
RISK FACTORS

An [REDACTED] in our H Shares involves significant risks. You should carefully consider all of the information in this Document, including the risks and uncertainties described below, before deciding to make any [REDACTED] in our H Shares. Our business, financial condition, or results of operations could be materially and adversely affected by any of these risks and uncertainties. Additional risks and uncertainties that are presently unknown to us or not expressed or implied below or that we currently deem immaterial could also harm our business, financial condition, or results of operations. The [REDACTED] of the H Shares could decline significantly due to any of these risks and uncertainties, and you may lose all or part of your [REDACTED].

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

If the trend of enterprise digitalization and intelligentization develops more slowly than expected or otherwise is hindered, our business, financial condition, and results of operations may be adversely affected.

We believe that many enterprises have been undergoing or will undergo digitalization and intelligentization transformation. According to Frost & Sullivan, more than 40.0% of enterprises in China have been undergoing digitalization transformation, while the remaining enterprises are expected to undergo digitalization transformation in the future. However, there is uncertainty over the market acceptance and rate of the transformative process, as well as whether the market acceptance of our solutions will be further expanded. Some target clients may choose not to use our solutions for a number of reasons, including concerns about costs, lack of awareness of the benefits of our solutions, or the industry-wide change in internet and internet infrastructure. We cannot assure you that the trend of adopting and utilizing our solutions will continue to grow in the future. Furthermore, in alignment with our strategic focus on digitalization and intelligentization transformation, we have been actively investing in the integration of AI technologies and capabilities into our offerings. The uncertain pace and application of emerging technologies may also lead to increased research and development costs and execution risk. If the trend of enterprise digitalization and intelligentization develops more slowly than expected or otherwise is hindered, our business, financial condition, and results of operations may be adversely affected.

We operate in a competitive market and may not be able to compete successfully against our existing and future competitors.

China’s enterprise IT consulting and digital solution services market is highly competitive. International vendors continue to lead, supported by mature product portfolios and global experience. Domestic Chinese vendors have accelerated proprietary product development and standardized development strategies, building strengths in industry-specific solutions, customized services, and localized delivery. Our primary competitors include key players such as large multinational IT service providers and global consulting firms, as well as in-house IT departments and potential new market entrants seeking to penetrate the market. According to Frost & Sullivan, we have over thousands of competitors in the industry and the level of competition is medium. Some of our current and potential competitors may have longer operating histories, greater financial or technological resources, stronger global brand recognition, or broader client bases, which may enable them to better withstand macroeconomic fluctuations, rising talent costs, or cyclical changes in downstream industries. They may also be better positioned to invest in and respond more rapidly to emerging technologies and evolving client demands.

Our future performance is largely dependent on our ability to compete successfully against our existing and future competitors. Some of our competitors may possess advantages over us, including larger operational scale, stronger brand recognition, longer operating histories, more financial and human resources, and access to more sophisticated technologies. In addition, our competitors may expand their solution portfolios through acquisitions, strategic alliances, and organic development, thereby strengthening their market position. Furthermore, established companies serving other market sectors may introduce solutions that compete directly with our offerings or acquire

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businesses operating in our target markets, while some potential clients may choose to internally develop proprietary software solutions in lieu of procuring our solutions. Our competitors may also collaborate with each other or with third parties to enhance their technological offerings or consolidate resources, further strengthening their competitive edge. As a result, our competitors may be able to secure superior talent, introduce innovative solutions more rapidly, and anticipate market dynamics more accurately, any of which could erode our competitive position.

If our competitors’ software solutions are introduced to the market faster, achieve broader market acceptance, or offer better functionality relative to ours, our revenues, market share, and growth prospects may be adversely impacted. In addition, aggressive pricing strategies by our competitors could enable them to quickly expand their client bases and sales networks, placing additional pressure on our ability to achieve desired pricing levels. If we are unable to maintain competitive pricing or attract new clients, we may experience lower sales volumes, compressed profit margins, or operating losses, any of which could adversely affect our business, financial condition, and results of operations.

If we fail to innovate or effectively respond to the rapidly evolving market dynamics, our business, financial condition, results of operations, and prospects would be materially and adversely affected.

The enterprise IT consulting and digital solution services market in which we operate and compete is constantly changing with innovations. In addition, the rapid pace of solution iteration in our industry may render our solutions obsolete or less competitive. If we fail to upgrade or adapt our solutions in a timely manner to evolving technologies and customer demands, our market position and operating performance may be adversely affected. To remain competitive, we must continue to improve and enhance the functions, performance, reliability, design, security, and scalability of our solutions. However, we may experience difficulties in such innovation as it is time consuming and the integration of certain technologies with our solutions may not be as successful as we expected, which could in turn delay or prevent the development, introduction, or implementation of new solutions and enhancements. We also need to invest significant resources, including financial resources, in research and development to keep our solutions innovative and adaptive for different specific industries. However, we cannot assure you that these expenditures will help our solutions acquire additional market share. To the extent we are unable to improve and enhance the functions, performance, reliability, design, security, and scalability of our software solutions in a manner that timely responds to our clients’ evolving needs and market dynamics, we may lose our clients or fail to attract new clients, and our business, financial condition, and results of operations may be materially and adversely affected.

We are subject to credit risk from potential delay in payment and defaults of customers.

We are exposed to credit risk from potential delay in payment and defaults of our customers. We cannot assure you that all our customers will settle payment in full as it falls due. If any of our customers delays or refuses to settle payment or becomes insolvent, our cash flow could be adversely affected. As of December 31, 2023, 2024, and 2025 and April 30, 2026, our trade and bills receivables (net of loss allowance) amounted to RMB1.20 billion, RMB1.40 billion, RMB1.50 billion, and RMB1.63 billion, respectively, and we had loss allowances for trade and bills receivables of RMB693.4 million, RMB717.5 million, RMB758.1 million, and RMB776.9 million, respectively. Our trade and bills receivables and contract assets turnover days were 187 days, 175 days, 181 days, and 209 days for the years ended December 31, 2023, 2024, and 2025 and for the four months ended April 30, 2026, respectively. We may not be able to collect all such trade receivables due to a variety of factors that are outside of our control such as long payment cycle and adverse operating or financial situation of customers. As a result, our business, financial position, and results of operations could be adversely affected.

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If we fail to retain existing clients, attract new clients, or increase the spending by existing clients, our business, financial condition, and results of operations may be materially and adversely affected.

To achieve the sustainable growth of our business, we must continually attract new clients, retain existing clients, or increase their spending on our solutions. This requires a thorough understanding of our clients’ evolving needs in their changing businesses, timely launches of new solutions, and improvement of our existing solutions to keep our clients engaged. As of December 31, 2023, 2024, and 2025 and April 30, 2026, we had 1,571, 1,709, 1,871, and 1,837 existing clients, respectively, and 881, 939, 953, and 250 new clients, respectively. Our customer retention rate for 2023, 2024, and 2025 was 79.6%, 80.9%, and 81.6%, respectively. Our clients have no obligation to renew their purchases for our solutions following the expiration of the initial purchases, nor are they bound to continue commercial relationships with us on our desired terms. In particular, our enterprise resource planning (ERP) consulting and implementation services and ITO services are offered for non-recurring service fees. As a result, we cannot assure you that our clients will repurchase from us within a short period of time, or at all. If we fail to retain existing clients or attract new clients, we may not be able to increase our revenue as quickly as we anticipate, or at all.

In addition, as we have been and will continue expanding our client base and diversifying specific industries that we cover, we may fail to provide clients with solutions that meet their specific demands or provide client support to their expected level, which could result in their dissatisfaction, decreased demand for our solutions, and loss of expected revenue. Failure to meet clients’ demands or expectations may damage our reputation and could consequently limit our ability to retain existing clients, attract new clients, or increase their spending on our solutions. As a result, our business, financial condition, and results of operations could be materially and adversely affected.

The integration of AI in our products and services may not be successful and may present business, compliance, and reputational challenges that could adversely affect our business, financial condition, and results of operations.

We have integrated and will continue to integrate AI capabilities into our offerings, which is one of our key growth strategies. However, such integration may require substantial changes to our technical infrastructure, processes, and employee skillsets, potentially leading to temporary inefficiencies and increased operating costs. We have already launched solutions that achieve integration to some extent. During the Track Record Period, revenue contribution from our AI-related services was approximately RMB22.1 million, RMB78.1 million, RMB310.2 million, RMB55.2 million, and RMB120.5 million in 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, respectively. However, we cannot assure you that we will continue to respond to constant changes in AI technologies and succeed in such integration in the future.

AI technologies are still at a preliminary stage of development and will continue to evolve. Flaws or deficiencies in AI technologies could undermine the accuracy and thoroughness of the analysis and decisions made by our solutions. We cannot assure you that we will be able to detect and remedy such flaws or deficiencies in a timely manner, or at all. If the recommendations, forecasts, or analysis that our AI solutions assist in producing are deficient or inaccurate, we could be subjected to competitive harm, potential legal liability, and ethical or reputational harm. Any flaws or deficiencies in our AI solutions, whether actual or perceived, could materially and adversely affect our business, financial condition, and results of operations.

Similar to many disruptive innovations, AI technologies present risks and challenges that could affect clients’ perception and public opinion. Any inappropriate, abusive, or premature usage of AI technologies, whether actual or perceived, whether intended or inadvertent, and whether by us or by third parties, may dissuade prospective clients from adopting AI solutions, impair the general acceptance of AI solutions by the society, attract negative publicity, and adversely impact our reputation. It may even violate applicable laws and regulations in China and other jurisdictions and subject us to legal or administrative proceedings, pressures from activists or other organizations, and

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heightened scrutiny by regulators. See “Regulatory Overview — Regulations Relating to Algorithm Governance.” Each of the foregoing events may in turn materially and adversely affect our business, financial condition, and results of operations.

We have a limited history in leveraging AI to strengthen our enterprise digitalization and intelligentization capabilities. Our historical results may not be indicative of our future performance.

We have a limited history in leveraging AI to strengthen our enterprise digitalization and intelligentization capabilities. In 2019, we launched H-ZERO, our PaaS platform for enterprise clients, and initiated the integration of AI application. In 2023, we released our AI mid-platform. In 2025, our AI-powered application series debuted. The development, adoption, and use of AI technologies are still in the early stages, and our limited operating history in sales, marketing, and commercialization of these AI offerings may make it difficult to evaluate our prospects. The mass commercialization of our AI offerings carries inherent risks, may require more time and expense than anticipated, and success is not guaranteed. For instance, we may not be able to achieve sales results that meet our forecast, overcome unforeseen technical challenges or defects, or scale our client support and implementation operations effectively to meet growing demand. Such risks and uncertainties may affect our ability to develop and maintain our range of solutions for our clients and compete with our competitors. Accordingly, our historical results may not be indicative of our future performance, and you should consider our prospects and future profitability in light of the risks, uncertainties, and difficulties encountered by any new offerings.

Our results of operations have been, and may in the future be, adversely affected by volatile, negative, or uncertain economic and geopolitical conditions and the effects of these conditions on our clients’ businesses and levels of business activity.

Global macroeconomic and geopolitical conditions affect us, our clients’ businesses, and the markets they serve. Volatile, negative, and uncertain economic and geopolitical conditions have in the past undermined and could in the future undermine business confidence and levels of business activity in our significant markets and other markets, which are increasingly interdependent. Our clients operate in a wide range of industries, including but not limited to, manufacturing, consumer goods, finance, energy, and telecommunications. Any adverse economic and geopolitical developments affecting the business conditions of these industries and their respective markets, may, in turn, adversely affect our own business, financial condition, and results of operations. For instance, our clients may, due to resulting reduced or delayed IT spending, reduce, delay, or eliminate spending under existing contracts with us, which could adversely affect our business, financial condition, and results of operations. Growth in some of the markets that we serve has slowed, and this trend could continue to persist, spread to other markets, or worsen into stagnation or contraction over an extended period. Because we operate globally and have significant businesses in many markets, an economic slowdown in any of those markets could adversely affect our business, financial condition, and results of operations.

Ongoing economic and geopolitical volatility and uncertainty and changing demand patterns affect our business in a number of other ways, including making it more difficult to accurately forecast clients’ demand and effectively build our revenue and resource plans. Changing demand patterns from increased economic and geopolitical volatility and uncertainty, including as a result of increasing geopolitical tensions, inflation, economic downturns, changes in global trade policies, protectionism, nationalism, and global health emergencies, have in the past adversely affected and could in the future materially and adversely affect our business, financial condition, and results of operations.

Our overseas business development is subject to various cross-border operating risks, any failure to handle which may adversely affect our business, financial condition, and results of operations.

We have established a global network and implemented localized solutions with onsite and offsite support. In 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, our revenue generated overseas was RMB395.6 million, RMB407.1 million, RMB527.9 million,

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RMB184.3 million, and RMB160.6 million, respectively. As of the Latest Practicable Date, we had 12 overseas offices and 313 overseas employees. As we plan to continue to expand our business into various regions and countries overseas, we will face various risks and challenges, including, but are not limited to, changes in political environment and economic conditions, increased competition from local players, cultural difference, and the complexity of compliance with laws and regulations in different jurisdictions including the U.S. outbound investment rules, import and export restrictions, tariffs, and international sanctions. Any failure to handle these risks effectively could result in disruptions to the execution of our business plans and operations, increase in costs, and damage to our reputation. In addition, our plans for overseas business development may require significant investments in sales and marketing, human resources, and research and development, which may not yield the expected return on investment. The timing of our expansion plans may also be affected by factors beyond our control, such as changes in economic conditions, political environment, or delays in obtaining necessary licenses and permits. Furthermore, we may be subject to additional regulatory requirements in foreign countries, which may increase our compliance costs and subject us to legal and regulatory risks. These requirements may also limit our ability to operate in certain regions or countries, which could negatively impact our growth prospects. We may need to allocate significant resources to manage and mitigate these cross-border operating risks, which could increase our expenses and adversely affect our financial performance. If we are unable to manage these risks effectively, our business, financial condition, and results of operations may be materially and adversely affected.

Our business growth could also be adversely affected by changes in global and regional macroeconomic conditions, natural disasters, epidemics and pandemics, social disruption, and other force majeure events. These events may disrupt our operations and our clients’ businesses, impair workforce productivity, interrupt our systems and platforms, and cause data loss, corruption, or system malfunctions, any of which could materially and adversely affect our business, financial condition, results of operations, and prospects.

We had historically recorded net loss during the Track Record Period, and we cannot assure you that we will not incur net losses in the future.

In 2024 and 2025 and for the four months ended April 30, 2025 and 2026, we recorded net profit of RMB196.4 million, RMB234.1 million, RMB43.4 million, and RMB46.3 million, respectively. However, we recorded net loss of RMB14.9 million in 2023. Accordingly, you should not rely on our historical results of operations as an indication of our future performance, and we cannot assure you that we will not incur net losses in the future. Our ability to achieve profitability depends in large part on, among other factors, our ability to successfully promote our solutions, continually grow our client base, and effectively navigate in different markets. If we are unable to generate adequate revenues or effectively manage our costs and expenses, we may incur losses in the future and may not be able to maintain profitability.

The termination of collaboration with our business partners may adversely affect our business, financial condition, and results of operations.

We work with a broad range of business partners, including ERP software providers, cloud platforms, and big data platforms. For instance, for our ERP business, we rely on widely adopted ERP products provided by our key partners. We cannot assure you that our business partners will continue to collaborate with us on commercially reasonable terms, or at all. Additionally, we cannot assure you that we will be able to establish new business partner relationships or extend existing collaboration relationships with our business partners when our agreements with them expire. Furthermore, certain of our agreements with our business partners may be terminated at will prior to their specified termination dates, our business partners may alter the contract terms previously agreed between us, and our business partners are under no obligation to continue our collaboration. During the Track Record Period, none of our business cooperation with our business partners was

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terminated, as confirmed by our Directors. However, if any of our collaboration with our key business partners deteriorates, expires, or is suspended or terminated, our business, financial condition, and results of operations could be materially and adversely affected.

We use open-source foundation models and software licensed from third parties to provide our solutions. Any error in such models or software or failure to maintain these licenses could materially and adversely affect our business.

Our PaaS platform for enterprise clients incorporates software licensed from third parties, including open-source foundation models. The terms of many open-source licenses that we are subject to have not been interpreted by courts, and there is a risk that these licenses could be construed to impose unanticipated conditions or restrictions on our ability to provide our solutions. In addition, the terms of open-source software licenses may require us to provide software that we develop to others on unfavorable license terms. For example, certain open-source licenses may require us to offer the components of our platform that incorporate open-source software for free, make source code for modifications or derivative works available to others, and license such modifications or derivative works under the terms of the particular open-source licenses.

In addition, we could be required to seek licenses from third parties to continue offering our solutions, and these types of licenses may not be available on terms that are acceptable to us, or at all. Alternatively, we may need to re-engineer our solutions or discontinue using certain functionalities of our solutions. Our inability to use third-party software could result in disruptions to our business, or delays in developing future offerings or enhancements of our existing solutions, which could materially and adversely affect our business, financial condition, and results of operations.

Any error or defect in or any failure to perform properly by our solutions may harm our reputation, subject us to litigation, and adversely affect our business, financial condition, and results of operations.

Our solutions address increasingly complex clients’ requirements and may contain technological errors, defects, disruptions, or security vulnerabilities that are difficult to detect and rectify, particularly when first introduced or delivered to clients, or when new versions or upgrades are implemented. We cannot assure you that we will be able to promptly and effectively rectify such errors or defects, or at all. Any occurrence of such error or defect could erode clients’ trust and confidence in our solutions. Negative posts from clients about their experience with our solutions, whether substantiated or not, could generate adverse publicity that will damage our reputation and harm our business prospects.

If we fail to deliver our solutions to our clients in time due to such errors or defects, we may face difficulties in fulfilling our contractual obligations, which may lead to clients’ dissatisfaction or termination of business relationships. Our clients may seek damages from us for losses resulting from such errors or defects. We cannot assure you that the disclaimers limiting our exposure to claims, which we typically include in the agreements with our clients, will be enforceable at all times under applicable laws and regulations or sufficient to shield us from liabilities. As a result, we may incur significant expenses to compensate affected clients, which could adversely affect our business, financial condition, and results of operations.

Our services involve processing data concerning our clients and business partners according to their requirements and permissions and may be subject to complex and evolving laws and regulations regarding privacy and data protection.

In providing solutions and services to clients, we process data concerning our clients and business partners according to their requirements and permissions, and we expect these activities to continue in the future. We are subject to a variety of laws and other obligations relating to the security and privacy of data, including restrictions on the collection, use, and storage of personal information and requirements to take steps to prevent personal data from being divulged, stolen, or tampered with. For details, see “Regulatory Overview — Regulations Relating to Data, Cyber and

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Information Security” and “Regulatory Overview — Regulations Relating to Privacy Protection.” In light of the constantly evolving and potentially more stringent regulatory requirements of cybersecurity and data privacy and the possible variation of regulations and interpretations, it remains unclear how and to what extent such regulatory requirements will apply to us.

The integration of AI models into our solutions may introduce new data security and privacy risks. These models often require large volumes of data for training and operation, increasing the potential for data breaches or misuse. Ensuring the security and privacy of our clients’ and business partners’ data is critical to maintaining their trust and compliance with regulatory requirements. Any failure, or perceived failure, by us, or by our third-party business partners, to maintain the security of data, contractual provisions, industry standards, and other requirements, could expose us to significant risks. We may face government or data protection authority enforcement actions and investigations, fines, penalties, litigation, or adverse publicity, any of which may require us to expend significant resources in responding to and defending allegations and claims. Moreover, even allegations that we have failed to adequately protect data or otherwise comply with these requirements could damage our reputation and erode the confidence of our clients or our business partners in us. This loss of trust could cause them to terminate their relationship with us, which could materially and adversely affect our business, financial condition, and results of operations.

Our brands are integral to our success. If we fail to effectively maintain, promote, and enhance our brand image, our business and competitive advantages may be harmed.

We believe that maintaining, promoting, and enhancing our key brands, including but not limited to “Hand,” is critical to our business. Maintaining and enhancing our brands depends largely on our ability to continue to provide high-quality, well-designed, useful, reliable, and innovative solutions, which we cannot assure you we will do successfully. We believe the importance of brands recognition will increase as competition in our market further intensifies. In addition to our ability to provide reliable and useful solutions at competitive prices, successful promotion of our brands will also depend on the effectiveness of our marketing efforts. We market our solutions through our direct sales force as well as word-of-mouth referrals from our clients. Our efforts to market our brands have incurred significant costs and expenses and we intend to continue such efforts. We cannot assure you, however, that our selling and marketing expenses will lead to increases in revenue, and even if they do, such increases in revenue may not be sufficient to offset the expenses incurred. If we fail to effectively maintain, promote, and enhance our brand image, our business and competitive advantages may be harmed.

If we are unable to attract and retain competent talents who support our existing operations and future growth, our business may be materially and adversely affected.

We operate in a talent-intensive industry, requiring a significant and continued influx of specialized professionals to sustain growth. In 2023, 2024, and 2025 and for the four months ended April 30, 2026, the number of our employee departures was 2,782, 2,643, 1,916, and 472, respectively. Our existing operations and future growth depend heavily on continued efforts of our senior management, many of whom are difficult to replace. In particular, we rely on the expertise, experience, and vision of our senior management, as well as other members of our senior management team. If any of our senior management becomes unable or unwilling to continue to contribute their services to us, we may not be able to replace them easily, or at all. As a result, our business may be severely disrupted, and our financial condition and results of operations may be materially and adversely affected.

Our existing operations and future growth also depend on our ability to attract, recruit, and train a large number of qualified employees and retain existing key employees. In particular, we rely on our top-notch research and development team to develop our advanced technologies and solutions, and our experienced sales personnel to maintain relationships with our clients. To compete for talents, we may need to offer higher compensation, better training, more attractive career opportunities, and other benefits to our employees, which may be costly and burdensome. We

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cannot assure you that we will be able to attract or retain qualified workforce necessary to support our existing operations and future growth. Furthermore, any disputes between us and our employees or any labor-related regulatory or legal proceedings may divert managerial and financial resources, negatively impact staff morale, reduce our productivity, or harm our reputation and future recruiting efforts. In addition, our ability to train and integrate new employees into our operations may not meet the demands of our growing business. Any of the above issues related to our workforce may materially and adversely affect our business operations and future growth.

If we fail to effectively develop our sales and marketing capabilities, we may not expand our client base and market share, which could materially and adversely affect our business, financial condition, and results of operations.

Our ability to grow our client base and achieve broader market acceptance of our solutions depends largely on the effectiveness and scalability of our sales and marketing efforts. In 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, our selling expenses were RMB290.3 million, RMB234.3 million, RMB255.7 million, RMB74.0 million, and RMB79.5 million, respectively, representing 9.7%, 7.2%, 7.5%, 7.5%, and 7.4% of our total revenue in the same periods, respectively. Efficient deployment of our sales and marketing resources and continued enhancement of our sales capabilities are critical to driving revenue growth and market penetration. Therefore, we plan to continue to invest significant resources in expanding our sales network. We cannot assure you that such investment will bring about positive impact on our client base expansion or client stickiness that is sufficient to recoup such investment. If our sales and marketing initiatives do not achieve the desired results, our business, financial condition, and results of operations may be materially and adversely affected.

Our sales cycles can be long and unpredictable, and our sales efforts require considerable time and expense.

Our sales cycle is typically six to nine months, and primarily consists of initial communications with clients, project evaluation and design, proof of concept, and contracts execution. Our go-to-market strategy typically starts with major enterprises in each specific industry, who are also early adopters of advanced technologies. Sales to such large enterprise clients involve risks and sophistications that may not exist or that exist but to a lesser extent in sales cycles of smaller entities, such as longer sales cycles, more complex user requirements, substantial upfront sales costs, less favorable terms, and less predictability in completing some of our sales. We may also need to provide more complicated deployment of our solutions or face unexpected deployment challenges with large enterprises. Moreover, large enterprise clients often deploy our solutions on a limited basis at the beginning, but nevertheless demand configuration, integration services, and price negotiations, which increase our upfront investment in the sales effort. Some of these clients may undertake an evaluation process that frequently involves not only our offerings but also the offerings of other companies. We may therefore incur substantial expenses, time, and efforts on sales to large enterprises without any assurance that these clients will deploy our solutions widely enough across their organization, or at all, to justify our substantial upfront investment.

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

Our trademarks, copyrights, patents, and other intellectual property rights are critical to our success. See “Business — Intellectual Property.” We rely on, and expect to continue to rely on, a combination of patent, trademark, copyright, and other proprietary rights protection laws in China and other jurisdictions, as well as confidentiality procedures and contractual provisions to protect our intellectual properties. We cannot assure you that we will be able to successfully apply and be granted new intellectual property rights in a timely and cost-effective manner in the future, as such applications are expensive and time-consuming. Unauthorized parties may be able to obtain and use information that we regard as proprietary. Under such circumstances, to protect our intellectual

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property rights and maintain our competitive advantages, we may initiate legal proceedings against parties who we believe are infringing our intellectual property rights. Legal proceedings are often costly and may divert management attention and resources away from our business. In certain situations, we may have to initiate such legal proceedings in regions outside China, in which case we are subject to additional risks as to the result of the proceedings, the amount of damages that we can recover, and the enforcement process. As a result, our business, financial condition, and results of operations may be materially and adversely affected.

Our sales and results of operations may fluctuate during different periods of the year.

We have experienced, and expect to continue to experience fluctuations in our business, financial position, and results of operations depending on the relevant time of a year. We tend to generate higher revenues and collect more receivables in the second half of each year compared to the first half of the year due to the operational cycle where projects are normally initiated in the first half and executed in the second half. As a result of such fluctuations, comparing our operating results for different periods or financial position as of different periods may not be meaningful, and you should not rely on our past results as an indication of our future performance.

We have granted share-based awards in the past under our share incentive plans and may continue to grant share-based awards in the future, which may cause dilution to our existing shareholders and result in increased share-based payment expenses.

We have granted share-based awards in the past under our equity incentive plans and may continue to grant such awards in the future. In 2024 and 2025 and for the four months ended April 30, 2025 and 2026, our share-based payment expenses were RMB77.2 million, RMB91.4 million, RMB37.4 million, and RMB12.4 million, respectively. We believe the share-based awards are crucial to our ability to attract and retain key personnel and employees, and we may continue to grant share-based awards in the future. As a result, our share-based payment expenses may increase, which could materially and adversely affect our financial performance. Our ability to attract or retain highly skilled employees may be adversely affected by declines in the perceived value of our equity or equity awards. Furthermore, we cannot assure you that the number of shares reserved for issuance under our share incentive plans will be sufficient to grant equity awards adequate to recruit new employees and compensate existing employees. In case we decide to reserve and issue additional shares under our share incentive plans, your interests in our company will be further diluted by such issuance.

Our insurance coverage may be inadequate to protect us from the liabilities that we may incur or cover all our potential costs, and, as a result, our business, financial condition, and results of operations may be materially and adversely affected should any such liability or losses arise.

We maintain certain insurance policies to safeguard us against risks and unexpected events. For details, see “Business — Insurance.” However, our insurance coverage may not be adequate to fully compensate for all kinds of losses we may suffer in the future. For instance, any uninsured occurrence of business disruption, litigation, natural disaster, or significant damages to our uninsured information technology networks and systems could adversely affect our business, financial condition, and results of operations. If we were to incur substantial losses or liabilities due to fire, explosions, floods or other natural disasters, disruption in our network infrastructure or business operations, or any material litigation, our business, financial condition, and results of operations could be materially and adversely affected. We cannot assure you that our current insurance coverage will be sufficient to prevent us from suffering such losses and that we will be able to successfully claim losses under our current insurance policies on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial condition, and results of operation could be materially and adversely affected.

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We may fail to successfully make necessary or desirable strategic alliance, acquisition, or investment, and we may not be able to achieve the expected benefits from such strategic alliance, acquisition, or investment.

We may in the future enter into strategic alliances with various third parties, which could subject us to a number of risks, including risks associated with sharing proprietary information, non-performance or default by the counterparty, and an increase in expenses incurred in establishing new strategic alliances, any of which may materially and adversely affect our business. Additionally, our ability to control or monitor the actions of our strategic partners may be limited, and any negative publicity associated with our partners could harm our reputation by association with such third parties.

We may also acquire additional assets, technologies, or businesses that are complementary to our existing business. Such acquisitions are subject to valuation risks where the target businesses or assets may be overvalued resulting in overpayment and reduced return on investment, which could materially and adversely affect our financial condition and results of operations. In addition, future acquisitions and the subsequent integration of new assets, technologies, or businesses would require managerial and financial resources and could divert resources from our existing business, which in turn could adversely affect our business and financial performance. Moreover, investments and acquisitions could result in the use of substantial amounts of cash, potentially dilutive issuances of equity securities, and exposure to potential unknown liabilities of the acquired business. The acquired businesses or assets may not generate the expected financial results and may incur losses. Furthermore, the cost and duration of integrating newly acquired businesses could also materially exceed our expectations, and such integration may not be successful. We may not be able to achieve or realize the intended financial or strategic benefits, synergies, cost savings, or efficiencies, regardless of whether we successfully integrate the newly acquired business or manage a larger business. Any such negative developments described above could disrupt our existing business and adversely affect our business, financial condition, and results of operations.

We may not be able to obtain additional capital when desired, on favorable terms, or at all.

We may make investments from time to time in technologies, facilities, equipment, hardware, software, or other projects to remain competitive. Due to the unpredictable nature of the capital markets and our industry, we cannot assure you that we will be able to raise additional capital on terms favorable to us, when required, especially if we experience disappointing results of operations. If adequate capital is not available to us as required, our ability to fund our operations, take advantage of unanticipated opportunities, develop or enhance our infrastructure, or respond to competitive pressures could be significantly limited. If we do raise additional funds through the issuance of equity or convertible debt securities, the ownership interests of our shareholders could be significantly diluted. These newly issued securities may have rights, preferences, or privileges senior to those of existing shareholders.

Our transfer pricing arrangements may be subject to scrutiny by tax authorities in the jurisdictions where we operate.

Under the applicable laws and regulations in the jurisdictions where we operate, arrangements and transactions among related parties may be subject to audit or challenge by the tax authorities. During the Track Record Period, we carried out our operations in various jurisdictions through our subsidiaries. See “Business — Intra-Group Transactions.” We could face material and adverse tax consequences if tax authorities determine that certain of our intra-group transactions were not conducted on an arm’s length basis. Tax authorities could impose transfer pricing adjustments that could lead to an increase in our taxable income in certain jurisdictions and additional tax liabilities. Any such adjustments may also lead to double taxation if corresponding tax relief is not obtained in the other jurisdiction that has taxing power over the relevant income. Additionally, tax authorities may impose late payment interest or surcharge and other penalties if we fail to settle the reassessed taxes within the prescribed period. Transfer pricing disputes are often complex and time-consuming,

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may involve extensive documentation and negotiation with multiple tax authorities, and could divert management attention from our operations. In certain cases, we may be unable to recover any excess tax paid from the tax authorities. As a result, our business, financial condition, and results of operations may therefore be materially and adversely affected.

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

We are required to obtain and maintain the requisite licenses and approvals required in jurisdictions where we operate our business. We cannot assure you that we can successfully update or renew the licenses required for our business in a timely manner or that these licenses are sufficient to conduct all our present or future business. The interpretation and implementation of existing and future laws and regulations governing our business activities may change from time to time in the future. Changes in the scope, conditions, interpretation, implementation, renewal, or maintenance requirements of such licenses, approvals, and filings may result in additional compliance costs, administrative burdens, and operational adjustments. Any such changes may disrupt our business operations and materially and adversely affect our business, financial condition, and results of operations.

We may be involved in lawsuits, claims, regulatory investigations, or legal proceedings in our ordinary course of business, which could materially and adversely affect our reputation, business, financial condition, and results of operations.

We have been and may continue to be subject to or involved in or mentioned in various lawsuits, claims, regulatory investigations, or legal proceedings. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that have led to fines, enforcement actions, or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition, and results of operations. However, claims, arbitration, lawsuits, and litigations are subject to inherent uncertainties, and we are uncertain whether existing or new claims against us or which mention us would develop into lawsuits, damages or regulatory penalties, and other disciplinary actions that may be material to our business in the future. Lawsuits, litigations, arbitration, and regulatory actions may cause us to incur substantial costs or fines, utilize a significant portion of our resources and divert management’s attention from our day-to-day operations, or materially modify or suspend our business operations, any of which could materially and adversely affect our business, financial condition, and results of operations.

Responding to or defending litigations or other claims, disputes, or complaints against us is costly and can impose a significant burden on our management and employees or negatively affect our reputation, and we cannot guarantee favorable final outcomes in all cases. In addition, we cannot guarantee success in the claims we pursue against other parties. Any resulting liability, losses or expenses, or changes required to our businesses to reduce the risk of future liability, may adversely affect our business, financial condition, and results of operations. The interpretation of PRC laws in different jurisdictions may be subject to change, and an adverse outcome of a single claim against us in one jurisdiction regarding our business practices may result in significant negative publicity and heightened scrutiny by regulators and courts of our business and operations across the country, potential penalties, or other regulatory actions against us. Any of such outcomes may cause significant disruptions to our operations and materially and adversely affect our business, financial condition, and results of operations.

Our long cash conversion cycle could adversely affect our liquidity.

We had long cash conversion cycle during the Track Record Period. Cash conversion cycle is a cycle where we purchase inventories, sell the inventories on credit, and collect the trade receivables and turn them into cash. As of December 31, 2023, 2024, and 2025 and April 30, 2026, our cash conversion cycle was 211, 187, 184, and 209 days, respectively. Long cash conversion cycle means

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that we need a long period of time to turn our initial cash investment in inventories back into cash. If we fail to maintain our cash conversion cycle at a reasonable level, our liquidity could be adversely affected.

We recorded significant amount of intangible assets and goodwill, and the impairment of intangible assets and goodwill could adversely affect our results of operations and financial condition.

Our intangible assets primarily consist of computer software, software copyright, and development costs. Our goodwill primarily represents synergies and other benefits arising from business acquisitions. We carried a substantial amount of intangible assets and goodwill during the Track Record Period. We recorded intangible assets of RMB985.7 million, RMB1.11 billion, RMB1.18 billion, and RMB1.19 billion, and goodwill of RMB97.1 million, RMB114.2 million, RMB114.2 million, and RMB114.2 million, as of December 31, 2023, 2024, and 2025 and April 30, 2026, respectively. We test goodwill and other intangible assets for impairment annually, or more frequently if events or changes in circumstances indicate that the recoverable amount of a cash-generating unit may be below the carrying amount. Such assessments involve significant judgment and are sensitive to key assumptions, including projected gross margins, discount rates, and growth rates. Adverse market conditions, weaker-than-expected performance, or increases in the weighted average cost of capital may result in impairment losses on our goodwill and intangible assets.

Our inventories may be obsolete and thus subject to write-down.

During the Track Record Period, our inventories consisted of goods-in-transit and work in progress. As of December 31, 2023, 2024, and 2025 and April 30, 2026, we had inventories of RMB297.2 million, RMB220.6 million, RMB223.3 million, and RMB248.4 million, respectively. We had inventory impairment of RMB46.3 million, RMB31.5 million, RMB24.2 million, and RMB19.8 million as of December 31, 2023, 2024, and 2025 and April 30, 2026, respectively. Our inventory turnover days were 45, 43, 36, and 40 in 2023, 2024, and 2025 and for the four months ended April 30, 2026, respectively. In the event that projects are cancelled, we will seek to reallocate goods-in-transit to other customer projects, where feasible, and manage work in progress through resource redeployment. Our management will assess the recoverability of such inventories and determine whether any write-down is required. Any unexpected changes in customer demand or technological developments may render our inventories obsolete. In addition, we cannot assure you that upon project cancellations, such inventories can be effectively reallocated or utilized, which may adversely affect our financial condition and results of operations.

Rumors or negative publicity involving our company, our products and solutions, our management, our clients, our business partners, or our industry in general may materially and adversely affect our reputation, business, financial condition, and results of operations.

Our Company, our products and solutions, our management, our clients, our business partners, or our industry in general may be subject to rumors or negative publicity from time to time, which may materially and adversely harm our business and reputation. We cannot preclude media reports of a similar nature or similar allegations from other parties from being made in the future, nor can we assure you that we will be able to defuse such negative publicity to the satisfaction of our investors, clients, and business partners or prevent related misconception and other damages caused by such reports. We may have to incur significant expenses and divert our management’s time and attention to remedy the effects of these negative reports or allegations, which may materially and adversely affect our business, financial condition, and results of operations.

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RISKS RELATING TO DOING BUSINESS IN JURISDICTIONS WHERE WE OPERATE

Developments in social and economic policies, as well as the interpretation and enforcement of laws, rules, and regulations, may affect our business, financial condition, results of operations, and prospects.

As we conduct our business operations primarily in China, as well as certain overseas markets, our business, financial condition, results of operations, and prospects could be affected by local economic, social, and legal policies. In addition, with the social development, the relevant laws, rules and regulations may be amended from time to time, and their interpretation and implementation will be determined accordingly. Any of the foregoing, including non-compliance with any existing or new laws, rules and regulations, would materially and adversely affect our business, financial condition, and results of operations.

Any labor shortages, increased labor costs, or other factors affecting our labor force may materially and adversely affect our business, financial condition, results of operations, and our business prospects.

We have been subject to regulatory requirements in terms of entering into labor contracts with our employees and paying various statutory employee benefits, including pensions, housing funds, medical insurance, work-related injury insurance, unemployment insurance, and childbearing insurance to designated government agencies for the benefit of our employees. Pursuant to the PRC Labor Contract Law (《中華人民共和國勞動合同法》), last amended on July 1, 2013, and its implementing rules effective on September 18, 2008, employers are subject to the requirements in terms of signing labor contracts, minimum wages, paying remuneration, determining the term of employees’ probation, and unilaterally terminating labor contracts. If we decide to terminate some of our employees or otherwise change our employment or labor practices, we may incur certain costs to deal with such termination or changes in compliance with the Labor Contract Law and its amendments, which may adversely affect our business and results of operations.

As the interpretation and implementation of labor-related laws and regulations are still evolving, we cannot assure you that our employment practice may always in compliance with labor-related laws and regulations in a timely manner. If we are deemed to have violated relevant labor laws and regulations, we may be subject to labor disputes or government investigations, and we may be required to provide additional compensation to our employees and our business, financial condition, and results of operations could be materially and adversely affected.

Policies on foreign investment in China may adversely affect our business and results of operations.

The investment activities of foreign investors in China are subject to certain regulations regarding the industry participated and imposed to additional verification procedures by certain authorities. The Special Management Measures (Negative List) for the Access of Foreign Investment (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) issued by the NDRC and the Ministry of Commerce, which we refer to as the Negative List, set out in a unified manner the restrictive measures for the access of foreign investments such as the requirements for equity and senior management, and the industries that are prohibited for foreign investment. The Negative List covers 11 industries, and any field not covered by the Negative List will be administered under the principle of equal treatment to domestic and foreign investment. The Negative List may be updated from time to time in the future. If we cannot obtain approval from relevant approval authorities to engage in a business in China that becomes prohibited or restricted for foreign investors, we may need to sell or restructure our business that has become restricted or prohibited for foreign investment. If we need to adjust our corporate structure or business line as a result of changes in government policy on foreign investment, our business, financial condition, and results of operations may be adversely affected.

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Regulatory control over capital inflow or outflow, currency conversion, and fluctuations in exchange rates may affect the value of your investment, result in investment losses, and limit our ability to utilize our cash effectively.

We receive a majority of payments from our operations in China in Renminbi and may need to convert certain Renminbi into other currencies for payment of dividends, if any, to holders of our shares, and to fund our business activities outside China. The convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China are subject to certain regulatory requirements. Shortages in the availability of foreign currency may restrict our ability to remit sufficient foreign currency to pay dividends or other payments, or otherwise fulfill our foreign currency denominated obligations.

Under currently effective PRC foreign exchange regulations, payment of current account items, including profit distributions and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from the SAFE or its local branches, through licensed banks for foreign exchange business, by complying with certain procedural requirements. However, prior registration and other procedures with competent government authorities are required where Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses. If we cannot fulfill the regulatory requirements over foreign currency conversion to obtain sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our Shareholders. Any existing and future requirements on currency exchange may limit our ability to fund any future business activities that are conducted in foreign currencies.

We could be subject to changes in our tax rates, the adoption of new tax legislation, or exposure to additional tax liabilities.

The PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》), imposes a tax rate of 25% on business enterprises. Our Company and some of our subsidiaries are entitled to preferential tax treatment. For example, our Company and certain of our subsidiaries in China were qualified as high and new technology enterprises, and they were entitled to a preferential income tax rate of 15% during the Track Record Period. To the extent there are any changes in the laws and regulations governing preferential tax treatment or increases in our effective tax rate due to any other reasons, our tax liability would increase correspondingly. In addition, the PRC government may amend or restate regulations on income, withholding, value-added, and other taxes. Non-compliance with PRC tax laws and regulations may also result in penalties or fines imposed by relevant tax authorities. Adjustments or changes to PRC tax laws and regulations and tax penalties or fines could affect our businesses, financial condition and results of operations.

We also operate in countries and regions overseas and are subject to various taxes. Because the tax environments in different jurisdictions vary and the regulations regarding various taxes, including but not limited to corporate income tax, are complex, our overseas operations may expose us to risks associated with the overseas tax policy changes. Due to economic and political conditions, tax rates in various jurisdictions may be subject to significant change. Our effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretation. Dealing with such regulatory complexities and changes may require us to invest more managerial and financial resources, which in turn could affect our business, financial condition, and results of operations.

Payment of dividends or gains from the sale or other disposition of our H Shares is subject to taxation under PRC law.

Under applicable PRC tax laws, regulations and statutory documents, non-resident individuals and enterprises are subject to taxes with respect to dividends received from us or gains realized upon the sale or other disposition of our H Shares. Non-resident individuals are generally subject to individual income tax under the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法》)

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with respect to the aforesaid gains at a rate of 20% unless specifically exempted by the tax authority of the State Council or reduced or eliminated by an applicable tax treaty. We are required to withhold related tax from dividend payments.

Pursuant to applicable regulations, domestic non-foreign-invested enterprises issuing shares in Hong Kong may generally, when distributing dividends, withhold individual income tax at the rate of 10%. Where, under the circumstance of withholding at source or designated withholding, non-resident taxpayers determine through self-assessment that they are eligible for and need to claim treaty benefits, they should fill out the necessary paperwork and submit it to their withholding agents. If a non-resident taxpayer fails to submit the necessary paperwork to the withholding agent or the information entered is incomplete, the withholding agent will withhold taxes in accordance with the provisions of domestic tax laws.

Non-PRC resident enterprises that do not have establishments or place of business in China, or that have establishments or place of business in China but their income is not related to such establishments or place of business, are subject to the PRC enterprise income tax at the rate of 10% on dividends received from the PRC companies and gains realized upon disposition of equity interests in the PRC companies pursuant to the applicable PRC tax laws and regulations. Taxes may be reduced or eliminated under special arrangements or applicable treaties between China and the jurisdiction where the non-PRC resident enterprise resides.

Pursuant to applicable regulations, we intend to withhold tax at a rate of 10% from dividends paid to non-PRC resident enterprise holders of our H Shares. Entitlement to treaty benefits for non-PRC resident taxpayers should be handled by means of self-judgment of eligibility, declaration of entitlement, and retention of relevant materials for future reference. Non-PRC resident taxpayers and withholding agents need to cooperate with PRC tax authorities in the follow-up administration and investigation of non-PRC resident taxpayers’ entitlement to treaty benefits.

Notwithstanding the above, PRC tax authorities determine whether and how individual income tax on gains derived by holders of our H Shares from their disposition of our H Shares may be collected in accordance with applicable laws and regulations in China. Non-PRC resident holders of our H Shares should be aware that they may be obligated to pay PRC tax on the dividends received from us and gains realized through sales or transfers by other means of the H Shares.

Our offshore subsidiaries may be treated as a PRC resident enterprise for PRC tax purposes.

Our offshore subsidiaries may be treated as a resident enterprise for PRC tax purposes. Under the PRC Enterprise Income Tax Law and the Regulation on the Implementation of the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法實施條例》), enterprises established under the laws of jurisdictions outside China with “de facto management bodies” located in China may be considered PRC resident enterprises for tax purposes and may be subject to the PRC enterprise income tax at the rate of 25% on their global income. In addition, the Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Resident Enterprises on the Basis of De Facto Management Bodies (《國家稅務總局關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知》) (Guo Shui Fa [2009] No. 82), or Circular 82, specifies that certain Chinese-controlled offshore incorporated enterprises, defined as enterprises incorporated by enterprises or enterprise groups within China as major controlling shareholders under the laws of foreign countries (regions) will be classified as resident enterprises if all of the following conditions are met: (i) senior management personnel and departments that are responsible for daily production, operation, and management are located mainly within China; (ii) financial and personnel decisions are subject to determination or approval by bodies or persons in China; (iii) primary properties, accounting books, company seal, and minutes of board meetings and shareholders’ meetings are located or kept within China; and (iv) at least half of the directors with voting rights or senior management reside within China. The STA has subsequently provided further guidance on the implementation of Circular 82.

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As our Company is a PRC enterprise, our offshore subsidiaries may be questioned by the competent regulatory authorities, and if our offshore subsidiaries are deemed PRC resident enterprises, they will be subject to the enterprise income tax at 25% on such our offshore subsidiaries’ global income, except that the dividends they receive from our PRC subsidiaries, if any, may be exempt from the enterprise income tax to the extent such dividend income constitutes dividends received by a PRC resident enterprise from its directly invested entity that is also a PRC resident enterprise. Nonetheless, it remains subject to future interpretation as to what type of enterprise would be deemed a PRC resident enterprise for such purposes. The enterprise income tax on our subsidiaries’ global income could significantly increase our tax burden and affect our cash flows and profitability.

Any failure to comply with the PRC regulations regarding social insurance or housing provident fund may subject us to fines and other legal or administrative penalties.

Pursuant to relevant PRC laws and regulations, employers are obligated to directly and duly contribute to the social insurance and housing provident fund for their employees. As advised by our PRC Legal Adviser, pursuant to applicable PRC laws and regulations, if an employer fails to make social insurance contributions in full, the relevant authorities could order the employer to pay, within a prescribed time limit, the outstanding amount with an additional late payment penalty at the daily rate of 0.05%, and if the employer fails to make the overdue contributions within such time limit, a fine equal to one to three times the outstanding amount may be imposed. Additionally, pursuant to applicable PRC laws and regulations, if the employer fails to register and establish an account for housing provident fund contributions, the authority could order the employer to correct it within a prescribed time limit, where failure to do so at the expiration of the time limit shall result in a fine of not less than RMB10,000 nor more than RMB50,000 being imposed. Where an employer is overdue in the payment and deposit of, or underpays, the housing provident fund, the authority could order it to make the payment and deposit within a prescribed time limit, and where the payment and deposit has not been made after the expiration of the time limit, an application may be made to a court in China for compulsory enforcement. In 2023, 2024, and 2025 and for the four months ended April 30, 2026, the shortfall of our social insurance contributions was RMB37.4 million, RMB59.8 million, RMB43.0 million, and RMB15.1 million, respectively. According to our PRC Legal Adviser, the maximum penalty that we may be subject to under the relevant PRC laws and regulations would be up to three times the aggregate amount of such unpaid social insurance contributions. We cannot assure you that our historical and current practices in respect of such contributions will continue to be accepted by PRC authorities, as the interpretation and enforcement of the applicable laws and regulations continue to evolve.

Furthermore, pursuant to the Interpretation II of the Supreme People’s Court of Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) promulgated on July 31, 2025 and effective as of September 1, 2025, if the employer and its employee agree or the employee undertakes that social insurance contributions need not be paid, the people’s court will deem such agreement or undertaking invalid. In addition, where the employer fails to pay social insurance contributions in accordance with the applicable laws, and the employee seeks to terminate the labor contract and claims economic compensation from the employer pursuant to the PRC Labor Contract Law, the people’s court will support such claims. See “Regulatory Overview — Regulations Relating to Employment, Social Insurance and Housing Fund.” We cannot assure you that we will not receive any complaint or demand for social insurance contribution from our employees, or that the PRC authorities will not require us to make additional social insurance contributions. If such circumstances occur, our business, financial condition, and results of operations may be adversely affected.

We are subject to risks relating to our leased properties.

We lease office spaces from third parties for our operations in China and overseas. See “Business — Properties.” We may not be able to successfully maintain, extend, or renew our leases upon expiration of the current terms on commercially reasonable terms or at all, and may therefore

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be forced to relocate to new offices. In the event we are forced to relocate, we may not be able to locate desirable alternative sites for our offices in a timely and cost-effective manner and the relocation of any of our offices may disrupt our operations and result in significant relocation expenses, which could adversely affect our business, financial condition, and results of operations.

As of the Latest Practicable Date, 13 of our lease agreements of our principal leased properties in China had not been filed with the government authorities. Under the PRC laws and regulations, we may be required to file with the government authority executed leases. As advised by our PRC Legal Adviser, the competent housing authorities may order us to file the lease agreements in a prescribed period of time and impose a fine ranging from RMB1,000 to RMB10,000 for each non-filed lease if we fail to complete the registration within the prescribed timeframe. As advised by our PRC Legal Adviser, the maximum penalty we may face for the non-registration of our lease agreements is RMB130,000.

You may experience difficulties in effecting service of legal process or enforcing foreign judgments against us and our directors and management.

We are a company incorporated under the PRC laws and most of our assets are located in China. In addition, most of our directors and senior management reside in China. As a result, it may be difficult for investors outside China to effect service of process upon or to enforce judgments obtained against us or our management in courts outside China. A judgment of a court of another jurisdiction may be reciprocally recognized or enforced in China only if the jurisdiction has a treaty with China or if the jurisdiction has been otherwise deemed by Chinese courts to satisfy the requirements for reciprocal recognition, subject to the satisfaction of other requirements. However, China is not a party to treaties providing for the reciprocal enforcement of judgments of courts with certain foreign countries such as the United States, and enforcement in China of judgments of a court in these jurisdictions may consequently be difficult or impossible.

On January 18, 2019, the Supreme People’s Court and the Hong Kong Government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》), which came into effect on January 29, 2024. Under this arrangement, a judgment rendered by a Hong Kong court can generally be recognized and enforced in the Chinese Mainland even if the parties in the dispute do not enter into a choice of court agreement in writing. However, we cannot guarantee that all judgments made by Hong Kong courts will be recognized and enforced in the Chinese Mainland, as whether a specific judgment will be recognized and enforced is still subject to a case-by-case examination by the relevant court.

RISKS RELATING TO THE [REDACTED]

We will be concurrently subject to [REDACTED] and regulatory requirements of the Chinese Mainland and Hong Kong.

As our A Shares are listed on the ChiNext of the Shenzhen Stock Exchange and our H Shares will be [REDACTED] on the Main Board of the Stock Exchange, we will be required to comply with the listing rules (where applicable) and other regulatory regimes of both jurisdictions, unless an exemption is available or a waiver has been obtained. Accordingly, we may incur additional costs and resources in continued compliance with all sets of listing rules in the two jurisdictions.

The characteristics of the A share and H share markets may differ.

Our A Shares are listed and traded on the ChiNext of the Shenzhen Stock Exchange. Following the [REDACTED], our A Shares will continue to be traded on the ChiNext of the Shenzhen Stock Exchange and our H Shares will be [REDACTED] on the Main Board of the Stock Exchange. Under current laws and regulations of China, without the approval from the regulatory authorities, our H Shares and A Shares are neither interchangeable nor fungible, and there is no direct [REDACTED]

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or settlement between the H share and A share markets. With different [REDACTED] characteristics, the H share and A share markets have different [REDACTED] volumes, liquidity, and [REDACTED] bases, as well as different levels of retail and institutional [REDACTED] participation. As a result, the [REDACTED] performance of our H Shares and A Shares may not be comparable. Nonetheless, fluctuations in the price of our A Shares may adversely affect the price of our H Shares, and vice versa. Due to the different characteristics of the H share and A share markets, the historical prices of our A Shares may not be indicative of the performance of our H Shares. You should therefore not place undue reliance on the trading history of our A Shares when evaluating the [REDACTED] decision in our H Shares.

There has been no prior public market for our H Shares, and an active trading market for our H Shares may not develop or be sustained.

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

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

The price and [REDACTED] volume of our H Shares may be subject to significant volatility in response to various factors beyond our control, including the general market conditions of the securities in Hong Kong and elsewhere in the world. The Stock Exchange and other securities markets have, from time to time, experienced significant price and [REDACTED] volume volatility that are not related to the operating performance of any particular company. In particular, the business, performance, and the [REDACTED] of the shares of other companies engaging in similar business may affect the price and [REDACTED] volume of our H Shares. In addition to market and industry factors, the price and [REDACTED] volume of our H Shares may be highly volatile for specific business reasons, such as fluctuations in our revenue, earnings, cash flows, investments, expenditures, relationships with our business partners, movements or activities of key personnel, actions taken by competitors, or regulatory developments. Moreover, shares of other companies [REDACTED] on the Stock Exchange have experienced price volatility in the past, and it is possible that our H Shares may be subject to changes in price not directly related to our business performance.

Future sales or perceived sales of our H Shares in the [REDACTED] could have a material adverse effect on the [REDACTED] of our H Shares and our ability to raise additional capital in the future or may result in dilution of your shareholding.

The [REDACTED] of our H Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate could be adversely affected as a result of future [REDACTED] of our H Shares or other securities relating to our H Shares in the [REDACTED] by our shareholders, or the [REDACTED] of [REDACTED], or the perception that such [REDACTED] or [REDACTED] may occur. In addition, our shareholders may experience dilution in their holdings if we issue more securities in the future. Furthermore, we may issue shares pursuant to any existing or future share option incentive schemes, which would further dilute our shareholders' interests in our Company. New shares or equity-linked securities issued by us may also confer rights and privileges that take priority over those conferred by the H Shares. [REDACTED] of shares by such Shareholders and the availability of these shares for future sale may adversely affect the [REDACTED] of our H Shares.

In addition, while [REDACTED] [REDACTED] shares in the [REDACTED] are not subject to any restrictions on the disposal of the H Shares they [REDACTED], they may have existing arrangements or agreements to dispose part or all of the H Shares they hold immediately or within certain period upon completion of the [REDACTED] for legal and regulatory, business and market, or other reasons. Such disposal may occur within a short period or any time or period after

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the [REDACTED]. Any sale of the H Shares [REDACTED] by such [REDACTED] pursuant to such arrangement or agreement could adversely affect the [REDACTED] of our H Shares and any sizeable sale could cause substantial volatility in the [REDACTED] volume of our H Shares.

Our historical dividends may not be indicative of our future dividend policy, and we cannot assure you whether and when we will pay dividends in the future.

We have declared dividends in the past. However, we cannot assure you that dividends of any amount will be declared or distributed by us in any year in the future. Under the applicable laws and regulations in China, the payment of dividends may be subject to certain limitations, and the calculation of our profit under the Accounting Standards for Business Enterprises may differ in certain respects from the calculation under the IFRSs. The declaration, payment, and amount of any future dividends are subject to the discretion of our Board of Directors, after taking into account various factors, including but not limited to our results of operations, financial condition, cash flows, capital expenditure requirements, market conditions, our strategic plans and prospects for business development, regulatory restrictions on the payment of dividends, and other factors as our Board of Directors may deem relevant, and subject to the approval at shareholders’ meeting. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the applicable laws and regulations of China. For details of our dividend policy, see “Financial Information — Dividend Policy.” No dividend can be declared or payable except out of our profits and reserves lawfully available for distribution. Our historical dividends should not be taken as indicative of our dividend policy in the future.

Certain facts, forecast, and other statistics in this Document obtained from official government sources have not been independently verified and may not be reliable.

Certain facts, forecast, and other statistics in this Document are derived from various government, official sources, and public information. However, our Directors cannot guarantee the reliability of such source materials. We believe that the sources of the said information are appropriate sources for such information and have taken reasonable care in extracting and presenting such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. Nevertheless, information from official government sources has not been independently verified by us, the [REDACTED], the [REDACTED], the [REDACTED], or any other party involved in the [REDACTED], and no representation is given as to its accuracy. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, you should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

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

This Document contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, growth opportunities for existing operations, plans and objectives of management, certain [REDACTED] information, and other matters. The words “aim,” “anticipate,” “believe,” “could,” “predict,” “potential,” “continue,” “expect,” “intend,” “may,” “might,” “plan,” “seek,” “will,” “would,” “should,” and the negative of these terms and other similar expressions identify a number of these forward-looking statements. These forward-looking statements, including, amongst others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessarily estimates reflecting the best judgment of our Directors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Therefore, these forward-looking statements should be considered in light of various important factors, including those set out in this section. Accordingly, such statements are not a guarantee of future performance and [REDACTED] should not place undue reliance.