares are listed, the functions and powers of the shareholders’ meetings described in the first paragraph of this article shall not be delegated to the board of directors or any other organizations or individuals through authorization.

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The following external guarantees of the Company shall be considered and approved at the shareholders’ meeting:

- (I) any subsequent guarantee in addition to the aggregate of all external guarantees provided by the Company or its controlled subsidiary with a total amount more than 50% of the Company’s latest audited net assets;
- (II) any subsequent guarantee in addition to the aggregate of all external guarantees provided by the Company with a total amount more than 30% of the Company’s latest audited total assets;
- (III) the guarantees provided to entities with more than 70% debt-to-equity ratio;
- (IV) a single guarantee with the amount exceeding 10% of the latest audited net assets;
- (V) the guarantees provided to shareholders, de facto controllers and their related parties;
- (VI) the guarantees to the aggregate of all guarantees provided by the Company to others within one year with a total amount more than 30% of the Company’s latest audited total assets;
- (VII) other circumstances as required by laws, administrative regulations, rules of departments, normative documents, the Hong Kong Listing Rules and the Articles of Association.

When considering the guarantee in item (VI) of the preceding paragraph, it shall be passed by more than two-thirds of the voting rights held by the shareholders present at the shareholders’ meeting.

When the resolution on providing guarantee for shareholders, actual controllers and their related/connected persons is considered at a shareholders’ meeting, such shareholder or shareholders controlled by such actual controller shall not participate in the voting, and the resolution shall be passed by more than half of the voting rights held by other shareholders present at the shareholders’ meeting.

Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, such guarantees may be exempted from being submitted to the board of directors and the shareholders’ meeting for consideration.

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If the directors, general managers and other senior management violate the provisions of laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association regarding the approval authority and review procedures for external guarantees and cause losses to the Company, they shall bear liability for compensation and the Company may bring lawsuits against them in accordance with the law.

Shareholders’ meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year within 6 months after the end of the previous fiscal year.

In any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date of occurrence:

- (I) when the number of directors is less than the number prescribed in the Company Law or two-thirds of the number prescribed in the Articles of Association;
- (II) when the Company’s unrecovered losses amount to one-third of the total paid-in share capital;
- (III) when any shareholder(s) holding individually or collectively 10% or more of the Company’s shares request(s) for the convening of an extraordinary general meeting;
- (IV) when deemed necessary by the board of directors;
- (V) when proposed by the audit committee;
- (VI) other circumstances as required by laws, administrative regulations, departmental rules, or the Articles of Association.

The venue of the shareholders’ meeting of the Company shall be the domicile or place of business of the Company, or such other place as specified in the notice of the shareholders’ meeting.

A venue shall be set up for a shareholders’ meeting, which shall, in principle, be convened by means of physical meeting. Subject to the securities supervision rules of the places where the Company’s shares are listed, facilities may be provided to allow shareholders to attend the meeting through online voting, enabling shareholders to virtually attend using technology and cast their votes by electronic means.

After a shareholders’ meeting notice is issued, the venue for the on-site meeting may not be changed without justifiable reasons. If a change is determined to be necessary, the convener shall make an announcement and explain the reasons at least two working days before the on-site meeting. If the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the places where the Company’s shares

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are listed expressly require the Company to require a lawyer to witness and provide legal advice when convening a shareholders’ meeting, the Company will retain a lawyer to issue a legal opinion and make an announcement on the following issues when convening a shareholders’ meeting:

- (I) whether the convening of the meeting and the procedures for convening the meeting are in compliance with laws, administrative regulations and the Articles of Association;
- (II) whether the qualifications of the persons attending the meeting and the qualifications of the convener are legal and valid;
- (III) whether the voting procedures and voting results of the meeting are legal and valid;
- (IV) providing legal opinions on other relevant issues as required by the Company.

Convening of Shareholders’ Meeting

The board of directors shall convene the shareholders’ meeting within the prescribed time limit.

Independent directors shall, upon approval by a majority of all independent directors, have the right to propose to the board of directors to convene an extraordinary shareholders’ meeting. In respect of the proposal made by the independent directors to convene an extraordinary shareholders’ meeting, the board of directors shall, in accordance with laws, administrative regulations and the Articles of Association, give a written reply on whether or not it agrees to convene such extraordinary shareholders’ meeting within ten days after receipt of the proposal. If the board of directors agrees to convene an extraordinary shareholders’ meeting, a notice for convening such meeting shall be issued within five days after the date of the resolution of the board of directors. If the board of directors does not agree to convene such meeting, an explanation and an announcement shall be made.

The audit committee shall propose to the board of directors in writing to convene an extraordinary shareholders’ meeting. The board of directors shall, in accordance with laws, administrative regulations and the Articles of Association, give a written reply on whether or not it agrees to convene such meeting within ten days after receipt of the proposal.

If the board of directors agrees to convene an extraordinary shareholders’ meeting, a notice for convening such meeting shall be issued within 5 days after the date of the resolution of the board of directors and any changes to the original proposal contained in the notice shall be subject to the approval of the audit committee.

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If the board of directors does not agree to convene an extraordinary shareholders' meeting, or fails to provide feedback within 10 days after receipt of the proposal, the board of directors shall be deemed to be unable to or have failed to perform its duty to convene the shareholders' meeting, and the audit committee shall have the right to convene and preside over such meeting on its own.

Shareholders individually or collectively holding more than 10% of the Company's shares (including shares with restored voting rights such as preferred shares) request the board of directors to convene an extraordinary shareholders' meeting, and shall submit the request to the board of directors in writing. The board of directors shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, provide written feedback on whether it agrees or disagrees with convening an extraordinary shareholders' meeting within 10 days after receiving the request.

If the board of directors agrees to convene an extraordinary shareholders' meeting, a notice for convening a shareholders' meeting shall be issued within 5 days after the date of the resolution of the board of directors and any changes to the original request contained in the notice shall be subject to the approval of the relevant shareholders.

If the board of directors does not agree to convene an extraordinary shareholders' meeting, or fails to provide feedback within 10 days after receiving the request, Shareholders individually or collectively holding more than 10% of the Company's shares shall have the right to propose to the audit committee to convene an extraordinary shareholders' meeting and shall submit a written request to the audit committee to make the request.

If the audit committee agrees to convene an extraordinary shareholders' meeting, a notice for convening a shareholders' meeting shall be issued within 5 days of receiving the request and any changes to the original proposal contained in the notice shall be subject to the approval of the relevant shareholders. If the audit committee fails to issue a notice of a shareholders' meeting within the prescribed period, it shall be deemed that the audit committee would not convene and preside over the shareholders' meeting. Shareholders who individually or collectively hold more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over the meeting on their own. If the audit committee or shareholders decide to convene a shareholders' meeting on their own, they must notify the board of directors in writing. Before the resolution of the shareholders' meeting is made, the shareholding ratio of the convening shareholders shall not be less than 10%. The board of directors and the secretary to the board of directors will cooperate with respect to matters relating to the shareholders' meeting convened by the audit committee or the shareholders themselves. The board of directors will provide the register of members as of the date of the shareholding record date. For a shareholders' meeting convened by the audit committee or shareholders themselves, the necessary expenses for the meeting shall be borne by the Company.

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Proposals and Notices of Shareholders’ Meeting

The content of the proposal should fall within the scope of the authority of a shareholders’ meeting, addressing clear issues with specific resolutions, and conforming to the relevant provisions of laws, regulations, securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

When the Company convenes a shareholders’ meeting, the board of directors, audit committee and shareholders individually or jointly holding more than 1% of the shares of the Company have the right to submit proposals to the Company.

Shareholders who individually or collectively hold more than 1% of the shares of the Company may put forward temporary proposals and submit them in writing to the convener 10 days before the shareholders’ meeting. The convener shall issue a supplementary notice of the shareholders’ meeting within 2 days after receiving the proposal, and submit the same to the shareholders’ meeting for consideration, except that the temporary proposal violates laws, administrative regulations or the provisions of the Articles of Association, or falls outside the scope of authority of the shareholders’ meeting.

Save as specified in the preceding paragraph, the convener shall not change the proposal(s) set out in the notice of the shareholders’ meeting or add any new proposals after the said notice is served.

No vote shall be taken and no resolution shall be passed at a shareholders’ meeting on any proposal which is not set out in the notice of the shareholders’ meeting or which does not comply with the provisions of the Articles of Association.

The convener shall notify shareholders 20 days before the convening of an annual shareholders’ meeting, and shareholders will be notified 15 days before the convening of an extraordinary shareholders’ meeting. The notice of shareholders’ meeting shall be sent to shareholders in manners in accordance with laws, administrative regulations, the Hong Kong Listing Rules, securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

When calculating the starting period, the Company should not include the date of the meeting.

Upon issuance of the notice of the shareholders’ meeting, the shareholders’ meeting shall neither be delayed nor canceled without a proper reason, and the proposals listed in such notice shall not be revoked. In the case of any postponement or cancellation of the meeting, the convener shall issue a notice stating the reasons therefor at least 2 business days prior to the date originally scheduled for convening the meeting. Where the securities regulatory rules of the place where the shares of the Company are listed provide otherwise in respect of the procedures for adjournment or cancellation of a shareholders’ meeting, such provisions shall apply to the extent that they do not contravene the regulatory requirements of the territory.

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Holding of Shareholders' Meeting

All shareholders recorded in the register of members as at the shareholding record date or their proxies shall have the right to attend and speak at the shareholders' meeting and exercise their voting rights in accordance with the relevant provisions of laws and regulations and the Articles of Association. Shareholders may entrust a proxy to attend on their behalf and exercise voting rights within the authorized scope.

A shareholders' meeting is chaired by the chairman of the board of directors. When the chairman of the board of directors is unable or fails to perform his/her duties, a director jointly elected by more than half of the directors shall preside over the meeting. A shareholders' meeting convened by the audit committee shall be presided over by the convener of the Audit Committee. When the convener of the Audit Committee is unable or fails to perform his/her duties, an audit committee member jointly elected by more than half of the audit committee members shall preside over the meeting. A shareholders' meeting convened by the shareholders themselves shall be presided over by themselves or a representative elected by the convener. When convening a shareholders' meeting, if the chairman of the meeting violates the rules of procedure and makes it impossible to continue, with the consent of shareholders holding more than half of the vote rights at the shareholders' meeting, the shareholders' meeting may elect one person to serve as the chairman of the meeting and the meeting shall continue.

The Company shall formulate the rules of procedure for the shareholders' meeting, which stipulate in detail the convening, holding and voting procedures of the shareholders' meeting, including notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions of the meeting, minutes of the meeting and signing thereof, as well as the principle of authorization of the shareholders' meeting to the board of directors and the content of authorization shall be clear and specific. The rules of procedure for the shareholders' meeting shall be prepared by the board of directors and approved by a shareholders' meeting.

Voting and Resolutions of Shareholders' Meeting

The resolutions of a shareholders' meeting are classified into ordinary resolutions and special resolutions. Ordinary resolutions of the shareholders' meeting shall be passed by more than half of the voting rights held by the shareholders (including proxies) present at the meeting. Special resolutions of the shareholders' meeting shall be passed by more than two-thirds of the voting rights held by the shareholders (including proxies) present at the meeting.

The following matters shall be resolved by way of ordinary resolution of the shareholders' meeting:

- (I) work reports of the board of directors;

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- (II) profit distribution proposals and proposals for making up losses formulated by the board of directors;
- (III) appointment, dismissal and remuneration of the members of the board of directors and the method of payment of the remuneration;
- (IV) appointment, dismissal, or non-renewal of the accounting firm and its remuneration;
- (V) annual report of the Company;
- (VI) other matters except those as required by the laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association to be passed by special resolutions.

The following matters shall be resolved by way of special resolution of the shareholders’ meeting:

- (I) increase or reduction of the Company’s registered capital;
- (II) division, spin-off, merger, dissolution and liquidation of the Company;
- (III) amendment to the Articles of Association;
- (IV) purchase and disposal of material assets by the Company within one year, or the amount of guarantee provided to others exceeding 30% of the latest audited total assets of the Company;
- (V) equity incentive plan;
- (VI) other matters required by the laws, administrative regulations, the securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association, and matters which, according to an ordinary resolution of the shareholders’ meeting, may have a significant impact on the Company and shall be adopted by way of a special resolution.

Resolutions on related (connected) transactions at a shareholders’ meeting shall be deemed valid only if approved by a majority of the voting rights held by non-related (non-connected) shareholders attending the shareholders’ meeting. If the related (connected) transaction concerns a matter requiring a special resolution under the Articles of Association, the resolution shall be approved by at least two-thirds of the voting rights held by non-related (non-connected) shareholders present at the meeting.

The list of candidates for directors shall be submitted to the shareholders’ meeting in the form of a proposal for voting.

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The cumulative voting system shall be adopted at the shareholders’ meeting for the election of directors under any of the following circumstances:

- (I) the Company elects two or more independent directors;
- (II) the Company elects two or more directors during the period when a single shareholder and the persons acting in concert with him/her are interested in 30% or more of the shares in the Company.

Where directors are elected through the cumulative voting system at the shareholders’ meeting, independent directors and other directors shall vote separately, and the elected directors shall be determined in accordance with the number of directors to be elected and in the descending order of the number of votes obtained. Where the cumulative voting system is not adopted for the election of directors, each candidate for director shall be nominated by way of a separate proposal. The cumulative voting system as mentioned means that when directors are elected at the shareholders’ meeting, each share shall have the same number of voting rights as the number of directors to be elected, and the voting rights held by shareholders may be used collectively.

Except for the cumulative voting system, all proposals will be voted separately at the shareholders’ meeting. If there are different proposals on the same matter, they will be voted in the order in which the proposals were submitted. Unless the shareholders’ meeting is adjourned or no resolution is passed due to special reasons such as force majeure, the shareholders’ meeting will not set aside or refrain from voting on the proposals.

When a proposal is considered at a shareholders’ meeting, no amendments shall be made thereto, otherwise, the relevant amendments thereto shall be regarded as a new proposal and cannot be voted at that shareholders’ meeting.

DIRECTORS AND THE BOARD OF DIRECTORS

General Provisions of Directors

Directors shall be natural persons. None of the following persons may serve as a director of the Company:

- (I) persons without capacity or with limited capacity for civil acts;
- (II) persons who were sentenced for crimes of corruption, bribery, encroachment or embezzlement of property or disruption of the social and economic order, or persons who were deprived of their political rights for committing a crime, where five years have not lapsed following the serving of the sentence, or in case of a suspended sentence, not more than two years have elapsed since the date of expiration of the probationary period;

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- (III) persons who acted as directors, or factory managers or general managers of bankrupt or liquidated companies or enterprises who bear personal liability for the bankruptcy or liquidation of such companies or enterprises, where three years have not lapsed following the date of completion of such bankruptcy or liquidation;
- (IV) persons who were legal representatives of a company or enterprise, which had its business license revoked due to a violation of the law and was ordered to close down, and who were personally liable, where less than three years have elapsed since the date of the revocation of business license or the date of being ordered to close of such company or enterprise;
- (V) persons who have been listed by the people's court as defaulter because they have incurred debts of a large amount that have not been settled by the due date;
- (VI) persons who are imposed by the CSRC a ban from entering into the securities market for a period which has not yet expired;
- (VII) persons who have been determined by the securities regulatory rules of the place where the Company's shares are listed as unfit to serve as a director or senior management of listed companies, with the term yet to be expired;
- (VIII) other contents prescribed by laws, administrative regulations or departmental rules.

Directors shall be elected or replaced at the shareholders' meeting and may be removed from office by the shareholders' meeting before the expiration of their terms of office. The term of office of a director is 3 years. Upon expiry of the term of office, he or she may be re-elected and re-appointed. The term of office of a director commenced from the date of taking office, until the current term of office of the board of directors ends. If a director is not re-elected in a timely manner upon the expiration of the term of office, the original director shall continue to perform his/her duties as a director in accordance with laws, administrative regulations, departmental rules and the Articles of Association until the re-elected director takes office. A director may be concurrently held by senior management, but the number of directors concurrently serving as senior management and directors who are employees' representatives shall not exceed 1/2 of the total number of directors of the Company.

The board of directors shall include one staff representative of the Company. The staff representative on the board of directors shall be elected by staffs of the Company at the staff representative meeting or the staff meeting or by other forms of democratic election, without the need to submit it to the shareholders' meeting for consideration.

No directors shall act, in their personal capacity, on behalf of the Company or the board of directors if not provided in the Articles of Association or appropriately authorised by the board of directors. A director shall, when acting in his/her personal capacity, state his/her standing and identity in advance whenever a third party may reasonably believe that the said director is acting on behalf of the Company or the board of directors.

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Board of Directors

The Company shall have a board of directors, which is accountable to the shareholders' meeting. The board of directors shall consist of 8 directors. Among them, more than 1/3, and at least 3 or more of them shall be independent directors and one of them shall be the chairman. The chairman shall be elected by more than half of directors of the board of directors.

The board of directors exercises the following functions and powers:

- (I) to convene shareholders' meetings and presenting reports thereto;
- (II) to implement resolutions adopted by the shareholders' meeting;
- (III) to resolve on the Company's business plans and investment plans;
- (IV) to formulate the profit distribution plan and loss recovery plan of the Company;
- (V) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;
- (VI) to formulate plans for substantial acquisition, repurchase of shares, or merger, division, dissolution and change of corporate form of the Company;
- (VII) to determine the outbound investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions, external donations etc. of the Company within the authority required by the Articles of Association and the shareholders' meeting;
- (VIII) to determinate the setup of the Company's internal management structure;
- (IX) to determine the appointment or removal of the Company's general manager, secretary to the board of directors and other senior management, and to determine their remuneration, rewards and punishments; based on the nominations of the general manager, to determine the appointment or removal of deputy general manager, the chief financial officer (financial controller) and other senior management and to determine their remuneration, rewards and punishments;
- (X) to formulate and revise the basic management policies of the Company;
- (XI) to formulate proposals for any amendment to the Articles of Association;
- (XII) to manage the information disclosure of the Company in accordance with laws and regulations, the Listing Rules and internal rules of the Company;

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(XIII) to request the shareholders' meeting to engage or replace the accounting firm that provides audit for the Company;

(XIV) to debrief the work report of the general manager of the Company and check the works of the general manager;

(XV) other functions and powers granted by the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed, the Articles of Association or the shareholders' meeting.

Matters beyond the scope authorized by the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

The board of directors shall formulate the rules of procedures for the board of directors, so as to ensure that the board of directors duly implements the resolutions of the shareholders' meeting, and works more efficiently to make reasonable decisions. The board of directors shall determine the scope of authorization in respect of outbound investment, acquisition and disposal of assets, asset mortgages, the provision of security for third parties, consigned financial management, connected transactions and external donations, and set up strict inspection and decision-making procedures; for important investment projects, the board of directors shall organize the relevant experts and professionals for review and report to the shareholders' meeting for approval.

The chairman shall exercise the following functions and powers:

(I) to preside over the shareholders' meetings and to convene and preside over board meetings;

(II) to supervise and check on the implementation of resolutions passed at the board meeting;

(III) other functions and powers as set forth in the laws, regulations or the Articles of Association and conferred by the board of directors.

If the chairman is unable or fails to perform his/her duties, the board of directors shall elect, by a majority vote, a director to assume the chairman's responsibilities. The board of directors shall hold no fewer than four meetings per year. These meetings shall be convened by the chairman, who shall notify all directors in writing at least 14 days prior to the meeting.

A board meeting may be held only when more than half of the directors are present. Resolutions of the board of directors shall be passed by a majority of all directors. Each director shall have one vote in board resolutions.

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Any director who is related to an enterprise or an individual that is involved in matters to be resolved on by the board meeting shall promptly report in writing to the board of directors. Such director shall not exercise his/her voting right on the resolution on his/her own behalf or on behalf of another director. The board meeting can be held with the attendance of a majority of non-related directors, and the resolutions made at the board meeting shall be passed by a majority of the non-related directors. Where the number of non-related directors present at the board meeting is less than three, the matter shall be submitted to the shareholders’ meeting for review.

Board meetings shall be attended in person by the directors. If a director is unable to attend, he or she may authorize another director in writing to attend on his/her behalf. Independent directors shall only authorize other independent directors to attend. If a director neither attends a board meeting nor appoints a proxy to attend on his/her behalf, it shall be deemed that the director has waived his/her voting rights for that meeting.

Independent Directors

The Company shall have independent directors. Unless otherwise provided in this section, the provisions of the Articles of Association regarding the qualifications and obligations of directors shall apply to independent directors. Independent directors shall, in accordance with laws, administrative regulations, the CSRC, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association, diligently perform their duties, and play a role within the board of directors in participating in decision-making, providing supervision and checks and balances, and offering professional consultation, so as to safeguard the overall interests of the Company and protect the legitimate rights and interests of minority shareholders.

Relevant matters such as the conditions for office, nomination and election procedures, and powers and functions of independent directors shall be implemented in accordance with the relevant provisions of laws, administrative regulations, the CSRC and the Hong Kong Stock Exchange.

Special Committees of the Board of Directors

The board of directors of the Company shall establish an audit committee, which shall exercise the powers and functions of the board of supervisors as stipulated in the Company Law. The audit committee shall comprise three members, who shall be directors not holding senior management positions within the Company, of whom at least two shall be independent directors. The convener shall be an independent director with professional accounting qualifications. If the securities regulatory rules of the place where the Company’s shares are listed stipulate otherwise, such requirements shall prevail.

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The audit committee is responsible for reviewing the Company’s financial information and its disclosure, supervising and evaluating internal and external audit work and internal control, and the following matters shall be submitted to the board of directors for deliberation after being approved by more than half of all members of the audit committee:

- (I) to disclose financial information in financial statements and periodic reports, and internal control evaluation reports;
- (II) to appoint or dismiss the accounting firm engaged to undertake the audit work of the listed company;
- (III) to appoint or dismiss the listed company’s financial controller;
- (IV) to make changes to accounting policies or accounting estimates, or correct material accounting errors, for reasons other than changes in accounting standards;
- (V) other matters stipulated by laws, administrative regulations, CSRC regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

The audit committee shall convene at least one meeting every quarter. An extraordinary meeting may be convened upon the proposal of two or more members, or when the convener deems it necessary. A meeting of the audit committee requires the attendance of more than two-thirds of its members to be held. Resolutions made by the audit committee shall be passed by more than half of its members. Voting on the audit committee resolutions shall be on a one-person, one-vote basis.

The board of directors of the Company shall establish a nomination committee, a remuneration and assessment committee and other special committees, which shall perform their duties in accordance with these Articles of Association and the authorization of the board of directors. Proposals of the special committees shall be submitted to the board of directors for deliberation and decision. The working rules of the special committees shall be formulated by the board of directors. The composition of special committee shall comply with the relevant requirements stipulated in laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company’s shares are listed or relevant regulatory authorities.

The nomination committee is responsible for formulating the selection criteria and procedures for directors and senior management, selecting and reviewing candidates for directors and senior management and their qualifications, and making recommendations to the board of directors on the following matters:

- (I) to nominate or appoint or remove directors;
- (II) to appoint or dismiss senior management;

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- (III) other matters stipulated by laws, administrative regulations, CSRC regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

The remuneration committee is responsible for formulating the performance appraisal standards for directors and senior management and conducting appraisals, formulating and reviewing remuneration policies and plans such as the remuneration decision-making mechanism, decision-making process, payment and claw-back arrangements for directors and senior management, and making recommendations to the board of directors on the following matters:

- (I) remuneration of directors and senior management;
- (II) to formulate or amend equity incentive plans or employee stock ownership plans, and the conditions for incentive participants to be granted with or exercise interests;
- (III) arrangements for directors and senior management to participate in shareholding plans in subsidiaries proposed to be spun off;
- (IV) other matters stipulated by laws, administrative regulations, CSRC regulations, the securities regulatory rules of the place where the Company’s shares are listed and the Articles of Association.

SENIOR MANAGEMENT

The Company shall have a general manager as appointed or dismissed by the board of directors. The Company has certain deputy general managers, one chief financial officer (financial controller) and one secretary to the board of directors, who are appointed or dismissed by the board of directors.

The general manager shall be appointed for a term of three years and eligible for reappointment for a second consecutive term. The general manager is accountable to the board of directors and exercises the following powers:

- (I) to preside over the Company’s production, operation, and management work, organize the implementation of board resolutions, and report work to the board of directors;
- (II) to organize and implement the Company’s annual business plans and investment plans;
- (III) to formulate a plan for the establishment of the Company’s internal management organization;
- (IV) to formulate the Company’s basic management system;

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- (V) to formulate specific regulations of the Company;
- (VI) to propose to the board of directors to appoint or dismiss the Company’s deputy general manager, chief financial officer (financial controller), secretary to the board of directors and other senior management;
- (VII) to decide to appoint or dismiss management personnel other than those who shall be appointed or dismissed by the board of directors;
- (VIII) to consider and approve general connected transactions other than those that need to be submitted to the board of directors or the shareholders’ meeting for approval according to the Articles of Association;
- (IX) to consider and approve other major transactions, external investments, external guarantees and other matters other than those that need to be submitted to the board of directors or the shareholders’ meeting for approval according to the Articles of Association;
- (X) other powers conferred by the Articles of Association, the securities regulatory rules of the place where the Company’s shares are listed or the board of directors.

The Company shall have a secretary to the board of directors, who shall be accountable to the board of directors. The secretary to the board of directors is responsible for preparation of the shareholders’ meeting and the board meeting, keeping the documents and the management of information of the shareholders of the Company and handling the disclosure of information.

FINANCIAL ACCOUNTING SYSTEM AND PROFITS DISTRIBUTION

Financial Accounting System

The shareholders’ meeting shall review and approve the Company’s annual financial accounting report within six months after the end of each fiscal year. The financial accounting report shall be prepared in accordance with applicable laws, administrative regulations, departmental rules and the Hong Kong Listing Rules.

When distributing post-tax profits for a given year, the Company shall allocate 10% of such profits to the statutory reserves. If the cumulative statutory reserves reach 50% or more of the Company’s registered capital, no further allocation is required. If the statutory reserves are insufficient to cover losses from previous years, the Company shall first use the current year’s profits to offset such losses before making any allocation to the statutory reserves. Following the allocation to the statutory reserves, the Company may, subject to approval by the shareholders’ meeting, set aside a discretionary reserve from post-tax profits. After covering

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losses and setting aside the statutory and discretionary reserves, the remaining post-tax profits shall be distributed among shareholders in proportion to their respective shareholdings, unless otherwise provided in the Articles of Association. Shares held by the Company itself shall not participate in profit distribution.

Once the shareholders’ meeting has approved a profit distribution plan, or the board of directors has formulated a specific plan based on the conditions and upper limit for interim dividends for the following year as approved by the annual shareholders’ meeting, the distribution of dividends (or shares) shall be completed within the period as required by the regulatory rules of the listing place.

The Company’s reserve may be used to cover losses, expand production and operations, or convert into registered capital. When using reserves to cover losses, discretionary reserves and statutory reserves shall be used first. If these are insufficient, capital reserve may be used in accordance with applicable regulations. When the statutory reserve is converted into registered capital, the remaining balance of the reserve fund shall not be less than 25% of the Company’s registered capital prior to the conversion.

Internal Audit

The Company shall implement an internal audit system, specifying the leadership structure, responsibilities and authorities, staffing, funding assurance, utilization of audit results and accountability of internal audit. The Company’s internal audit system shall be implemented after approval by the board of directors. The Company’s internal audit function shall conduct supervision and inspection of the Company’s business activities, risk management, internal controls, financial information and other relevant matters. The internal audit function shall be accountable to the board of directors. During its supervision and inspection of the Company’s business activities, risk management, internal controls and financial information, the internal audit function shall accept the supervision and guidance of the audit committee. The internal audit function shall immediately report directly to the audit committee upon discovering any material issues or related clues.

Appointment of Accounting Firm

The Company shall engage an accounting firm that complies with the Securities Law to conduct audits of financial statements, verify net assets, and provide other related consulting services. The term of engagement shall be one year and may be renewed. The appointment of an accounting firm shall be subject to approval by the shareholders’ meeting. The board of directors shall not appoint an accounting firm prior to such approval.

The Company shall ensure that the accounting firm it engages is provided with true and complete accounting vouchers, accounting books, financial and accounting reports and other relevant accounting information. The Company shall not refuse to provide, conceal or falsify such information. The audit fees of the accounting firm shall be determined by the shareholders’ meeting.

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If the Company intends to dismiss or not renew the engagement of an accounting firm, it shall provide written notice to the accounting firm at least 30 days in advance. When a vote is taken on the dismissal at the shareholders’ meeting, the accounting firm shall be given the opportunity to express its views. If the accounting firm resigns, it shall submit a statement to the shareholders’ meeting explaining whether there are any improper circumstances on the part of the Company.

MERGER, DIVISION, CAPITAL INCREASE AND DECREASE, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase and Decrease

When a merger is proposed, the parties involved shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date the merger resolution is adopted, and publish an announcement via the media as approved to announce by the Company’s competent authorities for industry and commerce or on the National Enterprise Credit Information Publicity System within 30 days. Creditors may, within 30 days of receiving the notice, or within 45 days from the date of the announcement (if no notice is received), request the Company to settle outstanding debts or provide appropriate guarantees. Upon a merger, the surviving company or the newly established company shall assume all debts and liabilities of the merging parties.

In case of a division, the Company’s assets shall be divided. When the Company undergoes a division, it shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days of the resolution on the division and shall publish an announcement via the media as approved to announce by the Company’s competent authorities for industry and commerce or on the National Enterprise Credit Information Publicity System within 30 days of the resolution. Debts incurred before company division shall be jointly and severally assumed by the companies after division. However, this shall not apply where the company and creditors have reached written agreements regarding debt settlement before the division.

Where the Company needs to reduce its registered capital, it must prepare a balance sheet and an inventory of assets. The Company shall notify creditors within 10 days from the date of making the resolution on reduction of registered capital at the shareholders’ meeting and make an announcement via the media as approved to announce by the Company’s competent authorities for industry and commerce or on the National Enterprise Credit Information Publicity System within 30 days. Creditors may, within 30 days from receipt of the notice or, where no notice is received, within 45 days from the date of the announcement, require the Company to repay debts or provide corresponding guarantees.

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Dissolution and Liquidation

The Company shall be dissolved if:

- (I) term of business specified in the Articles of Association expires or other reasons for dissolution as stipulated in the Articles of Association arise;
- (II) a resolution for dissolution is passed at a shareholders' meeting;
- (III) a dissolution is necessary due to a merger or division of the Company;
- (IV) its business license is revoked, or it is ordered to close or dissolved according to the laws;
- (V) there is severe difficulty in the operation and management of the Company, and the continued existence of the Company will have material prejudice to the interests of the shareholders and there is no other way to resolve, shareholders who hold over ten percent of the voting rights of the Company can make a petition to a people's court to dissolve the Company.

The Company may continue to exist by amending the Articles of Association or by a resolution of the shareholders' meeting in the event of any of the circumstances as set forth in items (I) and (II) of Article 177, and its assets have not yet been distributed to its shareholders. The amendment to the Articles of Association made according to the requirements or the resolution made at the shareholders' meeting shall be passed by two-thirds of the voting rights held by shareholders present at the shareholders' meeting.

In the case of dissolution of the Company under the above items (I), (II), (IV) or (V), it shall be liquidated. The directors are the Company's liquidators and shall establish a liquidation committee to carry out the liquidation within 15 days from the date of occurrence of events giving rise to dissolution. The liquidation committee shall be composed of directors, except where otherwise provided by the Articles of Association or resolved by the shareholders' meeting to appoint others.

The liquidation committee shall exercise the following functions and powers during the liquidation period:

- (I) to sort out the Company's assets and to prepare a balance sheet and an inventory of assets respectively;
- (II) to notify creditors by notice or public notices;
- (III) to deal with any outstanding business related to the liquidation;
- (IV) to pay outstanding tax together with any tax arising during the liquidation process;

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(V) to settle claims and liabilities;

(VI) to allocate the Company’s remaining assets after its debts have been paid off;

(VII) to represent the Company in any civil procedures.

The liquidation committee shall notify the Company’s creditors within 10 days of its establishment, and publish an announcement via the media as approved to announce by the Company’s competent authorities for industry and commerce or on the National Enterprise Credit Information Publicity System within 60 days. Creditors shall lodge their claim with the liquidation committee within 30 days of receipt of the notification or within 45 days of the date of the announcement if they have not received any notification. Creditors shall report all matters relevant to their claimed creditor’s rights and furnish relevant evidence. The liquidation committee shall register such creditors’ rights. The liquidation committee shall not make any settlement to creditors during the period of the claim.

Upon disposal of the Company’s property and preparation of the required balance sheet and inventory of assets, the liquidation committee shall draw up a liquidation plan and submit this plan to a shareholders’ meeting or a people’s court for endorsement. The remaining part of the Company’s properties, after payment of liquidation expenses, employee wages, social insurance expenses and statutory compensation, outstanding taxes and debts of the Company, shall be distributed by the Company to shareholders in proportion to shares held by them. The Company shall continue to exist during the liquidation period, although it cannot conduct operating activities that are not related to the liquidation. The Company’s property shall not be distributed to shareholders before repayments are made in accordance with the requirements described above.

Upon liquidation of the Company’s property and preparation of the required balance sheet and inventory of assets, if the liquidation committee becomes aware that the Company does not have sufficient assets to repay its liabilities, it must apply to a people’s court for a declaration of bankruptcy in accordance with the laws. Following acceptance of such declaration by the people’s court, the liquidation committee shall hand over the administration of the liquidation to the bankruptcy administrator designated by the people’s court. Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report and submit it to the shareholders’ meeting or a people’s court for confirmation of its completion, and it shall be submitted to the company registration authority to cancel the Company’s registration.

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AMENDMENTS OF ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under any of the following circumstances:

- (I) after the amendment of the Company Law or relevant laws and administrative regulations or the securities regulatory rules of the stock exchange where the Company’s shares are listed and the matters stipulated in the Articles of Association conflict with the provisions of the amended laws and administrative regulations;
- (II) there has been a change to the Company, resulting in inconsistency with the content in the Articles of Association;
- (III) the shareholders’ meeting decides to amend the Articles of Association.

Where matters of Articles of Association amendments approved by resolutions of the shareholders’ meeting require approval by competent authorities, they shall be submitted to the competent authorities for approval; where they involve company registration matters, change of registration shall be processed in accordance with law.

APPENDIX V

STATUTORY AND GENERAL INFORMATION

A. FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES

1. Incorporation

Our Company was established as a limited liability company in the PRC on December 18, 2012 and was converted into a joint stock company with limited liability on July 15, 2025 under the laws of the PRC. As of the Latest Practicable Date, the registered share capital of our Company was RMB25,000,000.

Our Company has established a place of business in Hong Kong at 40/F, Dah Sing Financial Centre, 248 Queen’s Road East, Wanchai, Hong Kong and has been registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on October 30, 2025 with the Registrar of Companies in Hong Kong. Mr. Ho Pok Man, one of our joint company secretaries, has been appointed as our authorized representative for the acceptance of service of process and notices on behalf of our Company in Hong Kong whose correspondence address is the same as our place of business in Hong Kong.

As we are established in the PRC, we are subject to the relevant laws and regulations of the PRC. A summary of certain relevant aspects of the laws and regulations of the PRC and our Articles of Association is set out in “Regulatory Overview” and “Appendix IV — Summary of Articles of Association”.

2. Changes in Share Capital of our Company

Save as disclosed in the section headed “History, Development and Corporate Structure — Major Shareholding Changes”, the share capital of our Company did not change during the two years immediately preceding the date of this document.

3. Changes in Share Capital of our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries as of the Latest Practicable Date are set out in “History, Development and Corporate Structure” and Note 36 to “Appendix I — Accountants’ Report”. Save as disclosed in the section headed “History, Development and Corporate Structure — Major Shareholding Changes”. There has been no alteration in the share capital of our subsidiaries within the two years immediately preceding the date of this document.

4. Resolutions of our Shareholders

Pursuant to the resolutions passed at a duly convened general meeting of our Shareholders held on October 10, 2025, our Shareholders resolved that, among other things:

- (a) the [REDACTED] of the Shares with nominal value of RMB1.0 each [REDACTED], effective immediately prior to the [REDACTED], and taking into account the [REDACTED], the issue of H Shares of nominal value of RMB[REDACTED] each and such H Shares be [REDACTED] on the Stock Exchange;

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- (b) the number of H Shares to be issued pursuant to the [REDACTED] shall not exceed approximately [REDACTED]% of the Company’s total issued share capital immediately following the [REDACTED], before the exercise of the [REDACTED], and the Board is authorized to grant the [REDACTED] (or its/their representatives) of the [REDACTED] of not more than [REDACTED]% of the number of H Shares issued pursuant to the [REDACTED];
- (c) upon completion of the [REDACTED] and taking into account the [REDACTED], [REDACTED] Unlisted Shares will be converted into H Shares on a one-for-one basis;
- (d) subject to the completion of the [REDACTED], the conditional adoption of the Articles of Association, which shall become effective on the [REDACTED]; and
- (e) authorization of the Board and its authorized individual, Ms. Xin Yingmei, to handle all matters relating to, among other things, the [REDACTED], the issue and the [REDACTED] of H Shares on the Stock Exchange.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contract

We [have entered] into the following contracts (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this document that are or may be material:

- (a) the Deed of Non-competition; and
- (b) the [REDACTED]

2. Intellectual Property Rights

As of the Latest Practicable Date, we had registered, or had applied for the registration of the following intellectual property rights which were material to our business.

(a) Trademarks

(i) Registered Trademarks

No.	Trademark	Place of Registration	Registered Owner	Class	Registered Number	Validity Period
1 . .		PRC	Our Company	42	69843045	From August 14, 2023 to August 13, 2033

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No.	Trademark	Place of Registration	Registered Owner	Class	Registered Number	Validity Period
2 . .		PRC	Our Company	45	69848661	From August 14, 2023 to August 13, 2033
3 . .		PRC	Our Company	35	69850893	From August 14, 2023 to August 13, 2033
4 . .		PRC	Our Company	9	69867271	From August 21, 2023 to August 20, 2033
5 . .		PRC	Our Company	36	69862919	From August 14, 2023 to August 13, 2033
6 . .	跨境擎天助	PRC	Our Company	9	72501635	From April 8, 2024 to April 6, 2034
7 . .	跨境擎天助	PRC	Our Company	36	72494080	From January 28, 2024 to January 27, 2034
8 . .	跨境擎天助	PRC	Our Company	42	72492723	From April 7, 2024 to April 6, 2034
9 . .	跨境擎天助	PRC	Our Company	35	72511115	From January 28, 2024 to January 27, 2034
10. .		PRC	Our Company	45	72507888	From January 28, 2024 to January 27, 2034

(ii) Trademark Application

No.	Trademark	Place of Registration	Applicant	Class	Application Number	Application Date (dd/mm/yyyy)
1 . .	擎学堂	PRC	Our Company	41	81416485	16/10/2024

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(b) Copyrights

(i) Registered Copyrights

For details of our software copyrights that we consider to be or may be material to our business, see “Business — Intellectual Property”.

(ii) Copyright Applications

No.	Copyright	Place of Registration	Applicant	Application Number	Application Date (dd/mm/yyyy)
1 . . .	QST Tax and Financial Compliance Guardian System Software [Abbreviation: Tax and Financial Compliance Guardian] V1.0 (擎天全稅通財稅合規衛士系統軟件[簡稱：財稅合規衛士]V1.0)	PRC	Our Company	2026R11S0640039	28/04/2026
2 . . .	QST Electronic Accounting Records Management System Software [Abbreviation: Electronic Accounting Records System] V1.0 (擎天全稅通電子會計檔案管理系統軟件[簡稱：電子會計檔案系統]V1.0)	PRC	Our Company	2026R11S0640012	28/04/2026
3 . . .	QST Export Goods Income Tax Declaration and Management System Software [Abbreviation: Income Tax Declaration and Management] V1.0 (擎天全稅通出口貨物所得稅收入申報管理系統軟件[簡稱：所得稅收入申報管理]V1.0)	PRC	Our Company	2026R11S0640015	28/04/2026

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(c) *Patents*

(d) *Registered Patents*

No.	Patent Name	Type	Patentee	Place of Registration	Patent Number	Grant Date (dd/mm/yy)	Application Date (dd/mm/yyyy)
1 . .	A Method and System for Reviewing Commodity Origin Rules (一種商品原產地規則的審核方法及系統)	Invention patent	Our Company	PRC	202210797750.0	28/10/2022	08/07/2022
2 . .	An Audit Method and System for Export Tax Refund Loans (一種出口退稅貸款的審核方法及系統)	Invention patent	Our Company	PRC	202210062850.9	19/04/2022	20/01/2022
3 . .	A Method and Device for Classifying Export Factories for Cross-Border E-commerce (一種面向跨境電商的出口工廠分類方法及裝置)	Invention patent	Our Company	PRC	202110781471.0	02/11/2021	12/07/2021
4 . .	Analysis Method of Pre-Credit Limit for Foreign Trade Enterprises based on Export Data (基於出口數據的外貿企業預授信額度分析方法)	Invention patent	Our Company	PRC	202010481617.5	12/02/2021	01/06/2020
5 . .	A Cloud Computing Approach (一種雲計算方法)	Invention patent	Our Company	PRC	201710278234.6	03/08/2018	25/04/2017

(i) *Patent Application*

As of the Latest Practicable Date, we did not have any filed or pending patent applications.

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(e) Domain Names

No.	Domain Name	Registered Owner	Place of Registration	Validity Period
1 . . .	skynjweb.com	Our Company	PRC	From January 12, 2016 to January 12, 2026
2 . . .	chinackts.com	Our Company	PRC	From November 18, 2011 to November 18, 2026
3 . . .	zumoo.com	Skytech Zumoo	PRC	From December 3, 2014 to December 3, 2026

Save as disclosed above, as of the Latest Practicable Date, there were no other intellectual property rights which were or may be material to our business.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests of Directors and Chief Executive of our Company

Save as disclosed in the section headed Substantial Shareholders and the information disclosed below, immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised), so far as our Directors are aware, none of our Directors or chief executive has any interests or short positions in the shares, underlying shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

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(a) *Interests in our Company*

Name	Position	Nature of Interest ⁽¹⁾	Description of Shares	Number of Unlisted Shares ⁽²⁾	Approximate percentage of shareholding in the total issued Shares immediately prior to the [REDACTED] (assuming the [REDACTED] is not exercised) ⁽²⁾	Approximate percentage of shareholding in the total issued Shares immediately after the [REDACTED] ⁽²⁾	Approximate percentage of shareholding in Unlisted Shares immediately after the [REDACTED] ⁽²⁾
Ms. Xin ⁽³⁾	Chairlady of our Board, executive Director and chief executive officer	Beneficial interest	Unlisted Shares	[REDACTED]	[REDACTED]%	[REDACTED]%	[REDACTED]%
		Interest in controlled corporation	Unlisted Shares	[REDACTED]	[REDACTED]%	[REDACTED]%	[REDACTED]%

Notes:

- (1) All interests stated are long position.
- (2) The calculation is based on the assumption that (i) the [REDACTED] is completed, (ii) the [REDACTED] is not exercised, (iii) the total number of [REDACTED] Unlisted Shares in issue, [REDACTED] H Shares to be converted from Unlisted Shares in issue and [REDACTED] H Shares to be issued pursuant to the [REDACTED], and (iv) the total number of issued shares of the Company immediately upon completion of the [REDACTED] will be [REDACTED] Shares.
- (3) Upon completion of the [REDACTED], the Conversion of Unlisted Shares into H Shares and the [REDACTED], [REDACTED] Unlisted Shares were directly owned by Skytech Venture Capital. [REDACTED] Unlisted Shares were directly owned by Ms. Xin while [REDACTED] Unlisted Shares were indirectly owned by her via her interest in Skytech Venture Capital and Skytech Investment. The general partner of Skytech Venture Capital is Skytech Investment which is owned as to 99.01% by Ms. Xin and the only limited partner of Skytech Venture Capital is Ms. Xin who owns approximately 99.96% interests therein. As such, by virtue of the SFO, Ms. Xin was deemed to be interested in the Shares of our Company held by Skytech Venture Capital and Skytech Investment.

(b) *Interest in associated corporations*

Name	Position in our Group	Nature of Interest	Name of associated corporation	Approximate percentage of shareholding in associated corporation
Ms. Xin ⁽¹⁾	Chairlady of our Board, executive Director and chief executive officer	Interest in controlled corporation	Skytech Venture Capital	100%

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Note:

- (1) As of the Latest Practicable Date, the general partner of Skytech Venture Capital was Skytech Investment, which was 99.01% owned by Ms. Xin. Ms. Xin was also the sole limited partner of Skytech Venture Capital, holding approximately 99.96% of the interest therein. As Ms. Xin effectively controlled the general partner of Skytech Venture Capital and held substantially all of the limited partnership interest, she was deemed to be interested in 100% of the total partnership interests of Skytech Venture Capital.

Save as disclosed above, none of the Directors or the chief executive of our Company will, immediately following completion of the [REDACTED] (assuming that the [REDACTED] is not exercised), has any interests and/or short positions in the shares, underlying shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

2. Disclosure of Interests of Substantial Shareholders

(a) Interests in our Company

For the information on the persons who will, immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised), having or be deemed or taken to have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or directly or indirectly be interested in 10% or more of the issued voting shares of our Company, see “Substantial Shareholders” in this document.

(b) Interests of the Substantial Shareholders of other Members of our Group

As of the Latest Practicable Date, so far as our Directors are aware, no persons (other than our Directors or chief executive of our Company) will, immediately following the completion of the [REDACTED], directly or indirectly, be interested in 10% or more of the issued voting shares of other members of our Group.

3. Service Contracts

We have entered into a service contract or a letter of appointment with each of our Directors in respect of, among other things, compliance with the relevant laws and regulations, the Articles of Association and applicable provisions on dispute resolution.

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Save as disclosed above, we have not entered into, and do not propose to enter into any service contracts with any of our Directors in their respective capacities as Directors (other than contracts expiring or determinable by any member of our Group within one year without any payment of compensation (other than statutory compensation)).

4. Director’s Remuneration

Save as disclosed in the section headed “Directors and Senior Management” and Note 13 to “Appendix I — Accountants’ Report”, for the three financial years ended December 31, 2023, 2024 and 2025, none of our Directors received other remunerations of benefits in kind from us.

5. Disclaimers

- (a) Save as disclosed in the section headed “Substantial Shareholders” and this section, none of our Directors or our chief executive has any interest or short position in our Shares, underlying Shares or debentures of our Company or any of our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers once the Shares are listed on the Stock Exchange.
- (b) Save as disclosed in the section headed “Substantial Shareholders” and this section, none of our Directors is aware of any person (not being a Director or chief executive of our Company) who will, immediately following the completion of the [REDACTED] (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED]), have an interest or short position in our Shares or underlying Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO or who is interested, directly or indirectly, in 10% or more of the issued voting shares of any member of our Group.
- (c) None of our Directors or any of the parties listed in “D. Other Information — 5. Qualification of Experts” below is:
 - (i) interested in our promotion, or in any assets which, within the two years immediately preceding the date of this document, have been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our Group; or
 - (ii) materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to our business.

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- (d) Save in connection with the [REDACTED] and the [REDACTED], none of the parties listed in “D. Other Information — 5. Qualification of Experts” below:
 - (i) is interested legally or beneficially in any shares in any member of our Group;
or
 - (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of our Group.
- (e) None of our Directors, their respective close associates or any shareholders of our Company who to the knowledge of our Directors owns more than 5% of the number of issued shares of our Company have any interests in the five largest customers or the five largest suppliers of our Group for each year of the Track Record Period.

D. OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to impose on our Company or any of our subsidiaries under the laws of the PRC.

2. Litigation

As of the Latest Practicable Date, save as disclosed in the sections headed “Risk Factors — We may be subject to intellectual property infringement claims from third parties, which may materially and adversely affect our business, financial condition and results of operations.” and “Business — Intellectual Property”, we were not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to our Directors to be pending or threatened by or against any member of our Group, that would have a material and adverse effect on our Group’s results of operations or financial conditions, taken as a whole.

3. Sole Sponsor

The Sole Sponsor has made an application on our behalf to the Listing Committee for the [REDACTED] of, and permission to [REDACTED], (i) our H Shares to be issued pursuant to the [REDACTED] (including any H Shares which may be issued pursuant to the exercise of the [REDACTED]); and (ii) the H Shares to be converted from our existing Unlisted Shares. All necessary arrangements have been made to enable the securities to be admitted into [REDACTED].

The Sole Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules. Pursuant to the engagement letter entered into among our Company and the Sole Sponsor, the Sole Sponsor will receive an aggregate fee of US\$500,000 in respect of its services as sponsor in connection with the [REDACTED].

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4. Preliminary Expenses

As of Latest Practicable Date, our Company did not incur any material preliminary expenses of the [REDACTED].

5. Qualification of Experts

The qualifications of the experts who have given opinions or advice in this document are as follows:

Name	Qualification
ICBC International Capital Limited	A licensed corporation under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Jingtian & Gongcheng	Legal advisors to our Company as to PRC laws
Deloitte Touche Tohmatsu	Certified Public Accountants and Registered Public Interest Entity Auditors
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant

6. Consents of Experts

Each of the experts referred to in “5. Qualification of Experts” above in this Appendix has given and has not withdrawn their respective written consents to the issue of this document with the inclusion of their certificates, letters, opinions or reports (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

Save as disclosed in this document, none of the experts named above has any of our shareholding interests in any member of our Group or rights (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for our securities in any member of our Group.

7. Taxation of Holders of H Shares

Hong Kong stamp duty, currently charged at the ad valorem rate of 0.10% on the higher of the consideration for or the market value of the H Shares, will be payable by the purchaser on every purchase and by the seller on every sale of any Hong Kong securities, including H Shares (in other words, a total of 0.20% is currently payable on a typical sale and purchase transaction involving H Shares). In addition, a fixed stamp duty of HK\$5.00 is currently

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payable on any instrument of transfer of H Shares. Where one of the parties is a resident outside Hong Kong and does not pay the ad valorem duty due by it, the duty not paid will be assessed on the instrument of transfer (if any) and will be payable by the transferee. If no stamp duty is paid on or before the due date, a penalty of up to 10 times the duty payable may be imposed.

8. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our financial or trading position since December 31, 2025 (being the date to which the latest consolidated financial statements of our Group were prepared).

9. Binding Effect

This document shall have the effect, if any application is made pursuant hereto, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

10. Miscellaneous

- (a) Save as disclosed in “History, Development and Corporate Structure” and in connection with the [REDACTED], within the two years preceding the date of this document: (i) we have not issued nor agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash; and (ii) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share capital of any member of our Group.
- (b) No share or loan capital of any member of our Group is under option or is agreed conditionally or unconditionally to be put under option.
- (c) We have not issued nor agreed to issue any founder shares, management shares or deferred shares.
- (d) There are no arrangements under which future dividends are waived or agreed to be waived.
- (e) There are no procedures for the exercise of any right of pre-emption or transferability of subscription rights.
- (f) There have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months.

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- (g) Save as disclosed in the section headed “Regulatory Overview”, there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong.
- (h) No part of the equity or debt securities of our Company, if any, is currently listed on or dealt in on any stock exchange or trading system, and no such [REDACTED] or permission to [REDACTED] any stock exchange other than the Stock Exchange is currently being or proposed to be sought.
- (i) Our Company has no outstanding convertible debt securities or debentures.

11. Bilingual Document

The English language and Chinese language versions of this document are being published separately, in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

12. Promoters

See “History, Development and Corporate Structure — Our Company — Conversion into Joint Stock Company with Limited Liability and Further Increase of Registered Capital” for details of our promoters.

Save as disclosed in this document, within the two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given nor is any proposed to be paid, allotted or given to any promoters in connection with the [REDACTED] and the related transactions described in this document.

APPENDIX VI DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE ON DISPLAY

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to a copy of this document and delivered to the Registrar of Companies in Hong Kong for registration were:

- (a) a copy of each of the material contracts referred to in “Appendix V — Statutory and General Information — B. Further Information about our Business — 1. Summary of Material Contracts”; and
- (b) the written consents referred to in “Appendix V — Statutory and General Information — D. Other Information — 6. Consents of Experts”.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at www.hkexnews.hk and our website at www.qstinfotech.com during a period of 14 days from the date of this document:

- 1. the Articles of Association;
- 2. the Accountants’ Report of our Group from Deloitte Touche Tohmatsu, the text of which is set out in Appendix I to this document;
- 3. the audited consolidated financial statements of our Group for the three financial years ended December 31, 2023, 2024 and 2025;
- 4. the report on the unaudited [REDACTED] financial information of our Group from Deloitte Touche Tohmatsu, the text of which is set forth in Appendix II to this document;
- 5. the material contracts in “Appendix V — Statutory and General Information — B. Further Information about our Business — 1. Summary of Material Contracts”;
- 6. the written consents referred to in “Appendix V — Statutory and General Information — D. Other Information — 6. Consents of Experts”;
- 7. the service contracts and letters of appointment referred to in “Appendix V — Statutory and General Information — C. Further Information about our Directors and Substantial Shareholders — 3. Service Contracts”;
- 8. the legal opinions issued by Jingtian & Gongcheng, our PRC Legal Advisor, in respect of, among other things, the general corporate matters and our Group’s business operations in the PRC;
- 9. the industry report issued by Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., the summary of which is set forth in the section headed “Industry Overview” in this document; and
- 10. a copy of the PRC Company Law, the PRC Securities Law, the Overseas Listing Trial Measures, together with their respective unofficial English translations.