An **[REDACTED]** *in our H Shares involves significant risks. You should carefully consider the information set out in this document, including the risks and uncertainties described below, before making an* **[REDACTED]** *in our Shares.*

The following is a description of what we consider to be our material risks. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks and uncertainties. The **[REDACTED]** *price of our Shares could decline due to any of these risks, 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 "Forward-looking Statements." You should seek professional advice from your relevant advisors regarding your prospective* **[REDACTED]** *in the context of your particular circumstances.*

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

Our revenue is primarily generated from contracts that are non-recurring in nature, which leads to uncertainty in our future revenue streams.

We generate our revenue primarily from providing fintech software development services to our customers. Such services are offered under two revenue models, namely a time-and-material model and a project-based model. A key characteristic of both models is the non-recurring nature of the underlying contracts, which exposes us to uncertainties regarding our future revenue and results of operations.

Under our time-and-material model, we charge customers based on the actual time and personnel resources expended on specific tasks. While this model offers flexibility to our customers and aligns with the iterative nature of software development, it does not guarantee predictable monthly or quarterly revenue. The volume of work depends on the customer's ongoing needs and budget allocations, which in turn affects our revenue. There is no assurance that customers will consistently require our services at the same level, or at all, from one period to the next. A reduction in a customer's demand for our services, the completion of a development phase, or a shift in their internal strategy could lead to a sudden and significant decline in revenue from that customer.

We also engage with customers under a project-based model with well-defined scopes and deliverables. These projects are inherently non-recurring engagements. We need to continuously secure new projects to sustain our revenue under the project-based model. The sales cycle for obtaining new projects can be long and unpredictable, and we face intense competition. There is no guarantee that we will be able to obtain new projects from existing or new customers, or that the terms of any new projects will be as favorable as those we have had in the past. The completion of a major project, if not replenished by a new one of a comparable scale in a timely manner, could cause substantial fluctuations in our revenue and adversely affect our financial condition.

Given that our customer contracts are not typically structured on a recurring basis that would provide a predictable, long-term revenue stream, our financial performance is subject to volatility. Our ability to generate revenue in the future is contingent upon our continuous success in securing customers' demands under the time-and-material model and obtaining new project-based contracts. Any failure to ensure a steady revenue stream would materially and adversely affect our business, financial condition, and results of operations.

We have a high level of customer concentration, with a significant portion of our revenue derived from a limited number of customers. The loss of, or a significant reduction in business from, any of these customers could have a material and adverse effect on our business and results of operations.

A significant portion of our revenue is derived from a small number of major customers. During the Track Record Period, our revenue generated from our five largest customers accounted for 90.1%, 93.7%, 89.1% and 86.5% of our total revenue in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. Our largest customer alone accounted for 41.1%, 42.4%, 52.7% and 51.8% of our total revenue for the same periods, respectively. Our reliance on this limited number of customers exposes us to significant concentration risk. See "Business — Our Customers" for more details.

There is no guarantee that we will be able to retain our major customers or maintain their level of spending with us for the long run. The loss of any of these customers, or a significant reduction in their demand for our services, could occur for various reasons, including if they switch to our competitors or develop their own in-house solutions. The termination of our relationship with any of our major customers, or a material decrease in their business with us, would result in a substantial decline in our revenue and could have a material and adverse effect on our business, financial condition, and results of operations.

Furthermore, our high degree of customer concentration may limit our bargaining power in negotiating contract terms and pricing. While we strive to attract new customers to diversify our revenue base, the sales cycle for our solutions can be lengthy and costly, particularly with large financial institutions. There is no assurance we can secure business of comparable contract value and quantity from new customers, or obtain sufficient new business from existing customers in a timely manner or at all. If we are unable to mitigate our customer concentration risk by diversifying and expanding our customer base, our business will continue to be subject to the risks associated with this dependency.

The markets in which we operate are rapidly evolving. If we fail to innovate and timely develop services that achieve market acceptance and meet the evolving customer expectations, our business, financial condition, and results of operations may be materially and adversely affected.

We primarily serve banks in an environment of rapid technological change, shifting regulation, and intense competition. Our customers are undergoing digital transformation and increasingly adopting emerging technologies to improve efficiency, risk management and customer experience. To remain competitive, we must anticipate and respond to technological shifts (such as blockchain, AI, and, over time, quantum computing), regulatory developments and market conditions, and incorporate them into our services on a timely basis. If new technologies render our services less relevant, if we are slow to adopt or integrate them, or if we misjudge industry trends and customer needs, our software solutions may fail to gain or retain market acceptance, which could adversely affect our operating performance.

However, we may experience difficulties in acquiring or developing new technologies as it is costly and time consuming, which in turn could delay or prevent the development, introduction or implementation of new products, services and enhancements. If we fail to accurately assess market developments or if we are unable to adapt our business strategy in response to changes in the competitive landscape or customer requirements, our market position could be weakened, the market acceptance of our services could decline, and our business, financial condition and results of operations may be materially and adversely affected. Furthermore, uncertainties about the timing and nature of new technologies, or modifications to existing technologies, could increase our research and development expenses and delay the introduction of our services. Any failure of our services to operate effectively with future technologies could reduce the demand for our services, resulting in customer dissatisfaction and harming our business.

Our investments in research and development may not result in commercially successful products or generate a return, which could materially and adversely affect our business and financial performance.

We operate in a highly competitive, rapidly evolving market that requires substantial, ongoing R&D to sustain our position. For example, we intend to allocate **[REDACTED]**% of the **[REDACTED]** from this **[REDACTED]** to R&D activities. Developing new fintech products, particularly in emerging areas such as blockchain and generative AI, is complex, costly, and uncertain. Our initiatives may face technical hurdles, delays, or regulatory constraints; may not achieve market acceptance; or may be outpaced by competing technologies. If new technologies render our existing offerings less relevant, we may be unable to recover related R&D costs, leading to lower revenue, profitability, and market share.

Even where development is successful, commercialization may fail due to competition, pricing, integration challenges, or inability to meet customer needs. If the costs of development exceed expectations or new products do not generate sufficient revenue, our R&D expenditures may be unproductive, which could materially and adversely affect our business, financial condition, results of operations, and growth prospects.

Our solutions may not function as intended or may encounter material performance issues, defects, or errors, which could expose us to significant liability and adversely affect our business and reputation.

If our solutions do not function as intended, or if they encounter material performance issues, defects, or errors, we may fail to meet the expectations of our customers or their end-customers, exposing us to significant contractual liability. Under our contracts, we may be required to compensate customers for losses, pay liquidated damages, or provide full indemnification against all losses and third-party claims arising from such defects or failures. In serious cases, customers may terminate the contract, suspend or revoke our eligibility to provide services to them, and report the matter to the relevant regulatory authorities. Certain of our overseas contracts impose no monetary cap on our liability for direct damages, and require us to fully indemnify our customers and their associated companies against all losses and liabilities, whether direct or indirect, arising from any act or omission by us or our personnel and agents in connection with any breach of contract or inaccuracy in our representations and warranties, including breaches committed by our subcontractors, on a full indemnity basis. Any material failure could further require significant unbudgeted remediation costs, damage our reputation in the highly regulated financial services industry, and result in customer losses or difficulties in securing new business, any of which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

We face intense competition in the Chinese Mainland market, and we may not be able to compete effectively.

The market for fintech services in Chinese Mainland's banking industry is intensely competitive and subject to rapid changes. We face competition from a wide range of companies. Some of our competitors possess substantially greater financial resources, lower product pricing, larger customer bases, and stronger brand recognition than we do. These competitors may be able to respond more quickly to new or emerging technologies and changes in customer requirements, and to devote greater resources to the development, promotion, and sale of their services.

We also face competition from new entrants who may offer lower prices or new technologies, solutions and services, and thus increase the level of competition. Some of these new competitors may adopt aggressive pricing strategies or innovative business models to gain market share, which could intensify competitive pressure on our existing business. Increased competition could result in lower sales, price reductions, reduced margins or loss of market share. We may be required to make substantial additional investments in research, development, marketing and sales, recruiting and retaining outstanding talents, and acquiring technologies complementary to, or necessary for, our current and future solutions to respond to such competitive threats. If we are unable to compete successfully against new entrants, or if competing successfully requires us to take costly actions in response to the actions of our competitors, our business, results of operations and financial condition may be materially and adversely affected.

Our competitive advantage in the Hong Kong market primarily stems from the combination of our know-how and experience in the Hong Kong banking and finance industry with the technological capabilities of Chinese Mainland. However, if competitors develop similar capabilities or replicate our cross-border integration model, our market position could be challenged.

Our success in the Hong Kong market has been built on our ability to combine deep local market knowledge and experience with the extensive and cost-effective technological resources and development capabilities of our teams in the Chinese Mainland. Our overseas business has become a significant contributor to our revenue, accounting for 60.9%, 60.3%, 80.6%, 87.1% and 81.5% of our total revenue in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively.

However, this advantage may not be sustainable. Our competitors may seek to replicate our business model by establishing their own development centers in the Chinese Mainland or by forming strategic partnerships to gain access to similar technological capabilities. Furthermore, as the integration of the Greater Bay Area deepens, the barriers to entry for mainland-based competitors into the Hong Kong market may decrease. If our competitors can successfully develop and offer comparable cross-border services, our unique market proposition could be eroded. This could lead to increased competition, pricing pressure, and a potential loss of market share, which would materially and adversely affect our business, prospects, and results of operations in the Hong Kong market.

If the market for our services fails to grow as we expect, or if our customers or potential customers fail to adopt our services, our business, results of operations, and financial condition could be materially and adversely affected.

Predicting the adoption rates and demand for our fintech services in the banking industry, particularly in emerging area, is inherently challenging. The competitive dynamics of the fintech services in the banking industry, the pace at which financial institutions embrace new technologies, and the future growth trajectory of the industry remain uncertain. While demand for digital transformation solutions in the banking sector has been increasing in recent years, the market for innovative technologies such as distributed ledger systems and AI-driven platforms continues to evolve. We cannot be certain that the regulatory environment is supportive and market demand for these solutions will continue to expand or, even if it does expand, that financial institutions will choose to adopt our offerings. In particular, we have been investing resources in developing blockchain-based services and generative AI capabilities to capture emerging market opportunities. However, we cannot provide assurance that the market for these technologies will develop as rapidly or extensively as we anticipate. Our future success will depend significantly on our ability to further penetrate the markets in which we operate. This ability is contingent upon numerous factors, including the cost, performance, and perceived value of our services, as well as the willingness of financial institutions to integrate our technologies into their operations. Moreover, potential customers may be reluctant to invest in novel or unproven technologies, particularly given the conservative nature of the financial services industry and the stringent regulatory environment in which it operates. If the market for our services fails to grow, grows more slowly than anticipated, or if financial institutions are hesitant to adopt our services, our business, operating results and financial condition could be adversely affected.

In addition, we have developed certain proprietary technology platforms as core components of our service offerings. However, we cannot assure you that competitors will not develop similar or superior platforms that could compete with our offerings, which may diminish our competitive position in the fintech services in the banking industry. Furthermore, similar to the market for blockchain and AI solutions, the broader market for fintech services in the banking industry is also subject to uncertainty and continuous evolution. If demand for our services in key markets does not materialize as we expect, or if we fail to anticipate and respond to evolving market trends by developing new solutions or enhancing existing technologies in a timely manner, the adoption of our services may decline, and our business, operating results and financial condition could be materially and adversely affected.

Our usage of AI empowered services may subject us to regulatory and business-related risks.

Our growth strategy relies on the successful development and deployment of AI-powered services, underpinned by our proprietary FINNOSmart platform. However, our reliance on AI exposes us to a range of new and heightened risks that could materially and adversely affect our business, financial condition, and results of operations. The legal and regulatory landscape governing AI is rapidly evolving in the jurisdictions where we operate, including Chinese Mainland, Hong Kong, and Southeast Asia. New laws and regulations specifically targeting AI are also being developed, which could impose additional compliance obligations, restrictions on our ability to use and develop AI, and increased liability. Any failure, or perceived failure, to comply with this evolving regulatory framework could result in regulatory investigations, significant fines, and reputational damage, and could force us to alter our business practices or suspend the offering of certain AI-powered services. Furthermore, the use of AI in the financial services industry presents significant data security and privacy risks. Our FINNOSmart platform is designed to process and analyze large volumes of data, which may include sensitive and confidential information belonging to our customers and their end-users. Our systems could be vulnerable to cyberattacks, data breaches, or unauthorized access. A security incident could result in the loss or misuse of sensitive data, leading to financial losses, regulatory penalties, and a loss of customer trust. Moreover, the data used to train our AI models could be subject to data sovereignty and cross-border data transfer restrictions, which could limit our ability to develop and deploy our AI solutions globally. Our AI-powered services also expose us to intellectual property risks. The training of our AI models may involve the use of third-party data and content, which could expose us to claims of IP infringement, including copyright and patent infringement. Defending against such claims could be costly and time-consuming, and if we are found to have infringed on the IP rights of others, we may be required to pay substantial damages, cease using the infringing technology, or obtain licenses on commercially unfavorable terms. Finally, the operational performance of our AI-powered services is subject to the inherent limitations of AI technologies. Our AI models may produce inaccurate, biased, or otherwise flawed outputs, a phenomenon often referred to as "hallucination." These inaccuracies could lead to flawed business decisions by our customers, resulting in financial losses and reputational damage for which we could be held liable. If we are unable to effectively manage these operational and technical risks, it could undermine customer confidence in our AI-powered services and have a material adverse effect on our business and growth prospects.

In particular, under Article 17 of the Interim Measures for the Management of Generative Artificial Intelligence Services (the "**Interim Measures**"), providers of generative AI services with attributes of public opinion or social mobilization capabilities are required to conduct security assessments and complete algorithm filing procedures. As of the Latest Practicable Date, we had not applied for such security assessment or completed the algorithm filing procedures, as we do not consider these obligations to apply to our current business operations. However, as our AI-related business evolves in terms of scale, scenarios and service types, there is a risk that our services may in the future meet the statutory definitions triggering these obligations. If we fail to timely conduct the required security assessments or complete the necessary filings when such obligations become applicable, we may be subject to regulatory penalties or be required to suspend the relevant services.

We have incurred losses on certain projects, and if we fail to mitigate these losses or they increase in the future, our business, operating results, and financial condition could be materially and adversely affected.

During the Track Record Period, we incurred losses on certain projects, which have negatively impacted our overall gross margin. For the years ended December 31, 2023, 2024 and 2025 and for the three months ended March 31, 2025 and 2026, the total losses incurred from our completed loss-making projects were RMB7.2 million, RMB4.3 million, RMB5.6 million, RMB0.1 million and RMB5.4 million, respectively. In addition, we measured the estimated loss as the impairment loss recognized on contract costs (net of any subsequent reversals) during the reporting period. We have made impairment provisions in respect of such estimated losses incurred during the Track Record Period, which amounted to nil, RMB9.2 million, RMB12.3 million, RMB3.4 million in 2023, 2024 and 2025 and the three months ended March 31, 2025. For the three months ended March 31, 2026, we recorded a reversal of previously recognized losses of RMB1.7 million.

A significant portion of these losses has been concentrated with Customer B during the Track Record period. The proportion of losses attributable to Customer B, calculated as the losses from completed projects for Customer B as a percentage of the total losses from all completed loss-making projects, was 4.4%, 48.6%, 55.0%, 19.8% and 98.9% in 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, respectively. See "Business — Revenue Model — Project-Based Model"

If we are unable to mitigate these losses by securing sufficient profitable business in the future, or if the number or scale of such loss-making projects increases, our profitability will be adversely affected. Furthermore, any failure to manage project profitability, whether from strategic initiatives or other operational reasons, could materially and adversely affect our business, operating results, and financial condition.

Our competitive advantage in R&D lies in the stable relationship we have built with our customers, which allows us to gain invaluable and real-world insights about both the market's business needs and emerging technologies. Failure to maintain this stability could materially and adversely affect our innovation capacity, customer satisfaction, and overall competitiveness.

A key differentiator for our research and development process is the deep, collaborative, and long-standing relationships we have cultivated with our major customers, including some large banking institutions in Chinese Mainland and Hong Kong. These relationships provide us with invaluable insights into real-world operational challenges, as well as customers' strategic objectives and unmet needs, allowing us to develop solutions that are practical and replicable for the broader banking industry. This close collaboration is facilitated by our stable and experienced R&D team, which possesses a strong sensitivity to both the evolving business requirements of our customers and emerging technological trends. The continuity of our team ensures a deep understanding of our customers' complex systems and a consistent approach to service delivery and innovation, which is a significant barrier to entry for our competitors.

Any failure to maintain the stability of either our customer relationships or our R&D team could significantly undermine our competitive advantage. The loss of a key customer could deprive us of a critical source of innovation and feedback, and could also damage our reputation in the industry. Similarly, high turnover within our R&D team could lead to a loss of institutional knowledge, a decline in the quality and consistency of our product development, and a disruption to our customer relationships. The market for skilled technology professionals, particularly those with expertise in both finance and technology, is highly competitive. We may not be successful in retaining our key employees or attracting new talent with the right skill sets. If we are unable to maintain the stability and strong relationships that underpin our R&D model, our innovation capacity, customer satisfaction, and overall competitiveness could be materially and adversely affected.

Changes in the market or our services may affect our pricing models, and materially and adversely affect our results of operations.

As fintech markets evolve and competitive pressures intensify, including aggressive pricing by competitors, entry into new business lines or geographies, and procurement by large institutions with significant bargaining power, we may need to reduce prices, offer more flexible terms, or adopt alternative pricing structures. Our pricing (time-and-material-based or project-based) depends on solution complexity, service scope, competitive conditions, and perceived value. We may not accurately predict retention or renewal behavior, particularly for new services or markets, which could adversely impact revenue, gross margin, profitability, financial position, and cash flow.

In addition, profitability varies across our service portfolio. Emerging technology services, such as complex blockchain or AI projects, often require substantial upfront investment in internal infrastructure and R&D, and may involve third-party licensing costs. These costs are typically recovered over the lifecycle of the engagement, which can affect our profitability, especially in initial phases, and increase the risk that returns are delayed or lower than expected.

Our services may not perform in line with customer specifications or expectations.

Our contracts with customers may include specific performance requirements covering aspects such as system uptime, transaction processing speed, and data accuracy. There is a risk that our services may not consistently satisfy these specifications or customer expectations due to factors including unforeseen technical issues, evolving customer requirements, or misalignment in scoping and interpretation of specifications. Performance outcomes are also dependent on employee capabilities; skill gaps, resource constraints, personnel turnover, or changes in project scope may adversely affect delivery quality. Projects may encounter delays, cost overruns, or quality issues, including those arising from factors beyond our control.

Failure to meet agreed specifications or timelines may result in invoice disputes, claims for damages, contractual penalties, or termination. These events could increase costs, reduce revenue, weaken customer relationships, and materially and adversely affect our business, financial condition, and results of operations.

Failures or security breaches affecting the third-party technology infrastructure on which we rely could materially and adversely affect our business.

Our operations involve technology infrastructure provided by third parties. We do not control the operation of these third-party facilities, making us vulnerable to a wide range of external risks. We utilize both private and public cloud services for specific operational purposes, such as our internal R&D and the operation of some of our services. Any disruption of or interference with our use of these cloud services, whether due to technical malfunctions or capacity constraints at the provider's end, could adversely affect our operations and service delivery.

Furthermore, the facilities of our third-party providers are susceptible to damage or interruption from events beyond our control, such as fires, floods, earthquakes, power losses, and telecommunications failures. A significant outage at a key provider could render our own services unavailable to our customers. In such an event, we may not be able to find a suitable replacement for these services on a timely basis or on commercially reasonable terms. The process of migrating our complex operations to a new provider could be technically challenging, time-consuming, and costly, potentially causing significant business disruptions and loss of customer trust. Any of these events could materially and adversely affect our business, financial condition, and results of operations.

Our use of open-source technology could impose limitations or otherwise negatively affect our business operations.

We use open-source software, including open-source LLMs, in the development of our services. Open-source software and LLMs are governed by various licensing agreements, some of which may impose significant restrictions on our ability to commercialize our services. The terms of many open-source licenses have not been extensively interpreted by courts, and there is a risk that these licenses could be construed in ways that impose unanticipated conditions or restrictions on our ability to develop, market, or provide our services.

For example, certain open-source licenses may require us to offer the components of our platforms that incorporate open-source software for no charge, to make source code for modifications or derivative works publicly available, or to license such modifications or derivative works under the terms of the particular open-source license. If we are required to make our proprietary source code publicly available as a result of incorporating open-source software into our products, our intellectual property rights could be compromised, and our competitors could gain access to our proprietary technologies and business logic. This could erode our competitive advantages and adversely affect our business.

Furthermore, if we are found to be in violation of open-source license terms, we could face legal claims, be required to pay damages, or be compelled to cease using the affected open-source technologies. We may need to seek licenses from third parties in order to continue offering our services, and these types of licenses may not be available on terms that are acceptable to us, or at all. We may also need to re-engineer our services. Our inability to use certain third-party software, or the need to undertake costly re-engineering efforts to replace it, could result in disruptions to our business, delays in developing future offerings, increased development costs, and a loss of competitive positioning, any of which could materially and adversely affect our business, financial condition, and results of operations.

Our international expansion strategy involves replicating our established services from Hong Kong into other global markets. This expansion may expose us to operational, regulatory, and market risks.

We have been expanding our business internationally and intend to continue to do so. However, our international expansion is subject to a number of risks and uncertainties. We may not be able to successfully expand our business internationally, or our international expansion may not meet our expectations. The success of our international expansion will depend on a number of factors, including our ability to adapt our services to the local needs of our international customers, and our ability to comply with the local laws and regulations of the jurisdictions in which we operate. Furthermore, we must effectively manage the cultural and linguistic differences between our international employees and our employees in the Chinese Mainland, and compete effectively with local and international competitors in our international markets. Finally, we must manage the political and economic risks associated with operating in foreign jurisdictions. If we are not able to successfully manage these and other risks, our international expansion could have a material and adverse effect on our business, financial condition, and results of operations.

Geopolitical instability in the Middle East and heightened regional tensions may adversely affect our planned expansion into the region.

We intend to expand our business into the Middle East as part of our overseas growth strategy. As of the Latest Practicable Date, we have not commenced operations in the Middle East. The region has experienced, and may continue to experience, significant geopolitical instability, including heightened tensions involving Iran and ongoing armed conflicts in certain areas. Such instability may deteriorate further and is beyond our control.

These conditions could materially affect our planned expansion into the Middle East in a number of ways. Geopolitical instability may disrupt the financial services sector in the region, reduce demand for our products and services, or cause potential customers to delay or cancel procurement decisions. Regulatory and compliance requirements may become more complex or unpredictable as a result of sanctions, trade restrictions, or changes in local laws. We may also face difficulties in establishing local operations, recruiting qualified personnel, or repatriating funds. Furthermore, any escalation of regional tensions may require us to delay, scale back, or abandon our planned expansion into the Middle East entirely, which could adversely affect our business prospects, results of operations, and the anticipated return on our investment in overseas expansion.

Fluctuations in exchange rates could have a material and adverse effect on our results of operations and the value of your [REDACTED].

We are a PRC-based company with our principal operations in Chinese Mainland, and we also have subsidiaries in Hong Kong that generate a substantial portion of our revenue. Our consolidated financial statements are presented in Renminbi. However, our operations involve multiple currencies, as our PRC operations primarily generate revenue and incur expenses in Renminbi, while our Hong Kong subsidiaries generate revenue in Hong Kong dollars, use Hong Kong dollars as their functional currency, and may incur certain expenses in Hong Kong dollars or other foreign currencies. In addition, the **[REDACTED]** from the **[REDACTED]** will be received in Hong Kong dollars.

The exchange rates between the Renminbi, the Hong Kong dollar, the U.S. dollar, and other foreign currencies fluctuate and are affected by, among other things, the policies of the PRC Government and changes in China's and international political and economic conditions, as well as supply and demand in the local market. It is difficult to predict how market forces or government policies may impact the exchange rates between these currencies in the future. In addition, the People's Bank of China regularly monitors the foreign exchange market to manage fluctuations in Renminbi exchange rates and achieve policy goals. There remains significant international pressure on the PRC Government to adopt a more flexible currency policy, which, together with domestic policy considerations, may result in significant appreciation or depreciation of the Renminbi against the Hong Kong dollar, the U.S. dollar, or other foreign currencies.

Fluctuations in exchange rates could affect our business and financial results in several ways. Any appreciation of the Renminbi against the Hong Kong dollar may result in a decrease in the RMB-equivalent value of the **[REDACTED]** from the **[REDACTED]** when we convert the Hong Kong dollar **[REDACTED]** into Renminbi for use in our PRC operations. In addition, any appreciation of the Renminbi against the Hong Kong dollar may adversely affect the RMB-equivalent value of the revenue generated by our Hong Kong subsidiaries when we consolidate our financial results. Conversely, any depreciation of the Renminbi may adversely affect the value of, and any dividends payable on, our Shares in foreign currency terms for **[REDACTED]** who measure their **[REDACTED]** returns in currencies other than Renminbi.

Furthermore, because our Hong Kong subsidiaries use Hong Kong dollars as its functional currency while our consolidated financial statements are presented in Renminbi, exchange rate fluctuations between the Hong Kong dollar and the Renminbi will result in foreign currency translation adjustments that are recorded in other comprehensive income in our consolidated financial statements. Significant fluctuations in exchange rates could therefore result in volatility in our reported financial results and other comprehensive income. We have limited instruments available to reduce our foreign currency risk exposure at reasonable costs. Any of these factors may materially and adversely affect our business, financial condition, results of operations, and prospects, and may reduce the value of, and dividends payable on, our Shares in foreign currency terms.

Our business depends substantially on continuing efforts of our senior management 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 of our senior management and other key personnel. In particular, we rely on the expertise, experience and vision of our executive Directors, as well as other members of our senior management team. We also rely on the technical know-how and skills of our key technical staff, including our research and development team and technology supervisors. If any of our 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 easily, or at all. If any of our senior management and key personnel leaves us and solicits our customers, we may be subject to the risk of customer attrition. As a result, our business may be severely disrupted, our results of operations and financial condition 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 a sizeable and competent workforce. As of March 31, 2026, we had above 2,000 employees. We rely on our professional employees for IT systems, solution design, operations and other functions to anticipate and effectively respond to changing customer preferences and market trends. However, the fintech services segment in the banking industry is characterized by high demand and intense competition for talents. Qualified individuals are in high demand, and we may have to incur significant costs to attract and retain them through higher compensation, better training programs, and more attractive career development opportunities. Moreover, if any member of our R&D team or other qualified individuals joins a competitor or forms a competing business, we may lose crucial business secrets, technological know-how and other valuable resources. We cannot assure you that we will be able to attract or retain the qualified workforce necessary to support our future growth. In addition, as our business continues to evolve, our ability to train and integrate new employees into our operations may not meet the increasing demands of our business. Furthermore, any disputes between us and our employees or any labour-related regulatory or legal proceedings may divert management and financial resources, negatively impact staff morale, reduce our productivity, or harm our reputation and future recruiting efforts. Any of the above issues related to our workforce may materially and adversely affect our business, results of operations and future growth.

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.

Our business operations entail litigation risks, including the risk of legal actions relating to contractual obligations with customers and business partners, construction projects and payment disputes, information disclosure, customer onboarding, sales practices, product design, intellectual property matters, and fraud and misconduct. For example, during the Track Record Period, we experienced a commercial dispute regarding construction payments, which resulted in a temporary freeze of certain of our funds. In July 2021, a lawsuit was filed against us by a contractor concerning payment obligations under a construction contract. After first-instance and appeal proceedings, this case was ultimately remanded for retrial. In September 2025, the dispute was concluded through a court-mediated settlement agreed upon by all parties. Consequently, the previously frozen funds have been released. Our PRC Legal Advisors are of the view that this dispute has been fully resolved and will have no material adverse impact on our business and operations. However, if similar events occur in the future, our liquidity may be adversely affected. In addition, agreements we have entered into sometimes include indemnification provisions which may subject us to costs and damages in the event of a claim against an indemnified third party.

Regardless of the merit of particular claims, legal proceedings may be expensive, time consuming and disruptive to our operations and distracting to management. We may face arbitration claims and lawsuits brought by our customers who have used our services and found them unsatisfactory, or encounter complaints alleging misrepresentation with regard to our offerings. This risk may be heightened during periods when financial markets are deteriorating in value or are volatile, or when customers are experiencing losses. In recognition of these considerations, we may enter into agreements or other arrangements to settle litigation and resolve such disputes. No assurance can be given that such agreements can be obtained on acceptable terms or that litigation will not occur. These agreements may also significantly increase our operating expenses.

Predicting the outcome of legal and administrative matters is inherently difficult, particularly where claimants seek substantial or unspecified damages, or when arbitration or legal proceedings are at an early stage. Actions brought against us may result in settlements, injunctions, fines, penalties, suspension or revocation of licenses, reprimands or other results adverse to us that could harm our reputation. If one or more legal or administrative matters were resolved against us or an indemnified third party for amounts in excess of our management's expectations, or certain injunctions are granted to prevent us from using certain technologies in our services, our business and financial conditions could be materially and adversely affected. Further, such an outcome could result in significant compensatory or punitive monetary damages, disgorgement of revenue or profits, remedial corporate measures, injunctive relief or specific performance against us. Even if we are successful in defending ourselves against these actions, the costs of such defence may be significant to us. A significant judgment or a material disruption in our business arising from adverse adjudications in proceedings against our Directors, officers or employees would have a material adverse effect on our liquidity, business, financial condition, results of operations and prospects.

RISKS RELATED TO LEGAL AND COMPLIANCE

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 patents, trademarks, software copyrights, trade secrets, and other intellectual property rights as critical to our success. There is no assurance that we can successfully prevent every unauthorized use or misappropriation of our intellectual property. The laws and regulations of the jurisdictions in which we operate may not protect our intellectual property rights to the same extent as the laws of other jurisdictions. Furthermore, policing unauthorized use of our intellectual property is difficult, expensive, and time-consuming, and we may not be able to detect all instances of infringement, particularly in emerging markets or with respect to software piracy.

Unauthorized use of our intellectual property by third parties could harm our brands and reputation, dilute the value of our proprietary rights, and reduce our competitive advantage. For example, if a competitor were to copy our software or use our trademarks without authorization, it could lead to customer confusion and a loss of business. We may need to resort to litigation to enforce our intellectual property rights, which could be costly, time-consuming, and divert management's attention from our core business operations. The outcome of any such litigation is uncertain, and we may not be successful in protecting our rights. Even if we are successful, the damages awarded may not be sufficient to compensate us for the harm we have suffered. The expenses incurred in protecting 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 claims, which could be time-consuming or costly to defend, and may result in diversion of our financial and management resources. In addition, indemnity provisions in various agreements may expose us to substantial liability for intellectual property infringement and other losses.

The technology industry is characterized by a large number of patents and frequent litigation based on allegations of intellectual property infringement. As we expand our business and product offerings, the risk of our being subject to intellectual property infringement claims from third parties increases. These claims may be asserted by our competitors, non-practicing entities, or other third parties. Even if we believe that these claims are without merit, they can be time-consuming and costly to defend, and can divert our management's attention and financial resources from our core business operations. The outcome of any intellectual property litigation is inherently uncertain, and we may not be successful in defending against such claims.

If we are found to have infringed the intellectual property rights of others, we may be required to pay substantial damages, cease the sale of our infringing products, and obtain a license from the patent holder, which may not be available on commercially reasonable terms, or at all. We may also be required to redesign our products to avoid infringement, which could be costly and time-consuming. In addition, if we are found to have infringed third-party intellectual property rights in the course of providing our services to our customers, we may be required to compensate our customers for losses they suffer as a result of such infringement, which could expose us to substantial liability. Any successful intellectual property infringement claim against us or our customers could have a material and adverse effect on our business, financial condition, and results of operations.

One of our leased properties lacks valid documents proving the lessor's right to lease, and certain lease agreements of our leased properties have not been registered with the relevant PRC government authorities as required by the PRC law, which may expose us to potential legal risks.

With respect to one of our operating leased properties in Chinese Mainland, the lessors have been unable to provide valid documents proving their right to lease such properties. Under PRC law, if a lessor lacks such a right to lease property, we may need to vacate the premises and cause disruption to our operations. In such an event, we may not be able to find suitable alternative premises on commercially reasonable terms, or at all, and may not be able to recover our relocation costs or prepaid rent.

In addition, as of March 31, 2026, eleven operating lease agreements have not been registered with the relevant PRC housing administration authorities as required by law. While the failure to register a lease agreement does not in itself invalidate the agreement, we may be ordered to complete the registration within a prescribed time limit and may be subject to fines for non-compliance. While we believe that any such fines or penalties would not be material, there is no assurance that the authorities will not impose more significant penalties or require us to vacate the leased premises if we fail to complete the registration in a timely manner. Any such penalties or disruptions to our operations could have a material adverse effect on our business, financial condition, and results of operations.

Our new technologies may face compliance risks due to potential conflicts with laws and regulations, which could lead to regulatory scrutiny or restrictions.

The development and adoption of new technologies, such as AI and blockchain, are subject to a complex and evolving regulatory landscape. Governments and regulatory bodies around the world are still in the process of developing legal and regulatory frameworks to govern the use of these technologies. These regulations may address a variety of issues, including data privacy, security, consumer protection, and anti-money laundering. Our failure to comply with these regulations could have a material and adverse effect on our business, financial condition, and results of operations.

We may be required to make significant investments in compliance in order to meet the requirements of these new regulations. We may also be required to modify our services to comply with these regulations. Any failure to comply with these regulations could result in fines, penalties, and other sanctions. In addition, any negative publicity associated with a failure to comply with these regulations could damage our reputation and make it more difficult for us to attract and retain customers.

The application of our services is subject to regulation, and the failure to provide eligible services which satisfy compliance requirements faced by customers would have a material adverse effect on our business and results of operations.

As a fintech service provider in the banking industry, we serve customers across highly regulated sectors, primarily banks and financial institutions. While we ourselves are not subject to financial regulatory supervision, our services must enable our customers to meet their own stringent regulatory compliance requirements. Our customers operate under complex and evolving regulatory frameworks that govern areas such as data protection, cybersecurity, anti-money laundering, know-your-customer procedures, financial reporting, risk management, and consumer protection. The value proposition of our services is fundamentally dependent on their ability to help our customers achieve and maintain compliance with these regulatory obligations. If our services fail to adequately support our customers' compliance needs, or if they do not keep pace with changes in the regulatory requirements applicable to our customers, the market acceptance of our services would be significantly diminished. Customers may be unwilling to adopt or continue using our services if they perceive that such solutions do not effectively address their regulatory compliance challenges or expose them to regulatory risks.

The regulatory landscape governing the financial services industry is constantly evolving and subject to frequent changes and reinterpretation by competent authorities. New laws and regulations are regularly introduced, and existing ones are often amended or clarified. Considerable uncertainties exist regarding the interpretation and implementation of these regulations. As a result, our customers may face more stringent or evolving compliance requirements due to developments in political or economic policies, regulatory reforms, or periodic revisions in the interpretation of relevant laws and regulations. We must continuously monitor regulatory developments and ensure that our services are updated and enhanced to reflect these changes. However, we cannot assure you that we will always be able to adapt our services in time to meet our customers' needs to remain compliant with newly imposed regulatory requirements, or that our services will be interpreted by regulatory authorities or customers as being fully compliant with all applicable regulations. The process of updating our services to address new regulatory requirements can be onerous, time-consuming, and expensive, requiring significant investment in research, development, testing, and validation. If we are unable to provide services that meet the evolving compliance requirements of our customers, our services may lose their competitive appeal, and customers may seek alternative providers who are better positioned to support their regulatory compliance needs. This could result in customer attrition, reduced market share, difficulty in attracting new customers, and damage to our reputation in the market. Any such outcomes would have a material adverse effect on our business, financial condition, and results of operations.

Obtaining and maintaining our intellectual property protection depends on compliance with various procedural, documentary, fee payment, and other requirements imposed by governmental agencies, and our intellectual property protection could be reduced or eliminated for non-compliance with these requirements.

Our ability to protect our core technologies through intellectual property rights, such as patents and copyrights, is a critical component of our competitive strategy. The process of obtaining and maintaining intellectual property protection is complex, costly, and requires strict compliance with the procedural, documentary, and fee payment requirements of various governmental agencies in the jurisdictions where we operate, including Chinese Mainland, Hong Kong, and other overseas markets. These requirements are often subject to change and can be complex to navigate. We rely on our internal team and external counsel to manage our intellectual property portfolio and ensure compliance with all applicable regulations.

Any failure to comply with these requirements could result in the abandonment, lapse, or invalidation of our intellectual property applications or registered rights. For example, a failure to pay maintenance fees on time could lead to the expiration of a patent, and a failure to respond to office actions from a patent examiner within the prescribed time limits could result in the abandonment of a patent application. The loss of intellectual property protection for one or more of our key technologies could allow our competitors to copy our innovations, which would erode our competitive advantage and potentially lead to a decline in our market share and revenue. Even if we diligently comply with all requirements, there is no guarantee that our applications will be granted or that our issued intellectual property rights will not be challenged and invalidated by third parties. The costs associated with intellectual property prosecution, maintenance, and potential litigation can be substantial, and any reduction or elimination of our intellectual property protection could have a material and adverse effect on our business and financial condition.

We do not have non-compete agreements with all employees, and confidentiality agreements with all employees and third parties may not adequately prevent the disclosure of trade secrets and other proprietary information.

Our success depends on our ability to protect our intellectual property, including our trade secrets and other proprietary information. We do not have non-compete agreements with our employees, which means that they are free to join our competitors or establish competing businesses after leaving our company. As a result, former employees may use the knowledge and experience they gained while working for us to compete against us, which could diminish our competitive advantages. In addition, we cannot assure you that our confidentiality agreements will not be breached, that we will have adequate remedies for any breach in time or at all, or that our proprietary technology, know-how or other intellectual property will not otherwise become known to third parties. Others may also independently discover trade secrets and proprietary information, limiting our ability to assert any proprietary rights against such parties.

Furthermore, we generally provide solution implementation and technical and maintenance services at our customers' premises. During the course of our operations, our on-site project execution personnel may have access to certain proprietary or confidential information pertaining to our customers or their businesses and customers while they perform their duties. We enter into confidentiality agreements with our employees who have access to any customer information and data. The confidentiality agreements generally provide that these employees are legally obligated not to share, distribute or sell the confidential information to any third parties. Despite our efforts to safeguard customer information and data, there is no guarantee that we can successfully prevent information and data leakage. Any failure or perceived failure of our privacy-related obligations to customers or other third parties, any privacy laws or regulations, or any compromise of security that results in the unauthorized release or transfer of personal information or other customer data, may result in governmental enforcement actions, litigation or public statements against us by our customers or others, cause harm to our customers and hurt our reputation. In addition, any breach of confidentiality agreements by our employees, contractors, or business partners, or any infringement of our intellectual property, may have an adverse effect on our business and reputation. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to protect our intellectual property and confidential information could have a material adverse effect on our business, financial condition, and results of operations.

We may be subject to regulatory scrutiny and penalties due to the actions of our employees, shareholders, business partners, customers, suppliers, and other third parties, and we may be unable to detect and prevent all future instances of misconduct.

We are exposed to the risk of illegal, fraudulent, or unethical behavior by employees, shareholders, business partners, customers, suppliers, and other third parties. There can be no assurance that we will deter, detect, or prevent all misconduct, including violations of anti-corruption and anti-bribery laws, fraud, theft, collusion, or other non-compliance.

Misconduct by our personnel or third parties may result in negative publicity, reputational harm, civil or criminal liability, and fines or other penalties. Compliance failures by business partners or parties in their supply chains may also lead to regulatory actions that directly or indirectly affect our operations. We may be unable to identify irregularities or non-compliance in a timely manner or ensure prompt remediation. Any such events could erode stakeholder trust and materially and adversely affect our business, reputation, financial condition, and results of operations.

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

We are a PRC company, and our H Shares will be **[REDACTED]** on the **[REDACTED]**. Under the PRC Enterprise Income Tax Law and its implementing regulations, dividends and gains from the disposition of shares of a PRC resident enterprise may be subject to PRC taxation. Under the PRC Enterprise Income Tax Law, dividends paid by a PRC resident enterprise to non-resident enterprise shareholders are generally subject to a 10% withholding tax, unless a reduced rate is available under an applicable tax treaty. For individual shareholders, dividends paid by a PRC resident enterprise to non-resident individuals are generally subject to a 20% withholding tax under the PRC Individual Income Tax Law, unless a reduced rate is available under an applicable tax treaty.

Pursuant to the Arrangement between the China-Hong Kong Tax Arrangement, dividends paid to Hong Kong resident enterprises may be subject to a reduced withholding tax rate of 5% if the Hong Kong resident enterprise directly holds at least 25% of the equity interest in the PRC company, or a rate of 10% for other cases, provided that the Hong Kong resident enterprise is considered the "beneficial owner" of the dividends and is entitled to treaty benefits. For Hong Kong resident individuals, the withholding tax rate on dividends may be reduced to 10% under the China-Hong Kong Tax Arrangement, subject to certain conditions. However, the PRC tax authorities must evaluate whether an applicant qualifies as a "beneficial owner" and is entitled to treaty benefits on a case-by-case basis. There is no assurance that all of our H Shareholders will be able to claim the benefits of the reduced withholding tax rates under applicable tax treaties. If our H Shareholders are unable to claim treaty benefits, they may be subject to the standard withholding tax rates of 10% for non-resident enterprises and 20% for non-resident individuals on dividends received from us.

Under the PRC Enterprise Income Tax Law, gains realized by non-resident enterprises from the transfer of equity interests in a PRC resident enterprise may be subject to a 10% withholding tax if such gains are regarded as income derived from sources within the PRC. Under the PRC Individual Income Tax Law, gains realized by non-resident individuals from the transfer of equity interests in a PRC resident enterprise may be subject to a 20% individual income tax if such gains are regarded as income derived from sources within the PRC. There is room for interpretation on whether gains realized from the sale of H Shares of a PRC resident enterprise listed on the Stock Exchange should be regarded as income derived from sources within the PRC and thus subject to PRC taxation. In practice, the PRC tax authorities have not actively enforced the collection of withholding tax on gains realized by non-resident enterprises or individuals from the sale of H Shares in the open market. However, there is no assurance that the PRC tax authorities will not in the future take a different position and seek to impose withholding tax on such gains. If the PRC tax authorities determine that gains from the sale of our H Shares are subject to PRC taxation, our **[REDACTED]** may be required to pay PRC tax on such gains, which could materially reduce the value of their **[REDACTED]** in our H Shares.

The PRC tax laws and regulations and their interpretation and enforcement are subject to change, and there is uncertainty regarding how they will be applied to dividends and capital gains related to H Shares. Any changes in PRC tax laws or policies, or any new interpretation or enforcement by the PRC tax authorities, could result in increased tax liabilities for our H Shareholders, which could materially reduce the value of their **[REDACTED]** in our H Shares.

We have not made adequate social insurance and housing provident fund contributions for certain employees as required by PRC laws and regulations

During the Track Record Period, we failed to make full social insurance and housing provident fund contributions for certain of our employees in the PRC. The non-compliance was primarily because we fail to make full contributions to social insurance and housing provident funds on bonus payments. We also engaged third-party human resources agencies to make social insurance and housing provident fund contributions for a portion of our employees, which is not in strict compliance with relevant PRC regulations. As a result, we may be required by competent authorities to pay the outstanding contributions and may be subject to late payment fees and penalties. During the Track Record Period, the aggregate shortfall amount of social insurances and housing provident fund contributions to our employees was RMB10.4 million and RMB6.7 million, respectively. The maximum aggregate potential late fees for which we may be liable in connection with the inadequate contributions to the social insurances would be approximately RMB5.7 million. In addition, if we are ordered to make up for the contributions made by third-party agencies during the Track Record Period, the maximum aggregate supplementary contribution amount would be approximately RMB0.6 million. Our Group undertakes to settle any required payments within the prescribed period if ordered to do so by competent authorities.

For further details on our non-compliance, the potential financial impact, and the rectification measures we have implemented, please see the section headed "Business — Employees — Social Insurance and Housing Provident Funds Contribution" in this document. We cannot assure you that the relevant government authorities will not require us to pay the outstanding contributions or impose late payment fees or other penalties on us, which could materially and adversely affect our business, financial condition, and results of operations.

RISKS RELATED TO OUR FINANCIAL PERFORMANCE

Our operating margins may be negatively impacted by rising personnel costs, as well as declining sales prices resulting from intensified industry competition.

Our operating margins have been and may continue to be subject to downward pressure from a variety of factors, including intensified industry competition and significant personnel costs. The market for fintech services in the banking industry is intensely competitive, and we face pricing pressure from a range of competitors, which may force us to reduce our prices or offer more favorable contractual terms. Concurrently, employee compensation is the primary component of our cost of sales. In 2023, 2024 and 2025 and the three months ended March 31, 2025 and 2026, our cost of sales amounted to RMB509.6 million, RMB495.4 million, RMB392.6 million, RMB77.2 million and RMB108.9 million, respectively, of which employee compensation accounted for 96.0%, 96.7%, 95.9%, 96.5% and 96.7%, respectively. The market for skilled technical professionals is highly competitive, and we may need to increase employee compensation to attract and retain personnel. In addition, changes in relevant PRC policies could also lead to a mandatory increase in our employee-related costs. These factors could further increase our cost base. Any significant or sustained decline in our operating margins, whether due to pricing pressure or rising costs, could have a material and adverse effect on our profitability and overall financial performance. We cannot assure you that we will be able to maintain our operating margins in the future.

We have obtained government grants and preferential tax treatments, which may be changed or eliminated in the future.

Our results of operations are affected by the preferential tax treatments and government grants we enjoy. During the Track Record Period, our Company was qualified as a "High and New Technology Enterprise" and was entitled to a preferential Enterprise Income Tax rate of 15%. Some of our subsidiaries also enjoy Small Low-Profit Enterprises status and are entitled to a preferential EIT rate of 20%. We were also entitled to additional tax deduction for qualified research and development expenses, with a deduction ratio of 100% since January 1, 2023, which significantly lowered our effective tax rate. See "Financial Information – Income Tax Expenses" for details.

We recognized other income from government grants amounting to RMB5.1 million, RMB2.8 million, RMB5.6 million, RMB0.7 million and RMB0.02 million for the years ended December 31, 2023, 2024 and 2025 and for the three months ended March 31, 2025 and 2026, respectively. Our financial condition may be affected in the event of any discontinuation, reduction, or delay in the payment of these preferential tax treatments or government grants.

There is no assurance that we will continue to receive these government grants and preferential tax treatments in the future. Government policies on grants and tax incentives may change, and we may no longer be eligible for these benefits. Any reduction or elimination of these grants and tax benefits could have a material adverse effect on our financial condition and results of operations. We cannot assure you that we will be able to offset the loss of these benefits through other means.

We may be exposed to collection risks associated with trade receivables, and delays or failures in customer payments could materially and adversely affect our business, financial condition and results of operations.

We generate trade receivables from the services provided to our customers. As of December 31, 2023, 2024, 2025 and March 31, 2026, our trade receivables balance were RMB156.0 million, RMB127.8 million, RMB203.7 million and RMB155.3 million, respectively, against which we recognized impairment losses on trade receivables of RMB1.6 million, RMB(0.4) million (representing a net reversal), RMB1.4 million and RMB(1.1) million (representing a net reversal) in 2023, 2024 and 2025 and the three months ended March 31, 2026, respectively. Our trade receivables turnover days were 92 days, 74 days, 100 days and 107 days for the years ended December 31, 2023, 2024, 2025 and for the three months ended March 31, 2026, respectively. While we have a history of successfully collecting our trade receivables, there is no assurance that we will be able to do so in the future. Our customers are primarily financial institutions, and their ability to pay their obligations to us can be affected by a variety of factors, including their own financial performance, the overall health of the economy, and changes in the regulatory environment. Any significant delay or failure in the collection of our trade receivables could have a material adverse effect on our cash flow and profitability. We may be required to increase our allowance for doubtful accounts, which would reduce our net income. We may also need to take legal action to collect our trade receivables, which can be costly and time-consuming. Any significant problems with the collection of our trade receivables could have a material adverse effect on our business, financial condition, and results of operations.

RISKS RELATED TO THE [REDACTED]

We will be concurrently subject to listing and regulatory requirements of Chinese Mainland and Hong Kong.

We are currently listed on Shenzhen Stock Exchange in Chinese Mainland. Upon completion of the **[REDACTED]**, our H Shares will be **[REDACTED]** on the **[REDACTED]**. As a result, we will be subject to the listing rules, regulations, and disclosure requirements of both Shenzhen Stock Exchange and the Stock Exchange, as well as the regulatory oversight of the CSRC and the Securities and Futures Commission of Hong Kong.

Compliance with the requirements of two different stock exchanges and regulatory regimes may result in increased administrative burdens, compliance costs, and management time and attention. The listing rules and regulatory requirements of Shenzhen Stock Exchange and the Stock Exchange may differ in certain respects, and in some cases may impose conflicting or duplicative requirements. Any failure on our part to comply with the requirements of either exchange could result in regulatory sanctions, suspension of **[REDACTED]** in our Shares, or **[REDACTED]**, which could have a material adverse effect on our business, reputation, and the **[REDACTED]** of our Shares.

In addition, being subject to two regulatory regimes may expose us to greater regulatory scrutiny and potential conflicts between the requirements or expectations of the two jurisdictions. Changes in the laws, regulations, or listing rules of either the Chinese Mainland or Hong Kong could require us to make adjustments to our corporate governance, disclosure practices, or business operations, which could increase our costs and divert management attention from our core business activities. Furthermore, any uncertainty or lack of coordination between the two regulatory regimes could create additional compliance challenges and risks for us and our Shareholders.

There has been no prior [REDACTED] for our H Shares and there can be no assurance that an [REDACTED] would develop or be sustained after the [REDACTED]. You may not be able to [REDACTED] our H Shares at or above the [REDACTED] you [REDACTED], or at all.

Prior to the **[REDACTED]**, there has been no public market for our H Shares. Although our A Shares are listed and traded on Shenzhen Stock Exchange, the H Shares represent a separate class of shares that will be **[REDACTED]** on the **[REDACTED]**. The initial **[REDACTED]** range of our H Shares, and the final **[REDACTED]**, will be the result of negotiations between us and **[REDACTED]**, and will be influenced by a variety of factors, including prevailing market conditions, our financial performance and prospects, and **[REDACTED]** demand. There can be no assurance that the **[REDACTED]** will reflect the fair **[REDACTED]** of our H Shares or that the **[REDACTED]** of our H Shares after the **[REDACTED]** will not decline below the **[REDACTED]**.

While we have applied to have our H Shares **[REDACTED]** on the **[REDACTED]**, there can be no guarantee that **[REDACTED]** for our H Shares will develop or, if it does develop, that it will be sustained following the completion of the **[REDACTED]**. The liquidity and **[REDACTED]** of our H Shares will depend on a variety of factors, including the number of H Shares available for **[REDACTED]**, **[REDACTED]** interest in our Company and our industry, general market conditions in Hong Kong and globally, and the performance of our business. If an **[REDACTED]** for our H Shares does not develop or is not sustained, you may not be able to **[REDACTED]** your H Shares at a price that is attractive to you, or at all. This could result in you experiencing a loss on your **[REDACTED]** or being unable to liquidate your **[REDACTED]** when you wish to do so.

Furthermore, even if an **[REDACTED]** develops, the **[REDACTED]** of our H Shares may be volatile and subject to significant fluctuations in response to factors beyond our control, including general economic conditions, changes in **[REDACTED]** sentiment, and developments affecting our Company, our industry, or the broader financial markets. You should be prepared for the possibility that the **[REDACTED]** of our H Shares may decline below the **[REDACTED]**, and you may not be able to recover your initial **[REDACTED]**.

Our A Shares are listed and traded on the Shenzhen Stock Exchange, and the characteristics of the A share and H share markets may differ.

Our A Shares are currently listed and traded on Shenzhen Stock Exchange, and upon completion of the **[REDACTED]**, our H Shares will be **[REDACTED]** and traded on the **[REDACTED]**. The A share market and the H share market have different characteristics, and the **[REDACTED]** and liquidity of our A Shares and H Shares may differ significantly.

The A share market in Chinese Mainland is primarily dominated by domestic retail investors, and is subject to the regulations and policies of the CSRC and other PRC regulatory authorities. Trading in A Shares is conducted in Renminbi, and is subject to certain restrictions on foreign investment, although foreign investors can access the A share market through programs such as the Qualified Foreign Institutional Investor and RMB Qualified Foreign Institutional Investor schemes, as well as the Stock Connect programs linking Shanghai and Shenzhen Stock Exchange with the Stock Exchange. The A share market has historically experienced higher volatility and different valuation levels compared to the H share market, and investor sentiment and trading behavior in the A share market may be influenced by factors that differ from those affecting the H share market.

In contrast, the H share market in Hong Kong is more internationally oriented, with a significant presence of institutional investors and international capital. Trading in H Shares is conducted in Hong Kong dollars, and the Stock Exchange is subject to the regulations of the Securities and Futures Commission and operates under a common law legal system. The H share market generally has different liquidity characteristics, valuation methodologies, and investor bases compared to the A share market.

As a result of these differences, the **[REDACTED]** of our A Shares and H Shares may not move in tandem, and there may be significant price differentials between the two classes of shares. Factors such as differences in **[REDACTED]** sentiment, liquidity, currency movements, regulatory developments, and market conditions in the Chinese Mainland and Hong Kong may cause the prices of our A Shares and H Shares to diverge. In addition, arbitrage activities between the A share and H share markets, including through the Stock Connect programs, may affect the **[REDACTED]** and volatility of both classes of shares. You should be aware that the **[REDACTED]** of our H Shares may be influenced not only by our business performance and prospects, but also by factors specific to the H share market and the relationship between the A share and H share markets.

You will incur immediate and substantial [REDACTED] upon the [REDACTED] of our Shares, and may experience further [REDACTED] if we [REDACTED] additional shares in the future.

Based on the **[REDACTED]**, the **[REDACTED]** is expected to be higher than the net tangible assets value per **[REDACTED]** immediately prior to the **[REDACTED]**. Therefore, **[REDACTED]** of the H Shares in the **[REDACTED]** will experience an immediate **[REDACTED]** in **[REDACTED]** adjusted consolidated net tangible assets value. This means that the **[REDACTED]** you **[REDACTED]** for our H Shares will be higher than the net tangible assets value attributable to each H Share, and you will immediately experience a reduction in the net tangible assets value per **[REDACTED]** that you own as compared to the **[REDACTED]** you **[REDACTED]**.

In addition to the immediate dilution upon **[REDACTED]**, you may experience further **[REDACTED]** if we **[REDACTED]** additional shares or other securities in the future. We may need to raise additional capital in the future to finance the expansion or new developments of our business and operations, to fund acquisitions, or for other corporate purposes. If we raise additional funds through the issuance of new equity or equity-linked securities, such as convertible bonds or securities with warrants, and such issuance is not made on a pro rata basis to existing Shareholders, the percentage ownership of existing Shareholders in our Company may be reduced. Furthermore, any new securities that we **[REDACTED]** may confer rights and privileges that take priority over those conferred by the existing Shares, such as preferential dividend rights, liquidation preferences, or superior voting rights, which could further dilute the value of your **[REDACTED]**.

The extent of dilution will depend on various factors, including the number of new shares **[REDACTED]**, the **[REDACTED]** at which they are **[REDACTED]**, and the terms and conditions of any new securities. If new shares are **[REDACTED]** at a **[REDACTED]** lower than the **[REDACTED]** you **[REDACTED]** for your H Shares, or if new securities with preferential rights are **[REDACTED]**, the dilution you experience may be more significant. You should be aware that we have the discretion to **[REDACTED]** additional shares or other securities in the future, subject to applicable regulatory requirements and shareholder approvals, and that such **[REDACTED]** may materially **[REDACTED]** your ownership interest and the value of your **[REDACTED]** in our H Shares.

Our H Shares are subject to possible [REDACTED] volatility.

The **[REDACTED]** of our H Shares may fluctuate significantly and rapidly as a result of a variety of factors, many of which are beyond our control, including: variations in our results of operations, including variations arising from foreign exchange rate fluctuations; loss of major customers or failure to secure new customers; changes in securities analysts' estimates of our financial performance or changes in analysts' recommendations regarding our Company or our industry; announcements by us of significant acquisitions, strategic alliances, joint ventures, or other corporate transactions; addition or departure of key personnel; fluctuations in stock market price and volume; involvement in litigation or regulatory investigations; trading price performance of other companies providing fintech services in the banking industry; and general economic and stock market conditions.

In addition, stock markets and the shares of other companies listed on the Stock Exchange with significant operations and assets in Chinese Mainland have experienced significant price and volume fluctuations in recent years, some of which have been unrelated or disproportionate to the operating performance of such companies. These broad market fluctuations may materially and adversely affect the market price of our H Shares, regardless of our actual operating performance. Furthermore, the **[REDACTED]** of our H Shares may be influenced by the trading prices of our A Shares on Shenzhen Stock Exchange, and any volatility or significant price movements in our A Shares may spill over to our H Shares.

You should not place any reliance on any information released by us in connection with the listing of our A Shares on the Shenzhen Stock Exchange.

We have previously issued information and made disclosures in connection with the listing of our A Shares on Shenzhen Stock Exchange, including in our A Share document and in our periodic reports and announcements filed with Shenzhen Stock Exchange and the CSRC. Such information and disclosures were prepared in accordance with the PRC laws, regulations, and accounting standards, and were intended for the A share market and domestic investors in Chinese Mainland.

You should not place any reliance on any information released by us in connection with the listing of our A Shares on Shenzhen Stock Exchange when making your **[REDACTED]** decision regarding our H Shares. The information and disclosures made in connection with our A Share listing may differ in certain respects from the information and disclosures contained in this document, due to differences in disclosure requirements, accounting standards, and regulatory frameworks between Chinese Mainland and Hong Kong. In addition, the information released in connection with our A Share listing may be outdated or may not reflect our current business, financial condition, or prospects.

This document has been prepared in accordance with the Listing Rules on the Stock Exchange and other applicable Hong Kong laws and regulations, and contains information that is relevant and material for **[REDACTED]** considering an **[REDACTED]** in our H Shares. You should base your **[REDACTED]** decision solely on the information contained in this document and should not rely on any information released by us in connection with our A Share listing or any other information that is not contained in this document. Any reliance on information outside of this document may lead to an uninformed **[REDACTED]** decision and potential losses.

We have not independently verified the statistics and information in this document from official government sources.

This document contains certain statistics and information relating to our industry, the markets in which we operate, and our competitive position within those markets. We have derived such statistics and information from various available sources, which include official government sources and publications, as well as industry and market research reports. 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. However, the information from official government sources has not been independently verified by us, the Joint Sponsors, the **[REDACTED]**, **[REDACTED]** or any other party involved in the **[REDACTED]**, and no representation is given as to its accuracy. You should give consideration as to how much weight or importance you should attach to or place on the statistics or information from official government sources.

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

Prior to and during the **[REDACTED]**, there may be press, media, or internet coverage and commentary regarding our Company, our business, and the **[REDACTED]**. Such coverage and commentary may include statements, opinions, estimates, projections, or other information that has not been authorized or verified by us, and may be inaccurate, incomplete, misleading, or based on speculation or rumour. You should not rely on any information contained in press, media, or internet sources regarding us and the **[REDACTED]** when making your **[REDACTED]** decision. Any such information may not be consistent with the information contained in this document, and may be based on incomplete or outdated information, misunderstandings, or speculation. In addition, press, media, or internet sources may have their own biases, agendas, or interests that could affect the accuracy or objectivity of their coverage.

We have not authorized the disclosure of any information or the making of any representation in connection with the **[REDACTED]** other than as contained in this document and in other documents that we have officially filed or published. Any information or representation not contained in this document or in our official filings should be regarded as unauthorized and should not be relied upon. If you come across any information regarding us or the **[REDACTED]** in press, media, or internet sources that is inconsistent with the information in this document, you should disregard such information and rely solely on the information contained in this document. You should read the entire document carefully, including the sections entitled "Risk Factors," "Financial Information," and "Business," and should base your **[REDACTED]** decision solely on the information contained in this document. You should also consult with your own financial, legal, tax, and other professional advisors before making any **[REDACTED]** decision regarding our H Shares. Any reliance on unauthorized or unverified information from press, media, or internet sources may lead to an uninformed **[REDACTED]** decision and potential losses.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the [REDACTED] for our Shares and [REDACTED] could decline.

The **[REDACTED]** market for our H Shares will depend in part on the research and reports that securities or industry analysts publish about us, our business, our industry, and our competitors. We do not have any control over these analysts or the content and opinions included in their reports. If few securities or industry analysts commence coverage of our Company, or if one or more of the analysts who cover us downgrade our H Shares or publish inaccurate or unfavourable research about our business, the market price of our H Shares could decline. If one or more of these analysts cease coverage of our Company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause the **[REDACTED]** of our H Shares or **[REDACTED]** to decline. Securities and industry analysts may base their research and reports on a variety of factors, including our financial results, business developments, industry trends, and their own expectations and assumptions. If our financial results or business developments do not meet the expectations of analysts, or if analysts' expectations are based on inaccurate assumptions or incomplete information, analysts may issue negative reports or downgrade their recommendations regarding our H Shares, which could cause the market price of our H Shares to decline.

Furthermore, even if our business is performing well, analysts may issue negative reports or downgrades based on factors beyond our control, such as general market conditions, macroeconomic trends, or developments affecting our industry or competitors. Any negative research or downgrades by analysts could adversely affect **[REDACTED]** sentiment and demand for our H Shares, which could cause the **[REDACTED]** of our H Shares and **[REDACTED]** to decline. In addition, if we fail to meet the expectations of analysts or the market, even if such expectations are unrealistic or based on factors beyond our control, the market price of our H Shares could decline significantly.

There can be no assurance of the accuracy or completeness of certain facts, forecasts and other statistics obtained from various resources contained in this document.

This document contains certain facts, forecasts, and other statistics relating to our business, industry, markets, and competitive position. Some of these facts, forecasts, and statistics have been derived from publicly available sources, including government publications, industry reports, and market research reports, while others are based on our own internal estimates, assumptions, and analyses.

While we have taken reasonable care in reproducing or extracting such facts, forecasts, and statistics, we cannot assure you that they are accurate or complete. Facts and statistics derived from third-party sources may be based on assumptions, estimates, or methodologies that differ from those we would use, and may be subject to inherent limitations and uncertainties. In addition, such facts and statistics may be outdated or may not reflect the most current developments in our industry or markets. Forecasts and projections, whether derived from third-party sources or based on our own estimates, are inherently uncertain and are based on assumptions about future events and conditions that may not materialize or may differ materially from what is assumed. Our own internal estimates, assumptions, and analyses are also subject to uncertainty and may not be accurate. We have made certain assumptions and estimates in preparing this document, including assumptions about market trends, competitive dynamics, customer behaviour, and our own future performance. These assumptions and estimates may prove to be incorrect, and actual results may differ materially from what we have assumed or estimated.

You should not place undue reliance on any facts, forecasts, or statistics contained in this document. Any inaccuracies or incompleteness in such information could lead to an incorrect understanding of our business, industry, markets, or prospects, which could adversely affect your **[REDACTED]** decision. You should conduct your own research and analysis, consult with your own advisors, and make your own independent assessment of the information contained in this document before making any **[REDACTED]** decision regarding our H Shares.

We cannot assure you that we will declare and distribute any amount of dividends in the future, and you may have to rely on price appreciation of our Shares for returns on your [REDACTED].

Any declaration and payment of dividends in the future will be at the discretion of our Board of Directors and will depend on a variety of factors, including our results of operations and earnings, capital requirements and surplus, financial condition, future prospects, contractual restrictions, legal and regulatory requirements, and other factors that our Board of Directors may consider relevant. We cannot assure you that we will declare and distribute any amount of dividends in the future.

During the Track Record Period, we have declared and paid dividends to our A Share shareholders in accordance with our dividend policy and applicable PRC laws and regulations. However, our historical dividend distributions are not indicative of our future dividend distribution policy, and potential **[REDACTED]** should be aware that the amount of dividends paid previously should not be used as a reference or basis upon which future dividends are determined. Our Board of Directors may decide not to declare or pay dividends in the future, or may decide to pay dividends at levels that are lower than historical levels, depending on the factors mentioned above and other considerations. In addition, as a company incorporated in Chinese Mainland, our ability to pay dividends is subject to the PRC laws and regulations, which require that dividends be paid only out of distributable profits as determined in accordance with the PRC accounting standards and regulations. We are also required to set aside a portion of our after-tax profits each year to statutory reserves, which are not available for distribution as dividends. These legal and regulatory requirements may limit our ability to pay dividends even if our Board of Directors wishes to do so.

If we do not declare or pay dividends in the future, or if the dividends we pay are lower than expected, you may have to rely solely on price appreciation of our H Shares for returns on your **[REDACTED]**. There can be no assurance that the **[REDACTED]** of our H Shares will appreciate, and the **[REDACTED]** may decline below the **[REDACTED]** you **[REDACTED]** for your H Shares. As a result, you may not realize any returns on your **[REDACTED]**, or you may experience a loss on your **[REDACTED]**.