CONNECTED TRANSACTIONS

Upon [REDACTED], certain transactions between us and our connected persons will constitute continuing connected transactions under Chapter 14A of the Listing Rules.

OUR CONNECTED PERSONS

We have entered into certain transactions in the ordinary and normal course of our business with the following connected persons, which will constitute continuing connected transactions upon the [REDACTED]:

Name of our connected persons	Connected relationship
eSOON Information Technology Co., Ltd. (億迅信息技術有限公司) ("**eSOON**")	As of the Latest Practicable Date, eSOON was indirectly held as to 45.62% by Mr. Liao Jie, our executive Director. Therefore, eSOON constitutes an associate of Mr. Liao Jie and therefore a connected person of our Company under Chapter 14A of the Listing Rules.
Beijing Hongrui Dake Technology Co., Ltd. (北京宏瑞達科科技有限公司) ("**Hongrui Dake**")	As of the Latest Practicable Date, Hongrui Dake was a wholly-owned subsidiary of China ITS (Holdings) Co., Ltd. ("**China ITS**"), a company listed on the Stock Exchange (stock code: 1900). Mr. Liao Jie is a controlling shareholder of China ITS by virtue of acting-in-concert arrangement with relevant shareholders of China ITS (with his own interest as to approximately 6.15% therein). Accordingly, Hongrui Dake constitutes an associate of Mr. Liao Jie and therefore a connected person of our Company under Chapter 14A of the Listing Rules.

SUMMARY OF OUR CONNECTED TRANSACTIONS

No.	Nature of Transaction	Counterparty	Applicable Listing Rule	Waiver sought	Historical amounts	Proposed annual caps
					(RMB in millions)	*(RMB in millions)*
One-off Connected Transaction						
1.	Lease of property and rental of cabinet for equipment	Hongrui Dake	14A.34	N/A	N/A	N/A
Fully Exempt Continuing Connected Transaction						
2.	Procurement of technical support services	eSOON	14A.76(1)	N/A	N/A	N/A
Partially Exempt Continuing Connected Transaction						
3.	Procurement of property management and ancillary services	Hongrui Dake	14A.35, 14A.76(2) and 14A.105	Announcement requirement	For the year ended December 31, 2023: 1.1 2024: 1.3 2025: 2.1	For the year ending December 31, 2026: 2.1 2027: 2.1 2028: 2.2

ONE-OFF CONNECTED TRANSACTION

Lease of property and rental of cabinet for equipment

Our Group has entered into certain lease agreements (the "**Leasing Agreements**") dated June 30, 2025 with Hongrui Dake, pursuant to which Hongrui Dake (as lessor) agreed to lease to our Group (as lessee) certain properties with a total gross floor area of approximately 3,335.8 sq.m. for office use (the "**Hongrui Dake Properties**") and to provide equipment cabinets rental services, for a term of commencing on July 1, 2025 and expiring on June 30, 2028. The Leasing Agreements can be renewed upon its expiry as agreed by the parties to the agreement.

The rental fees agreed under the Leasing Agreements was determined by the parties at arm's length negotiations with reference to prevailing market rent of comparable properties and equipment cabinets. Our Directors (including our independent non-executive Directors) are of the view that the Leasing Agreements were entered into and has been conducted in the ordinary and usual course of business and on normal commercial terms or better.

In accordance with IFRS 16, *Leases*, the lease/rental under the Leasing Agreements are recognized as right-of-use assets on our consolidated statements of financial position. Therefore, the entering into the Leasing Agreements will be regarded as the acquisition of capital assets and one-off connected transaction, rather than continuing connected transaction. Accordingly, the reporting, announcement, annual review and independent Shareholders' approval requirements in Chapter 14A of the Listing Rules will not be applicable.

FULLY EXEMPT CONTINUING CONNECTED TRANSACTION

Procurement of Technical Support Services from eSOON

We have entered into and are expected to continue to enter into after [REDACTED] certain agreements with eSOON, pursuant to which we procure customer service software solutions from eSOON, which is primarily used to support our customer service and operational management functions. The pricing for the procurement of customer service software solutions from eSOON has been determined based on arm's length negotiations between us and eSOON with reference to, among others, the scope of services required, the functionalities of the software and the prevailing market prices for comparable customer service software solutions.

The procurement of the customer service software solutions from eSOON has been conducted in the ordinary and usual course of business and on normal commercial terms or better. All applicable percentage ratios calculated under Chapter 14A of the Listing Rules in respect of such procurement are expected to be less than 0.1%. Accordingly, the procurement of the customer service software solutions from eSOON is fully exempt from the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1) of the Listing Rules.

PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTION

Procurement of property management and ancillary services

Parties

Our Company; and

Hongrui Dake

Principal terms

On [•], we entered into a framework agreement with Hongrui Dake (the "**Hongrui Dake Framework Agreement**"), pursuant to which, among other things, our Group would, from time to time, procure property management and ancillary services relating to the lease of Hongrui Dake Properties, for which we will pay property service fees to Hongrui Dake. The property management and ancillary services provided by Hongrui Dake include (i) basic property management services, including but not limited to establishing the rules and procedures relating to property management, cleaning and hygiene, maintenance of common facilities and equipment. The property services fee is inclusive of expenses for water supply, electricity supply and central air conditioning attributable to the common area of the Hongrui Dake Properties; (ii) payment of water and electricity charges; and (iii) optional services, including rental of multi-function conference room and/or other equipment, facilities or services in relation to the Hongrui Dake Properties.

The term of the Hongrui Dake Framework Agreement is three years commencing from the [REDACTED] to [December 31, 2028], subject to renewal upon the mutual agreement of both parties thereto. Both parties or their respective subsidiaries/associates will, in the ordinary and usual course of business, enter into separate underlying agreements setting out the specific terms and conditions for the property lease and property services according to the principles provided in the Hongrui Dake Framework Agreement.

For the avoidance of doubt, all specific agreements entered into prior to the date of the Hongrui Dake Framework Agreement (to the extent which cover property leasing and management and ancillary services which will continue to be in force after the [REDACTED]) shall be treated as specific agreements made pursuant to the Hongrui Dake Framework Agreement as from the [REDACTED]. If there is any conflict between any provision of a specific agreement and the relevant provision(s) of the Hongrui Dake Framework Agreement, the provision(s) of the Hongrui Dake Framework Agreement shall prevail.

Reasons for the transaction

We have been leasing the Hongrui Dake Properties from Hongrui Dake for office space, and procuring property management and ancillary services relating to such properties. Hongrui Dake offers professional and quality property management and ancillary services that can facilitate efficient and orderly business operation of our Group. As compared with other Independent Third Parties, Hongrui Dake normally has a better understanding of our property requirements in relation to our business premises and offices.

Pricing terms

Our Group shall pay property service fees to Hongrui Dake, which shall be determined after arm's length negotiation between the parties on normal commercial terms, with reference to a number of factors, including but not limited to (i) the size, location and quality of the relevant property (in particular the total gross floor area of the relevant property under management); (ii) the prevailing market property service fees offered by third-party property management service providers for comparable property in similar location or of similar type, size and/or quality; (iii) the scope of property services to be provided; and (iv) the estimated servicing costs. The basic property management service fees are calculated primarily by multiplying the total gross floor area of the property under management and the property management service fee per square meter. The rates of electricity expense and rental of conference rooms and exhibition hall in the vicinity of the Hongrui Dake Properties are set by reference to the rates at which Hongrui Dake is charged by the Electronic City IT Industrial Park for such utilities and facilities, in which the Hongrui Dake Properties are situated.

Historical amounts

Set out below are the historical transaction amounts incurred by our Group to Hongrui Dake for the above mentioned transactions during the Track Record Period:

	Years ended December 31		
	2023	**2024**	**2025**
	(RMB in millions)		
Property service fees incurred by our Group	1.1	1.3	2.1

Annual caps

The following table sets forth the maximum amount payable by our Group to Hongrui Dake for the abovementioned transactions for each of the three years ending December 31, 2028:

	Years ended December 31,		
	2026	**2027**	**2028**
	(RMB in millions)		
Property service fees to be incurred by our Group	2.1	2.1	2.2

The proposed annual caps are determined based on:

(i). the historical transaction amounts and the existing property management services agreement currently in force between our Group and Hongrui Dake. The historical transaction amounts for 2025 were higher than those of prior years primarily due to additional property management services incurred in connection with the Company's relocation to, and renovation of, Hongrui Dake Properties in 2025;

(ii). the prevailing market price and its fluctuation of procurement of property services for similar properties in the locality or neighbouring areas; and

(iii). the expected increase in scope and standard of property services required by the Group leading to the expected increase in operational and servicing costs to be incurred by Hongrui Dake.

WAIVER APPLICATION FOR PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

In respect of the the transaction as described above under the Hongrui Dake Framework Agreement, since the highest of all applicable percentage ratios (other than the profit ratio) calculated in accordance with Rule 14.07 of the Listing Rules is more than 0.1% but less than 5%, the transactions contemplated thereunder are exempt from the circular and independent shareholders' approval requirements, but are subject to the announcement, annual review and reporting requirements under Chapter 14A of the Listing Rules.

As the transactions under the Hongrui Dake Framework Agreement are expected to continue on a recurring and continuing basis and have been fully disclosed in this document, our Directors consider that it would be impractical for us to strictly comply with the announcement requirement for such partially exempt continuing connected transactions upon [REDACTED], and such requirements would lead to unnecessary administrative costs and would be unduly burdensome to us.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] a waiver to us under Rule 14A.105 of the Listing Rules from strict compliance with the announcement requirement under the Listing Rules in respect of the transactions under the Hongrui Dake Framework Agreement, provided that the total amount of the transactions for each of the three years ending 31 December 2026, 2027 and 2028 will not exceed the relevant proposed annual caps set forth above.

If any terms of the transactions subject to the waiver are altered or if we enter into any new agreements with any connected persons (within the meaning of the Listing Rules) in the future, we shall fully comply with the relevant requirements under Chapter 14A of the Listing Rules unless we apply for and obtain a separate waiver from the Stock Exchange.

In the event of any future amendments to the Listing Rules imposing more stringent requirements than those applicable as of the Latest Practicable Date on continuing connected transactions referred to in this document, we will take immediate steps to ensure compliance with such new requirements within a reasonable time.

CONFIRMATION BY DIRECTORS

Our Directors (including independent non-executive Directors) are of the view that the continuing connected transaction under the Hongrui Dake Framework Agreement set out above has been and will continue to be carried out in our ordinary and usual course of business of our Company and on normal commercial terms that are fair and reasonable and in the interests of our Company and our Shareholders as a whole, and that the proposed annual caps under the Hongrui Dake Framework Agreement are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

CONFIRMATION BY THE SOLE SPONSOR

The Sole Sponsor has (i) reviewed the relevant documents and information provided by our Company in relation to the aforesaid partially exempt continuing connected transaction, (ii) obtained necessary representations and confirmations from our Company and the Directors, and (iii) participated in the due diligence and discussions with the management of our Group. Based on the above, the Sole Sponsor is of the view that the aforesaid partially exempt continuing connected transaction, for which a waiver has been sought, has been entered into in the ordinary and usual course of our business on normal commercial terms or better terms, is fair and reasonable and in the interests of our Company and our Shareholders as a whole, and that the proposed annual caps in respect of such partially exempt continuing connected transaction are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

INTERNAL CONTROL MEASURES TO SAFEGUARD SHAREHOLDERS' INTERESTS

In order to ensure that the terms under relevant framework agreements for the continuing connected transactions are fair and reasonable, and no less favorable to us than terms available to or from Independent Third Parties, and the connected transactions are carried out under normal commercial terms, we have adopted the following internal control procedures:

- We have adopted and implemented a management system on connected transactions. Under such system, the audit committee under the Board is responsible for the review on compliance with relevant laws, regulations, our Company's policies and the Listing Rules in respect of the continuing connected transactions. In addition, the Board, the Audit Committee and various internal departments of our Company are jointly responsible for evaluating the terms under framework agreements for the continuing connected transactions, in particular, the fairness of the pricing policies and annual caps under each transaction;

- The Board, the Audit Committee and various internal departments of our Company also regularly monitor the fulfillment status and the transaction updates under the framework agreements. In addition, the management of our Company also regularly reviews the pricing policies of the framework agreements;

- Our independent non-executive Directors will conduct annual review of the continuing connected transactions under the framework agreements and provide annual confirmation in accordance with Rules 14A.55 of the Listing Rules; and

- when considering the service fees and other fees provided by us to the above connected persons, our Company will continue to regularly research in prevailing market conditions and practices and make reference to the pricing and terms between our Company and Independent Third Parties for similar transactions, to ensure that the pricing and terms offered by the above connected persons, either from bidding procedures or mutual commercial negotiations (as the case may be), are fair, reasonable and are no less favorable than those offered to Independent Third Parties. For the specific internal control procedures for each of the continuing connected transaction under their framework agreements, please refer to the relevant disclosure for the respective continuing connected transaction in this section.