An [REDACTED] in our H Shares involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below before deciding to [REDACTED] in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, financial condition, results of operations and growth prospects. In any such event, the [REDACTED] of our H Shares could decline, and you may lose all or part of your [REDACTED].

These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in the section headed "Forward-Looking Statements" in this document.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

The industries and markets in which we operate are characterized by constant changes. If we fail to continuously innovate our technology and provide useful solutions that meet the expectations of our customers, our business, financial condition and results of operations may be materially and adversely affected.

We operate in an industry which is subject to rapid technological evolution, frequent introductions of new solutions, shifting customer demands, and evolving technical, compliance and operational standards. Our continued success depends on our ability to anticipate and respond to these changes in a timely and cost-effective manner. Specifically, we must keep ourselves abreast of the developments in Data Agent Graph, large language models (LLMs), knowledge graph technology, privacy-preserving computing, federated learning, data governance tools and other AI-enabled decision-support technologies. To remain competitive, we must accurately predict market demand for product functionality, supply offerings that meet these demands, and continuously identify, develop, acquire, protect or obtain license for valuable advanced technologies. If we are unable to effectively leverage new technologies or enhance the functionality, reliability, security, adaptability, compatibility and scalability of our solutions, our technologies may misalign with future industry direction and customer needs. Consequently, our solutions could become obsolete or unappealing, leading to customer dissatisfaction, reduced demand for our solutions, increased R&D expenses and a weakened competitive position. Any of these outcomes could materially and adversely affect our business prospects, financial condition and results of operations.

In addition, the markets for our offerings are continually evolving. It remains difficult to predict customer adoption rates, demand patterns, budget priorities, procurement timetables, the entry of competitive solutions and the future size and growth rate of decision intelligence application industry. We cannot be certain that the demand for decision intelligence solutions in the PRC will continue to grow or that private enterprises, SOEs and government entities will continue to adopt our solutions. If the decision intelligence application industry fails to grow or grow slower than we expect, our business, operating results, and financial condition could be materially and adversely affected.

We are subject to complex and evolving laws, regulations and governmental policies regarding data security, personal information protection and AI algorithm governance. Actual or alleged failure to comply with such laws, regulations and governmental policies could damage our reputation, deter current and potential customers from using our solutions and could subject us to significant legal, financial and operational consequences.

Data security and personal information protection have become an increasing regulatory focus of government authorities. The PRC government has enacted a series of laws, regulations and governmental policies for the protection of cybersecurity, data protection and personal information, including the PRC Data Security Law (《中華人民共和國數據安全法》) and the PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》). In addition, the regulatory framework governing AI technologies continues to evolve from time to time in the PRC.

Any actual or alleged unauthorized access to, loss of, leakage of, misuse of, or non-compliant processing of data or personal information—whether by us, our customers, our business partners, or third-party service providers—could result in increased cybersecurity costs, governmental investigations, enforcement actions, fines, litigation, indemnification obligations, customer claims, remediation expenses and operational disruptions. Furthermore, even if unfounded, allegations from customers, employees, external parties concerning our data practices, data sources, privacy controls, security posture, or AI governance framework could damage our reputation, undermine trust in our brand, deter current and potential customers from engaging us, and materially and adversely affect our business, financial condition and results of operations.

We deliver decision intelligence solutions primarily on a project-by-project basis. If we fail to accurately estimate costs, experience project delays, or fail to continuously secure new projects, our business, financial condition and results of operations could be materially and adversely affected.

Our revenue is typically derived from projects which are non-recurrent in nature and our customers are under no obligation to award projects to us. During the Track Record Period, we secured new businesses mainly through tender or direct invitation for quotation from customers. There is no assurance that we will be able to secure new contracts in the future. Accordingly, the number and scale of projects and the amount of revenue we are able to derive therefrom may vary significantly from period to period. In addition, purchasing decisions by private enterprises, SOE(s) and government entities generally involve formal budgeting, internal review and approval procedures, which may prolong the sales cycle and delay contract execution.

We generally charge a fixed price for our projects by reference to our estimated costs, expected resource commitments, technical complexity, delivery schedule and prevailing market conditions. There is no assurance that the actual amount of costs incurred during the performance of our projects would not exceed our estimation. The actual costs incurred in completing a project may differ materially from our estimates as a result of changes in customer requirements, additional customization requests, unforeseen technical challenges, delays in project implementation, increased labor or procurement costs or other implementation difficulties. To the extent that our contracts do not permit us to pass such additional costs on to customers, or where customers do not accept revised scope arrangements or pricing adjustments, we may have to absorb such excess costs ourselves. Any material or repeated cost overruns could reduce our gross profit margin and profitability and materially and adversely affect our business, financial condition and results of operations.

The commercial success of our decision intelligence solutions depends on the continued technical efficacy, accuracy and market acceptance of our proprietary Data Agent Graph. If our proprietary Data Agent Graph generates inaccurate insights, our reputation and business would be severely harmed.

Our decision intelligence solutions rely on our proprietary Data Agent Graph to integrate structured, semi-structured and unstructured data from multi-source heterogeneous data environments for complex operational scenarios. Customers evaluate our solutions not only on technical functionality but also on whether the outputs are sufficiently accurate, interpretable, and actionable. There is no assurance that our proprietary Data Agent Graph will not generate incorrect or misleading insights. Raw data quality deficiencies, inadequate model parameter tuning, mapping logic distortion and insufficient system interoperability could impair the accuracy, consistency, timeliness, explainability and reliability of our outputs. We cannot guarantee that we will be able to detect or remedy such flaws in a timely manner, or at all. This risk is heightened when processing massive, multi-source, heterogeneous datasets, especially in project scenarios under which massive amounts of data and records from telecommunication operators, social institutions and the government are processed. If our proprietary Data Agent Graph fails to operate as intended, customers may lose confidence, delay or refuse acceptance, reduce or terminate purchases and assert disputes against us.

If we fail to compete effectively, our business, financial condition and results of operations may be materially and adversely affected.

The markets in which we operate are competitive and evolving. Across our industry verticals and application scenarios, we compete with existing market participants. We also face the threat of new market entrants. These may include better-established technology companies or global technology companies seeking to enter the PRC market, whether independently or through strategic alliances with, or acquisitions of, companies in the PRC. Increased competition could result in lower sales, price reductions, reduced margins, loss of market share and longer sales cycles. If we are unable to compete successfully, or if doing so requires us to take costly actions that erode our profitability, our business, financial condition and results of operations could be materially and adversely affected.

Our research and development expenses may negatively impact our profitability in the short term and may not generate the results we expect to achieve.

Our success depends largely on our capability to efficiently develop and innovate our products to meet customers' evolving needs regarding functionality, performance, reliability, design, security and adaptability. This requires continuously upgrading our algorithms, privacy-preserving computing capabilities, data-processing architecture, model capabilities, platform infrastructure and solution functionalities. In this connection, we have been investing heavily in our research and development efforts. For FY2023, FY2024 and FY2025, our research and development expenses were RMB41.8 million, RMB44.5 million, and RMB43.3 million, respectively. There is no assurance that we will successfully develop or implement any of the R&D projects or be able to complete such projects within their respective time and cost estimates. In the event that we fail to enhance our research and development capabilities to meet the evolving demand of customers, our capabilities may be surpassed by our competitors, which may adversely impact our results of operations and future prospects.

If we fail to obtain and maintain the requisite licenses and approvals required under the regulatory environment applicable to our business, our business, financial condition and results of operations may be materially and adversely affected.

The regulatory regime applicable to our business is evolving, with new laws, regulations, and governmental policies being introduced from time to time. Current laws and regulations may become more comprehensive and stringent in the future, and the interpretation, implementation, and enforcement of existing and future rules may change. Consequently, we cannot assure you that we can successfully update or renew all licenses that are material to our operation in a timely manner, or that our existing licenses, permits, approvals, registrations and filings will remain sufficient for all of our present operations or future business expansion.

If we fail to complete, obtain, or maintain any of the required licenses, approvals, or filings in a timely manner, or if the relevant authorities determine that our existing qualifications are insufficient, inapplicable, or no longer valid for any part of our business, we may be subject to various administrative penalties. Furthermore, we may be forced to terminate collaborations with customers and other business partners who fail to comply with laws and regulations in a timely manner. Any such penalties or disruptions could delay product deployment, impair our ability to enter into or perform customer contracts, increase our operating costs and materially and adversely affect our business, financial condition, and results of operations.

Our technology infrastructure may experience unexpected system failure, interruption, inadequacy, security breaches or cyberattacks. Our reputation, business and results of operations may be harmed by service disruptions or by our failure to timely and effectively scale and adapt our existing technology and infrastructure.

Our systems, platforms, and infrastructure, as well as the customer environments in which our solutions are deployed, may encounter disruptions, outages or performance degradation. These can be caused by internal issues such as software defects, coding errors, system bugs, failed upgrades, integration issues, network congestion or overload, hardware failures, human error and insider misconduct. Additionally, our infrastructure is vulnerable to external and force majeure events, including telecommunications interruptions, power outages, fires, floods, earthquakes, extreme weather, public health events and other natural disasters or accidents.

Cybersecurity threats are becoming increasingly frequent and difficult to detect and defend against. Our systems, along with those of our customers, third-party suppliers, and service providers, may be subjected to hacking, computer viruses, phishing, malware, ransomware, denial-of-service attacks, supply-chain attacks, unauthorized access, or data exfiltration. Vulnerabilities in our own systems, customer on-premises environments, or third-party hardware, software, cloud, or network services may be exploited by unauthorized parties. Furthermore, if we fail to implement adequate encryption for data transmitted through the networks of telecommunications and internet operators, there is a risk that those operators or their business partners may misappropriate the data. Any of the foregoing could materially and adversely affect our reputation, business, financial condition and results of operations.

We work with third party business partners in our business operations. Such arrangements reduce our control over the quality, development and deployment of our solutions and could harm our business.

We engage third parties in various aspects of our business operations. We procure technical support services, software and hardware and data products from third-party suppliers. Additionally, we may enter into strategic partnerships with academic institutions such as the Peking University (北京大學), R&D institutions and independent technology companies in the PRC for conducting R&D activities. Our reliance on these arrangements reduces our direct control over the quality, development, deployment, timing, compliance, cost and overall performance of our solutions and relevant products and services. We may experience operational difficulties with our third-party suppliers and partners, who may fail to meet our customers' requirements and expectations. Specifically, they may fail to comply with technical and product specifications, quality standards, data security requirements, confidentiality obligations, delivery and deployment schedules, or applicable laws and regulations.

The termination of any critical collaboration could adversely affect our R&D capabilities and operations. Replacing any third-party suppliers or service provider may require significant time, effort, and transition costs and could cause service disruptions or require us to reconfigure technical and operational workflows. We remain primarily responsible to our customers for warranty services, defects, delays, poor performance, compliance failures, or other losses arising from the acts or omissions of our third-party partners. Ultimately, any failure of our third-party business partners to perform their responsibilities or to comply with all applicable laws and regulations could materially and adversely affect our business, reputation, financial condition and results of operations.

If we are unable to ensure compatibility of our solutions with a variety of hardware and software platforms and software applications developed by others, including our partners, we may become less competitive and our results of operations may be harmed.

Our decision intelligence solutions are designed to operate in complex customer IT environments and must integrate with a variety of hardware and software platforms, operating systems, databases, middleware, browsers, networks and software applications developed by third parties, including our partners and customers. The successful deployment, operation, performance, and market acceptance of our solutions depend heavily on our ability to maintain such compatibility and interoperability on a continuous basis. If our solutions fail to interoperate seamlessly with third-party environments, customers may experience functionality limitations, implementation delays, degraded performance, increased maintenance burdens, or operational disruptions. Such issues could reduce customer satisfaction, increase support costs, delay revenue recognition, negatively affect our competitive edge and impair our ability to retain existing customers or attract prospective customers. Ultimately, any failure to ensure, maintain, and expand the compatibility of our solutions could materially and adversely affect our business, financial condition and results of operations.

If the data used by our customers are out of date, inaccurate or lacking credible information, the performance of our solutions will be adversely affected, which could adversely impact our business.

To provide services to our customer, we rely on third-party data providers for certain data products used in our projects or solutions. If these providers fail to supply updated data, lose their authorization to provide such data, restrict our permitted use of the data, or otherwise fail to perform, the results generated by our solutions may be adversely affected.

We generated a significant portion of our revenue from our top five customers. If we fail to retain existing customers, expand our relationships with them, or attract new customers to offset any reduction in business from them, our business and results of operations may be materially and adversely affected.

During the Track Record Period, we derived a significant portion of our revenue from a limited number of customers. For FY2023, FY2024 and FY2025, revenue from our top five customers accounted for 37.9%, 56.6%, and 51.1% of our total revenue, respectively. In particular, our largest customer for FY2023, FY2024 and FY2025 accounted for 11.3%, 29.3%, and 20.1% of our total revenue for the corresponding years, respectively. We were engaged by our customers on a project-by-project basis during the Track Record Period. There is no assurance that we will continue to obtain contracts from our major customers in the future. If there is a significant decrease in the number of projects awarded by our major customers, and we are unable to secure projects with a comparable size and quantity as replacements from other customers, our financial condition and operating results would be materially and adversely affected.

A portion of our revenue was derived from private enterprises which are third-party system integrators. Any disruption in our relationships with these system integrators or their failure to perform could adversely affect our business, reputation and results of operations.

During the Track Record Period, a portion of our revenue was derived from third-party system integrator customers. These system integrators are responsible for negotiating with various suppliers including data integration and analytical application solutions providers (including us) on behalf of the end users being the project owner, who typically retain the authority to approve the selection of suppliers. Such end users typically lay out the objectives they plan to achieve and the budget for their projects and engage third-party system integrators, instead of engaging us directly. These system integrators often embed our solutions into their offering to cater for end users' specific needs, and provide various other services to end users, such as implementation services. We contract directly with these system integrators and recognize them as our customers on the basis of outright sales. The ability of the system integrator customers to effectively market, position, integrate, implement, support and maintain our solutions may materially affect our prospect in securing new projects. If we fail to maintain strong relationships with the major system integrators, or if they choose to pursue alternative suppliers, or partner with our competitors, our financial condition and operating results would be materially and adversely affected.

Our operating results are subject to seasonal fluctuations.

Our business and operational results are influenced by seasonality. During the Track Record Period, we typically recorded higher revenue in the fourth quarter of each year, primarily because our customers generally conducted inspections upon project completion and confirmed their acceptance in the fourth quarter of the year. As a result, our results of operations and financial conditions could fluctuate significantly across different periods throughout the year. As a result, comparisons of our results of operations and financial condition between different periods within a single financial year are not necessarily meaningful and may not indicate our performance of a different period.

Unauthorized use of our intellectual properties by third parties may harm our brands and reputation, and the expenses incurred in protecting our intellectual property rights may materially and adversely affect our business.

We regard our copyrights, patents, trademarks, domain names, trade secrets, proprietary software, know-how, and other intellectual properties as critical to our success. We may not be able to prevent the unauthorized use, disclosure, copying, misappropriation, reverse engineering, infringement, or other misuse of our intellectual property by third parties. To protect our intellectual property rights, we may encounter litigation, arbitration, administrative proceedings, or other enforcement actions. Conversely, we may also be subject to intellectual property infringement claims or allegations by third parties, which could result in significant monetary liabilities or injunctive relief restricting our use of certain technologies. Any failure to adequately protect, enforce, or preserve our intellectual property rights could materially and adversely affect our business, financial condition, and results of operations.

We may be subject to intellectual property infringement, misappropriation, or other violation claims, which could be time-consuming or costly to defend, divert our financial and management resources, and expose us to substantial liability through indemnity provisions.

We cannot be certain that our operations, technologies, products, solutions, brands, content, software, algorithms, know-how, or business methods do not or will not infringe upon, misappropriate, or otherwise violate trademarks, copyrights, patents, trade secrets, or other intellectual property ("IP") rights held by third parties. Additionally, we may face disputes if third parties assert that our current, former, or future employees have improperly disclosed or used the confidential information or proprietary rights of their former employers. Defending against IP allegations—regardless of their merit—is costly, time-consuming, and diverts management's attention and our financial, legal and technical resources. In addition, our agreements with customers and business partners may contain indemnity provisions under which we agree to protect them against losses arising from third-party IP claims. Any substantial indemnity payments or related disputes could severely damage our financial condition and our relationships with existing and prospective partners.

If we are found to have violated third-party IP rights, we may face significant damages, fines, settlements, or other monetary liabilities. Injunctive or equitable relief could be issued against us. We could be forced to cease offering implicated technologies or features, rebrand parts of our business, pay substantial royalties, or obtain licenses on commercially unreasonable terms. If we are unable to secure necessary licenses or develop non-infringing alternatives in a timely manner, we may be forced to limit or stop the sale and provision of our solutions, which would materially and adversely affect our business, financial condition and results of operations.

Our business depends substantially on continuing efforts of our senior management, R&D team members and other key personnel, as well as a competent pool of talents who support our existing operations and future growth. If we are unable to retain, attract, recruit and train such personnel, our business may be materially and adversely affected.

Our future success depends heavily on the continuing services, expertise, experience, execution capability, and vision of our senior management, R&D team members and other key personnel, many of whom are difficult to replace. If any member of our senior management becomes unable or unwilling to continue contributing their services, we may not be able to replace them easily, in a timely manner, or at all. We may incur additional expenses to recruit and train new staff, and there is no assurance that departing management members will not join our competitors or form a competing business. Additionally, our future success depends on our ability to attract, recruit, train, motivate, integrate, and retain a large number of highly qualified employees such as our R&D team members. We cannot assure you that we will successfully attract or retain the qualified workforce necessary to support our growth. If we fail to recruit sufficient personnel with the appropriate skills in a timely manner, or if we experience high turnover among key employees, our product development, R&D capabilities, service quality, project delivery, sales efforts and customer satisfaction may be adversely affected.

Confidentiality agreements and non-compete covenants with employees and other third parties may not adequately prevent the disclosure of trade secrets and other proprietary information.

We rely on confidentiality and related agreements contractors, suppliers, business partners and other third parties. We cannot assure you that we have entered into confidentiality agreements with all persons who have had or may have access to our trade secrets, proprietary technology, know-how, or other sensitive information. Furthermore, we cannot guarantee that these agreements will not be breached, challenged, or otherwise circumvented. We may not detect any such breach in a timely manner, or at all, and we may not have adequate remedies for any breach.

Our trade secrets and proprietary information may also be leaked or otherwise become available to competitors through employee misconduct, unauthorized access, cybersecurity incidents, or other events. Once our trade secrets or other proprietary information are disclosed or misappropriated, it may become difficult or impossible for us to regain control of such information or to limit the competitive damage caused thereby. In addition, third parties may independently discover or develop technologies, processes, or information similar to or duplicative of ours. This independent discovery could reduce the value of our proprietary rights and limit our ability to assert proprietary claims against such parties.

We are subject to credit risk related to defaults of customers, and any significant default on our receivables could materially and adversely affect our liquidity, financial condition and results of operations.

We are exposed to credit risk related to defaults of our customers, and our profitability and cash flow are dependent on the timely settlement of payments by our customers for the products and solutions we provide to them. As at December 31, 2023, 2024 and 2025, our trade and bills receivables (net of impairment of trade receivables) amounted to RMB137.9 million, RMB132.1 million and RMB200.1 million, respectively. Additionally, our trade and bills receivables turnover days were 125.0 days, 173.0 days and 157.1 days in FY2023, FY2024 and FY2025, respectively. We may not be able to timely collect all such trade and bills receivables due to a variety of factors that are beyond our control. We may face delays or an inability to collect payments if our customers delays or defaults their payment to us,

Our liquidity is highly dependent on the payment performance of our customers, which include SOE(s) and government entities. These entities may have prolonged internal payment approval, budget review, audit, inspection, or acceptance processes. Any significant default or delay in payment by our direct customers or their ultimate users could result in a slow turnover of our trade and bills receivables, extend our working capital cycle, reduce operating cash inflows and restrict our working capital resources.

Provisions made on our trade and bills receivables are recorded as expenses or impairment losses in our results of operations. If we are not able to effectively manage the credit risk associated with our trade and bills receivables, we may be forced to make additional impairment provisions and write-off on the relevant trade and bills receivables. Ultimately, any significant deterioration in the credit quality or recoverability of our receivables could materially and adversely affect our liquidity, cash flows, financial condition and results of operations.

Uncertainties and changes in government policies in respect of the industries in which we operate may negatively affect our business, financial condition and results of operations.

Since certain of our customers are SOEs and government entities, our business is particularly sensitive to policy direction, fiscal budget arrangements, and public-sector project cycles. However, such policies may be subject to changes that are beyond our control. There can be no assurance that favorable government policies, government support, procurement priorities, project approval practices, budget allocations, tender rules, implementation standards, or other public-sector arrangements relevant to our business will continue in their current form or remain favorable to us.

Uncertainties and changes in such policies may adversely affect the timing, scale, economics, or customer demand for our solutions. For example, adjustments in industrial policy, public spending priorities, procurement rules, compliance requirements, technical standards, or administrative approval procedures may cause delays in project initiation, tender process, implementation, inspection, acceptance, or payment, or may reduce the number or scale of projects available to us. If we are unable to respond to such changes in a timely and cost-effective manner, or if customer demand is adversely affected as a result of policy shifts, our business, financial condition, results of operations and prospects may be materially and adversely affected.

Failure to pay social insurance funds and housing provident funds for and on behalf of our employees in accordance with applicable laws and regulations may subject us to settle the unpaid social insurance funds and housing provident funds and relevant penalties.

In accordance with applicable PRC laws and regulations, we are obliged to contribute to social insurance and housing provident funds for our employees. During the Track Record Period, we did not make full contributions to social insurance and housing provident funds for certain of our employees as required by relevant PRC laws and regulations. For details, please refer to the paragraph headed "Business — Legal compliance" in this document.

In the event of any such non-compliance, according to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) and the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》), we may be ordered to make up the outstanding contributions within a prescribed time limit, together with late payment fees. We may also be subject to fines if such payment is not made within the required time limit. In addition, employees may seek compensation or otherwise raise claims in relation to any failure to make contributions in accordance with applicable laws and regulations. Any such liabilities, penalties, remedial measures, or claims could increase our labor costs, require us to make additional provisions, divert management attention, and materially and adversely affect our business, financial condition, cash flows and results of operation in the future.

Certain of the lease agreements of our leased properties have not been registered with the relevant PRC government authorities as required by PRC law, which may expose us to potential fines.

As of the Latest Practicable Date, five of our leased properties for our business operations in China have not been registered with the relevant PRC government authorities. As advised by our PRC Legal Adviser, failure to register such lease agreements with the relevant PRC government authorities does not affect the effectiveness of the lease agreements. However, the relevant PRC government authorities may order us to register the lease agreements within a prescribed time limit. Failure to do so may subject us to a fine ranging from RMB1,000 to RMB10,000 for each lease agreement.

We cannot assure you that the relevant PRC government authorities will not require us to complete such registration in the future or impose penalties in connection with the non-registration. If we are required to rectify such non-compliance, we may need to devote additional time, costs, and administrative resources to complete the relevant procedures and coordinate with the lessors and authorities. Furthermore, in the event that any fine is imposed on us for our failure to register our lease agreements, we may not be able to recover such losses from the lessors. Any fines, rectification requirements, or related administrative burdens may affect our operations, financial condition, and results of operations.

We may be involved in legal proceedings and commercial disputes, which could have a material adverse effect on our business, financial condition and results of operations.

We may be subject to claims and various legal, regulatory, administrative, and arbitral proceedings in the ordinary course of our business. As at the Latest Practicable Date, our Group was involved in an ongoing civil litigation involving a contractual dispute with a supplier of technical support services, being our third largest supplier for FY2025. For further details of the ongoing civil litigation, please refer to the paragraph headed "Business — Litigation and claim" in this document.

Any claims and litigations could result in substantial costs and diversion of resources and management attention. We may incur significant dispute-related costs, including professional fees for legal advisory, appraisal, execution and enforcement services. Unfavorable judgement or outcome of any such lawsuit or claim could result in compensatory or punitive monetary damages, settlement payments, fines, penalties, disgorgement of revenue or profits, increased compliance costs and contractual liabilities. It could also lead to remedial corporate measures, specific performance, loss of customers, severe reputational harm or injunctive relief that prevents us from using certain technologies, products or services. In addition, our agreements sometimes include indemnification provisions that could subject us to costs and damages in the event of a claim against an indemnified third party.

We may not be able to sustain our historical growth rates, and our historical growth may not be indicative of our future growth or financial results.

We have achieved steady growth during the Track Record Period. Our total revenue increased from RMB279.8 million for FY2023 to RMB281.0 million for FY2024 and further increased to RMB380.6 million for FY2025. However, there is no assurance that we will be able to maintain our historical growth rates in future periods, and our historical results of operations should not be viewed as indicative of our future performance.

Our future growth depends on numerous factors, many of which are beyond our control. Our growth rates may be affected by macroeconomic and industry conditions, including the PRC's overall economic growth, technological development and growth of the decision intelligence application industry. External threats such as new technological developments, competing products or solutions, changing customer preferences, and data security or privacy concerns could reduce demand for our solutions, prolonged sales cycles, or render some of our offerings less attractive or obsolete.

We cannot assure you that we will be able to effectively manage the expansion and increasing complexity of our operations and workforce or implement our business strategies successfully. If the market for our solutions does not develop as we expect, if our new initiatives take longer than expected to gain acceptance, or if we fail to address the needs of this dynamic market, our business, results of operations, financial condition and prospects may be materially and adversely affected.

We recorded net current liabilities, net liabilities and net cash used in operating activities during the Track Record Period, and we cannot assure you that we will not have net current liabilities, net liabilities or net cash used in operating activities in the future.

As at December 31, 2023, 2024 and 2025, we recorded net current liabilities of RMB195.1 million, RMB158.8 million, RMB125.8 million, respectively, and net liabilities of RMB188.9 million, RMB158.7 million, RMB119.8 million, respectively. Besides, we recorded net cash used in operating activities of RMB84.0 million, RMB32.8 million and RMB81.4 million for FY2023, FY2024 and FY2025, respectively. For details, please refer to the paragraph headed "Financial information — Liquidity and capital resources" in this document for further information.

We cannot assure you that we will not record net current liabilities, net liabilities or net cash used in operating activities in the future. Our net current liabilities, net liabilities and net cash used in operating activities may expose us to liquidity risk which could restrict our ability to make necessary capital expenditures, develop business opportunities, or seek adequate financing from sources such as equity or equity-linked instruments and external debt, thus our business, financial condition and results of operations could be materially and adversely affected.

We are subject to anti-corruption, anti-money laundering, anti-bribery and other relevant laws and regulations.

We are subject to anti-corruption, anti-money laundering, anti-bribery and other applicable laws and regulations in the jurisdictions where we operate. These laws impose strict requirements on our dealings with customers, suppliers, service providers, intermediaries and other business partners, as well as on our internal controls, books and records, payment practices, approvals, and compliance procedures. There can be no assurance that our internal policies and procedures will be sufficient to prevent all misconduct, omissions, or non-compliance. If our compliance processes or internal control systems are not adequately designed, effectively implemented, or consistently followed, we may become subject to investigations and proceedings by governmental authorities.

Misconduct and omissions by our employees or business partners could harm our business and reputation.

Our future success is significantly dependent upon the continued service and ethical conduct of our senior management, R&D team, and other key employees. There can be no assurance that our employees will not engage in misconduct or omissions that could materially and adversely affect our business, financial condition and results of operations. Similarly, misconduct by our business partners could subject us to business disruption, negative publicity or liability. Any such behavior by our business partners may affect our operations and reputation, which may in turn materially affect our business, results of operations and financial condition.

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

Our insurance coverage may not be sufficient to cover all losses, claims, liabilities or disruptions that may arise. Specifically, we do not maintain business interruption insurance, key-man life insurance or litigation insurance. Furthermore, we have not purchased stand-alone information security or cybersecurity insurance, which may leave us exposed to substantial financial losses in the event of a data breach, cybersecurity incident or other information security event. Our business depends on the continued operation of our personnel, premises, information technology systems, network infrastructure, equipment and business processes. If we experience any event causing damage or interruption—including natural disasters (such as fire, flood or earthquake), public health events, power outages, system failures, employee misconduct, customer disputes, litigation or regulatory investigations—our insurance may not cover in full or at all.

Accordingly, any uninsured or underinsured loss or any delay in receiving insurance proceeds, could require us to use significant internal resources to repair or replace damaged assets, restore operations, defend claims or compensate third parties. Any such loss, liability or disruption could materially and adversely affect our business, financial condition, results of operations and prospects.

Our risk management and internal control systems may not be adequate or effective.

We cannot assure you that our risk management and internal control systems will be sufficiently effective in ensuring, among other things, the accurate reporting of our financial results and the prevention of fraud, or commercial and contractual disputes. Our operations involve increasingly complex operational, technological, legal, and regulatory risks, including those relating to project execution, financial reporting, tax compliance, data security, personal information protection, cybersecurity, third-party management and business continuity. The effectiveness of our risk management and internal control systems depends significantly on their proper design, implementation, and continuous execution by our directors, management, and employees. We cannot assure you that our personnel are sufficiently or fully trained, that they will at all times fully understand, consistently implement, or strictly adhere to such policies, or that their implementation will be free from error or mistake.

Any failure or perceived failure of our risk management and internal control systems could impair our ability to identify, monitor, and manage risks in a timely manner. If we fail to timely update, implement, and modify our policies to respond to new business, regulatory or operational developments or fail to deploy sufficient human resources to maintain them, it may materially and adversely affect our business, financial condition, results of operations and prospects.

We face risks related to natural disasters, health epidemics, outbreaks of contagious diseases, and macroeconomic fluctuations.

Our business, financial condition, results of operations, and prospects could be materially and adversely affected by events beyond our control. These include natural disasters such as earthquakes, floods, fires, extreme weather, and the effects of climate change, force majeure events, widespread health epidemics, pandemics, outbreaks of contagious diseases, power shortages, telecommunications failures, acts of war, terrorism and other public health or safety developments.

No assurances can be given that we will not experience a significant amount of fair value loss on our trade receivables at fair value through other comprehensive income.

As at December 31, 2023, 2024 and 2025, our trade receivables at fair value through other comprehensive income were RMB5.9 million, RMB80.1 million and RMB95.7 million, respectively. If there are any changes in fair value loss on our trade receivables at fair value through other comprehensive income in the future, our business, financial conditions and operating results may be materially and negatively affected.

No assurances can be given that our capabilities to settle our liabilities including the bank borrowings will not be affected when the size and scope of liabilities continue to increase.

As at December 31, 2023, 2024 and 2025, our total financial indebtedness, mainly including interest-bearing bank and other borrowings, lease liabilities, redemption liabilities, amount due to related parties and loan due to other party was RMB286.7 million, RMB317.5 million and RMB429.7 million, respectively. No assurances can be given that there will not be any net liquidity shortfall in the future or that our banks will not accelerate our indebtedness owed to them and require instantaneous payment of the outstanding amount. Any additional debt will also result in increased debt servicing obligations and may also result in covenants limiting our shareholding structure, business or operation.

We may not be able to obtain adequate financing on acceptable terms.

Our ability to obtain adequate external financing will depend on several factors, such as our financial performance and our operating results, as well as other factors beyond our control, such as the global and PRC economic conditions, the prevailing interest rates, the applicable PRC laws and regulations, the adoption of tighter monetary and credit policies by government entities. As a result, we cannot assure you that we will be able to support our business expansion by maintaining adequate credit facilities at commercially reasonable rates or at all, or to successfully raise capital from alternative sources. Moreover, any increase in the costs and interests will drive up our financial costs and reduce our interest spread. If we are unable to obtain financing when required, at a reasonable cost or on reasonable terms, or at all, our business, financial conditions and operating results may be adversely affected. If that is the case, our capability to pay our liabilities and borrowings as and when they fall due will be affected, so will the likelihood of securing extra financing.

Restrictions imposed by the terms of our financing covenants may adversely affect our financial conditions and there is no assurance that we can fulfil our obligations incurred under our financing arrangements.

We have various financing agreements with banks which impose certain restrictive conditions on us. Breach of any of such covenants may result in an event of default and trigger the financing party's exercise of their rights on an accelerated basis, or could result in cross-defaults on the terms of our other existing and outstanding indebtedness, which could increase our financing costs and affect our ability to refinance our indebtedness.

RISKS RELATED TO DOING BUSINESS IN THE PRC

Adverse changes in economic, political and social conditions, could have a material adverse effect on our business and prospects.

All of our revenue is derived from our businesses in the PRC during the Track Record Period. Accordingly, our financial condition, results of operations and prospects are, to a material extent, subject to economic, political and legal developments in the PRC. The PRC's economy may differ from the economies of many countries in many respects, including with respect to the extent of government involvement, level of development, growth rate, and allocation of resources. If the macro-economy condition experiences significant adverse changes due to any of the foregoing reasons, demand for our solutions and our ability to maintain our operations may suffer, which will consequently have a material adverse effect on our financial condition, results of operations and our future prospects.

Fluctuations in the value of the Renminbi and other currencies may have a material adverse impact on your [REDACTED].

During the Track Record Period, all of our revenues and expenditures were denominated in Renminbi, while the net [REDACTED] from the [REDACTED] will be in Hong Kong dollars. Fluctuations in the exchange rate between the Renminbi and the Hong Kong dollar will affect the relative purchasing power in Renminbi terms of the [REDACTED] from the [REDACTED]. Fluctuations in the exchange rate may also cause us to incur foreign exchange losses and affect the relative value of any dividend issued by our PRC subsidiaries. Movements in Renminbi exchange rates are affected by, among other things, changes in political and economic conditions and China's foreign exchange regime and policy. We cannot assure you that Renminbi will not appreciate or depreciate significantly in value against other currencies in the future.

Regulations on currency exchange may limit our foreign exchange transactions, including our ability to pay dividends and other obligations, and may affect the value of your [REDACTED].

Conversion of RMB into foreign currency and remittance of foreign currency out of the PRC under certain circumstances are subject to the PRC foreign exchange regulations. If there are unfavorable changes in exchange rates, or if the PRC government implements regulatory policies that limit our ability to convert RMB into foreign currency, we may not have sufficient foreign exchange to meet our foreign exchange needs. Under current PRC foreign exchange regulations, certain current account transactions such as profit distributions, interest payments and trade-related expenses can be conducted in foreign currency without prior approval from the SAFE, as long as certain procedural requirements are met. However, capital account transactions such as capital transfers, direct investments, securities investments and repayment of borrowings are subject to foreign exchange policies and require prior approval from the SAFE or registration with the SAFE or authorized banks. Any insufficiency of foreign exchange may restrict our ability to obtain sufficient foreign exchange for dividend payments to shareholders or satisfy any other foreign exchange obligation. If we fail to obtain approvals from the SAFE to convert RMB into any foreign exchange for any of the above purposes, our potential offshore capital expenditure plans and even our business may be materially and adversely affected.

If our preferential tax treatments are revoked, become unavailable or if the calculation of our tax liabilities is successfully challenged by the PRC tax authorities, we may be required to pay tax, interest and penalties in excess of our tax provisions, and our results of operations could be materially and adversely affected.

Operating in the high-technology and software industry, we enjoy various types of preferential tax treatment according to the prevailing PRC tax laws. Our PRC entities may, if they meet the relevant requirements, qualify for three main types of preferential treatment, which are "High-tech" Enterprise (高新技術企業) especially supported by the PRC, software enterprises and key software enterprises within the scope of the PRC national plan.

For qualified "High-tech" Enterprise (高新技術企業), the applicable enterprise income tax rate is 15%. The "High-tech" Enterprise (高新技術企業) qualification is reassessed by the relevant authorities every three years. If our preferential tax treatments are revoked, become unavailable or if the calculation of our tax liabilities is successfully challenged by the PRC tax authorities, the discontinuation of any of the various types of preferential tax treatment we enjoy could materially and adversely affect our results of operations. See the paragraph headed "Financial Information — Description of major components of results of operations — Income tax expense".

Our operations are subject to and may be affected by changes in PRC tax laws and regulations.

We are subject to periodic examinations on fulfillment of our tax obligation under the PRC tax laws and regulations by PRC tax authorities. Although we believe that in the past, we have acted in compliance with the requirements under the relevant PRC tax laws and regulations in all material aspects and established effective internal control measures in relation to accounting regularities, we cannot assure you that future examinations by PRC tax authorities would not result in fines, other penalties or action that could adversely affect our business, financial condition and results of operations, as well as our reputation. Furthermore, PRC tax laws and regulations may change from time to time in the future and may also have an adverse effect on our business, financial condition and results of operations.

Holders of our H Shares may be subject to PRC income tax obligations.

Under the current PRC tax laws and regulations, non-PRC resident individuals and non-PRC resident enterprises are subject to different tax obligations with respect to the dividends paid to them by us and the gains realized upon the sale or other disposition of H Shares.

Non-PRC resident individuals are required to pay PRC individual income tax at a 20% rate for the income derived in China under the Individual Income Tax Law of the PRC (the "**IIT Law**") (《中華人民共和國個人所得稅法》) and its implementation guidelines. Accordingly, we are required to withhold such tax from dividend payments, unless applicable tax treaties between China and the jurisdiction in which the foreign individual resides reduce or provide an exemption for the relevant tax obligations. However, pursuant to the Circular on Certain Policy Questions Concerning Individual Income Tax (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》) (Cai Shui Zi [1994] No. 020) issued by the Ministry of Finance ("MOF") and SAT on May 13, 1994, the income gained by individual foreigners from dividends and bonuses of enterprise with foreign investment are exempted from individual income tax for the time being. In addition, under the IIT Law and its implementation regulations, non-PRC resident individual holders of H shares are subject to individual income tax at a rate of 20% on gains realized upon the sale or other disposition of H shares. However, pursuant to Circular of Declaring that Individual Income Tax Continues to be Exempted over Income of Individuals from the Transfer of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) (Cai Shui Zi [1998] No. 61) issued by the MOF and the SAT on March 30, 1998, from January 1, 1997, the income of individuals from the transfer of the shares of listed enterprises continues to be exempted from individual income tax.

As at the Latest Practicable Date, no aforesaid provisions have expressly provided that individual income tax shall be levied on non-PRC resident individual holders on the transfer of shares in PRC resident enterprises listed on overseas stock exchanges, and to our knowledge, no such individual income tax was levied by PRC tax authorities in practice. However, there is no assurance that the PRC tax authorities will not change these practices which could result in levying income tax on non-PRC resident individual holders on gains from the sale of H shares.

For non-PRC resident enterprises that do not have establishments or premises in China, and for those have establishments or premises in China but whose income is not related to such establishments or premises, under the EIT Law and its implementation regulations, dividends paid by us and gains realized by such foreign enterprises upon the sale or other disposition of H Shares are subject to PRC enterprise income tax at a 10% rate. In accordance with the Circular on Issues Relating to Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (《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》) (Guo Shui Han [2008] No. 897) issued by SAT on November 6, 2008, the withholding tax rate for dividends payable to non-PRC resident enterprise holders of H Shares will be 10% and we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares (including [REDACTED]). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty or arrangement will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate, and payment of such refund will be subject to the PRC tax authorities' approval.

Despite the arrangements mentioned above, the PRC tax laws and regulations as well as the interpretation and application of such laws and regulations may change from time to time in the future which may adversely affect the value of your [REDACTED] in our H Shares.

RISKS RELATED TO THE [REDACTED]

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

Prior to the completion of the [REDACTED], there has been no [REDACTED] for our H Shares. There can be no guarantee that an active [REDACTED] market for our H Shares will develop or be sustained after the completion of the [REDACTED]. The [REDACTED] is the result of negotiations between our Company, the [REDACTED] (for themselves and on behalf of the [REDACTED]), which may not be indicative of the price at which our H Shares will be [REDACTED] following completion of the [REDACTED]. The market price of our H Shares may drop below the [REDACTED] at any time after completion of the [REDACTED].

The [REDACTED] price of our H Shares may be volatile, which could result in substantial losses to you.

The [REDACTED] price of our H Shares may be volatile and could fluctuate widely in response to factors beyond our control, including general market conditions of the securities markets in Hong Kong, the PRC, the United States and elsewhere in the world. In particular, the performance and fluctuation of the market prices of other companies with business operations located mainly in the PRC that have listed their securities in Hong Kong may affect the volatility in the price of and [REDACTED] volumes for our H Shares. A number of PRC-based companies have listed their securities, and some are in the process of preparing for listing their securities, in Hong Kong. Some of these companies have experienced significant volatility, including significant price declines after their initial public offerings. The trading performances of the securities of these companies at the time of or after their offerings may affect the overall investor sentiment towards PRC-based companies listed in Hong Kong and consequently may impact the [REDACTED] performance of our H Shares.

Pursuant to the applicable PRC law, within the 12 months following the [REDACTED], all existing Shareholders (including the Pre-[REDACTED] Investors) could not dispose of any of the Shares held by them. Due to such lock-up requirement, the liquidity and [REDACTED] volume of the H Shares in the short term following the [REDACTED] may be significantly affected. These factors may significantly affect the [REDACTED] and volatility of our H Shares, regardless of our actual operating performance.

Future sales or perceived sales of substantial amount of our Shares in the [REDACTED], especially by our Directors, executive officers and substantial Shareholders, could materially and adversely affect the prevailing [REDACTED] of our H Shares.

Future sales of a substantial number of our Shares, especially by our Directors, executive officers and substantial Shareholders, or the perception or anticipation that such sales might occur, could negatively impact the [REDACTED] of our H Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate. We cannot assure you that such persons will not dispose of any Shares they may own now or in the future. Market sale of Shares by such Shareholders and the availability of these Shares for future sale may have a negative impact on the [REDACTED] of our H Shares.

You will incur immediate and substantial dilution and may experience further dilution if we issue additional Shares in the future.

The [REDACTED] of the [REDACTED] is higher than the net tangible asset value per H Share immediately prior to the [REDACTED]. Therefore, purchasers of the [REDACTED] in the [REDACTED] will experience an immediate dilution in [REDACTED] consolidated net tangible asset value. There can be no assurance that if we were to immediately liquidate after the [REDACTED], any assets will be distributed to Shareholders after the creditors' claims. To expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the [REDACTED] may experience dilution in the net tangible asset value per Share of their Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time.

Our Controlling Shareholders have significant influence over us and their interests may not always be aligned with the interest of our other Shareholders.

Immediately upon the completion of the [REDACTED], without taking into account any Shares which may be issued pursuant to the exercise of the [REDACTED], Mr. Yu, Mr. Cheng, Mr. Li, Rongfucheng, Xintai Tiancheng, and Daihan Junge, being our Controlling Shareholders, will collectively control approximately [REDACTED]% of the voting power at our general meetings. Our Controlling Shareholders will, through their voting power at the Shareholders' meetings and their delegates on the Board, have significant influence over our business and affairs, including decisions in respect of mergers or other business combinations, acquisition or disposition of assets, issuance of additional Shares or other equity securities, timing and amount of dividend payments, and our management. Our Controlling Shareholders may not act in the best interests of our minority Shareholders. This concentration of ownership may also discourage, delay or prevent a change in control of our Company, which could deprive our Shareholders of an opportunity to receive a premium for the Shares as part of a sale of our Company and may significantly reduce the price of our H Shares.

There can be no assurance that we will declare and distribute any amount of dividend in the future.

No dividend has been paid or declared by our Company during the Track Record Period. Under the applicable PRC laws, the payment of dividends may be subject to certain limitations. The calculation of our profit under applicable accounting standards differs in certain respects from the calculation under IFRS. As a result, we may not be able to pay a dividend in a given year even if we were profitable as determined under IFRS. Our Board may declare dividends in the future after taking into account our results of operations, financial condition, cash requirements and availability and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the PRC laws and regulations and requires approval at our shareholders' meeting. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution.

Certain statistics contained in this document are derived from a third-party report, and are not independently verified by us. There can be no assurance of the accuracy or completeness of certain facts, forecasts and other statistics obtained from various government publications, market data providers and other independent third-party sources, including the industry expert report, contained in this document.

This document, particularly the section headed "Industry Overview," contains information and statistics relating to the decision intelligence application industry. Such information and statistics have been derived from third-party reports, either commissioned by us or publicly accessible, and other publicly available sources. We believe that the sources of the information are appropriate sources for such information, and we have taken reasonable care in extracting and reproducing such information. However, we cannot guarantee the quality or reliability of such source materials. The information has not been independently verified by us, the Sole Sponsor, the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED] or any other party involved in the [REDACTED], and no representation is given as to its accuracy. Collection methods of such information may be flawed or ineffective, or there may be discrepancies between published information and market practice, which may result in the statistics being inaccurate or not comparable to statistics produced for other economies. You should therefore not place undue reliance on such information. In addition, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as or consistent with similar statistics presented elsewhere, and such information may not be complete or up-to-date. In any event, you should consider carefully the importance placed on such information or statistics.

You should read the entire document carefully and should not rely on any information contained in press articles or other media regarding us and the [REDACTED].

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the [REDACTED]. Prior to the publication of this document, there has been press and media coverage regarding us, our business, our industry and the [REDACTED]. There may be additional media coverage regarding us, our business, our industry and the [REDACTED] subsequent to the date of this document but prior to the completion of the [REDACTED]. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations and other information. None of us or any other person involved in the [REDACTED] has authorized the disclosure of any such information in the press or media and none of us accepts any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it and you should not rely on such information.

Forward-looking information in this document is subject to risks and uncertainties.

This document contains certain statements and information that are forward-looking and uses forward-looking terminology such as "anticipate," "believe," "could," "going forward," "intend," "plan," "project," "seek," "expect," "may," "ought to," "should," "would," or "will," and similar expressions. You are cautioned that reliance on any forward-looking statement involves risks and uncertainties, and any or all of those assumptions could prove to be inaccurate. As a result, the forward-looking statements based on those assumptions could also be incorrect.

In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations or warranties by us that our plans and objectives will be achieved. These forward-looking statements should be considered in light of various important factors, including those set forth in this section. Subject to the requirements of the Listing Rules, we do not intend to publicly update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events, or otherwise. Accordingly, you should not place undue reliance on any forward-looking information.