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Application Proof of

Hand Enterprise Solutions Co., Ltd.
上海漢得信息技術股份有限公司

(the "Company")

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

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Hand Enterprise Solutions Co., Ltd.
上海漢得信息技術股份有限公司

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

[REDACTED]

Number of [REDACTED] under the [REDACTED]	**:**	**[REDACTED] H Shares (subject to the [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED])**
Number of [REDACTED]	**:**	**[REDACTED] H Shares (subject to [REDACTED] and the [REDACTED])**
Maximum [REDACTED]	**:**	**HK$[REDACTED] per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Hong Kong Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	**:**	**RMB[1.00] per H Share**
[REDACTED]	**:**	**[REDACTED]**

Sole Sponsor, [REDACTED]

國泰海通 GUOTAI HAITONG | 國泰君安國際 GUOTAI JUNAN INTERNATIONAL

[REDACTED]

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The [REDACTED] is expected to be fixed by agreement between the [REDACTED] (for itself and on behalf of the [REDACTED]) and us on the [REDACTED]. The [REDACTED] is expected to be on or before [REDACTED] (Hong Kong time) and, in any event, not later than 12:00 noon on [REDACTED] (Hong Kong time). The [REDACTED] will not be more than HK$[REDACTED] per [REDACTED] unless otherwise announced. If, for any reason, the [REDACTED] is not agreed by 12:00 noon on [REDACTED] (Hong Kong time) between the [REDACTED] (for itself and on behalf of the [REDACTED]) and us, the [REDACTED] will not proceed and will lapse. Applicants for [REDACTED] may be required to pay, on application (subject to application channels), the maximum [REDACTED] of HK$[REDACTED] for each [REDACTED] together with a brokerage fee of 1.0%, a SFC transaction levy of 0.0027%, a Hong Kong Stock Exchange trading fee of 0.00565% and an AFRC transaction levy of 0.00015%, subject to refund if the [REDACTED] as finally determined is less than HK$[REDACTED].

The [REDACTED] (for itself and on behalf of the [REDACTED]) may, where considered appropriate and with our consent, reduce the number of [REDACTED] and/or the indicative [REDACTED] range at any time on or prior to the morning of the last day for lodging applications under the [REDACTED]. In such a case, notices of the reduction in the number of [REDACTED] and/or the indicative [REDACTED] range will be published as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the [REDACTED]. Such notices will also be available on the website of our Company at **www.hand-china.com** and on the website of the Hong Kong Stock Exchange at **www.hkexnews.hk**. Further details are set forth in "Structure of the [REDACTED]" and "How to Apply for [REDACTED]".

Prior to making an [REDACTED] decision, prospective [REDACTED] should carefully consider all of the information set out in this Document, in particular, the risk factors set out in "Risk Factors". The obligations of the [REDACTED] under the [REDACTED] are subject to termination by the [REDACTED] (for itself and on behalf of the [REDACTED]) if certain grounds arise prior to 8:00 a.m. on the [REDACTED]. Such grounds are set out in "[REDACTED]". It is important that you refer to that section for further details.

The [REDACTED] have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be [REDACTED], sold, pledged or transferred within or to the United States, or for the account or benefit of U.S. persons (as defined in Regulation S), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The [REDACTED] are being [REDACTED] and sold outside the United States in offshore transactions in accordance with Regulation S.

[REDACTED]

IMPORTANT

[REDACTED]

IMPORTANT

[REDACTED]

EXPECTED TIMETABLE[(1)]

[REDACTED]

EXPECTED TIMETABLE[(1)]

[REDACTED]

EXPECTED TIMETABLE[(1)]

[REDACTED]

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IMPORTANT NOTICE TO PROSPECTIVE [REDACTED]

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You should rely only on the information contained in this Document to make your [REDACTED] decision. The [REDACTED] is made solely on the basis of the information contained and the representations made in this Document. We have not authorized anyone to provide you with information that is different from what is contained in this Document. Any information or representation not contained nor made in this Document must not be relied on by you as having been authorized by us, the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], [REDACTED], the [REDACTED] and the [REDACTED], any of the [REDACTED], any of our or their respective directors, officers, employees, agents or representatives of any of them or any other parties involved in the [REDACTED].

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SUMMARY

This summary aims to give you an overview of the information contained in this Document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire Document before you decide to [REDACTED] in [REDACTED].

There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in "Risk Factors." You should read that section carefully before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

Who We Are

We are a proven enterprise IT consulting and digital solution service provider in China. We provide a full range of digitalization and intelligentization solutions, which consist of a combination of IT consulting services, proprietary software products, and AI applications. Our clients primarily comprises large and top-tier enterprises. Large enterprises generally refer to companies with annual operating revenue of approximately RMB500 million or above and more complex information system requirements, while top-tier enterprises generally refer to major players in their respective sub-sectors with strong market influence and competitive positioning. According to Frost & Sullivan, in the highly competitive and fragmented enterprise IT consulting and digital solution service market in China with a market size of RMB196.20 billion in 2025, our market share of 1.7% in terms of revenue ranked fourth overall and first among domestic Chinese companies.

Our digitalization and intelligentization solutions can be broadly categorized as follows:

- ***Industry Digitalization Solutions***: They are industry-specific solutions for (i) intelligent manufacturing, (ii) digital marketing, and (iii) intelligent collaborative supply chain. These solutions consist of IT consulting services, proprietary software products, and AI applications.
- ***Finance Digitalization Solutions***: They are solutions for enterprise financial management, consisting of IT consulting services, proprietary software products, and AI applications.
- ***ERP Consulting and Implementation Services***: These services are IT consulting services primarily based on third-party software products, and may be supplemented by certain proprietary software products depending on client needs.
- ***Information Technology Outsourcing (ITO) Services***: They consist of (i) system operation and maintenance support and (ii) software outsourcing.

The following table sets forth a breakdown of our revenue by business line both in absolute amount and as a percentage of our revenue for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)									
							(Unaudited)			
Industry Digitalization Solutions	844,297	28.3	1,023,872	31.6	1,206,010	35.3	316,154	31.9	382,243	35.8
Finance Digitalization Solutions	682,539	22.9	749,890	23.2	799,637	23.4	235,527	23.8	250,247	23.4
ERP Consulting and Implementation Services	1,066,395	35.8	1,067,017	33.0	1,015,303	29.7	321,266	32.5	318,954	29.8
ITO Services	372,064	12.5	380,036	11.7	382,872	11.2	114,111	11.5	115,307	10.8
Others[(1)]	14,404	0.5	14,336	0.5	11,548	0.4	2,676	0.3	2,569	0.2
Total	**2,979,699**	**100.0**	**3,235,151**	**100.0**	**3,415,370**	**100.0**	**989,734**	**100.0**	**1,069,320**	**100.0**

Note:

(1) Represents interest income from our factoring arrangements, which were charged based on the amount and duration of funds advanced, office rental income, and other miscellaneous income.

Our Unified Digital Foundation

Our unified digital foundation consists of our PaaS platform for enterprise clients and AI application framework, which form the technological base underpinning and supporting our four types of digitalization and intelligentization solutions.

Our Market Opportunities

China continues to steadily implement its digital economy strategy. Digital economy is widely regarded as a key driver of high-quality economic development, and digitalization has become a core force of advanced productivity. The Suggestions of the 15th Five-Year Plan expressly proposes to promote technology transformation and upgrade, facilitate the digitalization of manufacturing, improve the integration of modern service industries and advanced manufacturing, and promote the digitalization of service industries. During the 15th Five-Year Plan period, enterprise digitalization industry, which consists of both the consulting and implementation services related to digital transformation and the IT infrastructure and related technical services, will continue to be driven by policies, and the digitalization of manufacturing and service industries will be regarded as an important path for industrial development and competitiveness enhancement. Meanwhile, the Key Points of Digital Economy Work in 2025 jointly released by the National Development and Reform Commission and the National Data Administration in 2025 expressly proposes to deeply implement the digital transformation projects and cultivate digital transformation service providers to promote the deep integration of digital technology and the real economy, and comprehensively improve the level of industry digitalization and the digitalization capabilities of enterprises.

The trend of enterprise AI application development is evident, with downstream demand emerging. The global enterprise AI application market entered a stage of nascent and rapid development starting in 2022. With breakthroughs in generative AI technology and the increasing demand for intelligent management from enterprises, embedded AI application in enterprise software has become popular. The market size grew from RMB610 million in 2022 to RMB37.72 billion in 2025, and is expected to maintain a high growth rate over the next five years, reaching RMB522.04 billion by 2030, representing a CAGR of 69.1% from 2025 to 2030. In addition, Chinese enterprises' willingness to invest in and apply digitalization and intelligentization has significantly increased since 2023. The China market size grew from RMB540 million in 2023 to RMB5.05 billion in 2025, representing a CAGR of 298.6% from 2022 to 2025, making it the fastest-growing region among major global markets. It is projected to maintain high growth over the next five years, reaching RMB82.45 billion by 2030, representing a CAGR of 74.8% from 2025 to 2030.

Competition

The market where we operate is highly competitive. 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. 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. We intend to maintain and strengthen our competitive position through continued investment in research and development, enhancement of client service capabilities, and expansion of strategic partnerships and ecosystem collaborations. See "Business — Competition" for more details.

SUMMARY

Our Financial Performance

Our revenue and profitability showed an upward trend during the Track Record Period. Our revenue increased by 8.7% from RMB2.98 billion in 2023 to RMB3.24 billion in 2024 and further increased by 5.6% in 2024 to RMB3.42 billion in 2025. Our revenue increased by 8.0% from RMB989.7 million for the four months ended April 30, 2025 to RMB1.07 billion for the same period in 2026. Although we recorded a loss of RMB14.9 million in 2023, we regained profitability in an amount of RMB196.4 million in 2024. Our profit further increased by 19.2% from RMB196.4 million in 2024 to RMB234.1 million in 2025. Our profit increased by 6.7% from RMB43.4 million for the four months ended April 30, 2025 to RMB46.3 million for the same period in 2026.

OUR STRENGTHS

We believe the following strengths differentiate us from our competitors:

- a strong base of major clients from various industries, enabling us to form a virtuous cycle of stable operations and continued capability improvement;
- a comprehensive system of proprietary software products leveraging our practical experience and unified digital foundation;
- strong capabilities in consulting and implementation services for complex business scenarios;
- our global service capabilities; and
- seasoned and business-savvy management team.

For details, see "Business — Our Strengths."

OUR STRATEGIES

In order to improve business operation management with digital technologies, we propose to implement the following strategies:

- further explore and enhance the commercialization of our AI application framework, and optimize our proprietary software products and enrich our solutions thereunder;
- strengthen enterprise digital solution capabilities through continued development of our proprietary software products and ERP consulting and implementation capabilities;
- continue to expand into overseas markets and improve our global market layout;
- strengthen branding to drive sustainable growth;
- continually seek potential strategic cooperation opportunities and actively explore new fields; and
- continue to attract and retain top-tier talents.

For details, see "Business — Our Strategies."

CUSTOMERS AND SUPPLIERS

Our customers primarily consist of major enterprises across a broad range of industries, including but not limited to manufacturing, consumer goods, finance, energy, and telecommunications. In 2023, 2024, and 2025 and for the four months ended April 30, 2026, revenue generated from our top five customers in each applicable period during the Track Record Period accounted for 19.0%, 17.0%, 17.1%, and 18.6% of our total revenue, respectively, and revenue generated from our largest customer in each applicable period during the Track Record Period accounted for 8.6%, 8.2%, 5.9%, and 5.7% of our total revenue, respectively.

Our suppliers primarily comprise software, hardware, and services providers. The software that we procure mainly includes ERP (enterprise resource planning), CRM (customer relationship management), and HRMS (human resource management systems). The hardware that we procure mainly includes computing infrastructure, such as CPU servers and GPU servers. The services that we procure primarily include business support and operating services, such as travel services. Our suppliers are mainly located in China.

In 2023, 2024, and 2025 and for the four months ended April 30, 2026, purchase from our top five suppliers in each applicable period during the Track Record Period accounted for 24.8%, 23.6%, 21.8%, and 27.4% of our total purchase, respectively, and purchase from our largest supplier in each applicable period during the Track Record Period accounted for 6.4%, 6.1%, 6.2%, and 9.4% of our total purchase, respectively.

RESEARCH AND DEVELOPMENT

We have made sustained and strategic investments in research and development since our inception, which have supported our rapid growth and enabled us to enhance our product portfolio, improve technical efficiency, and strengthen innovation capacity. Our research and development expenses amounted to RMB231.7 million, RMB248.0 million, RMB244.0 million, RMB95.1 million, and RMB81.0 million in 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, respectively, accounting for 7.8%, 7.7%, 7.1%, 9.6%, and 7.6% of our total revenue for the same periods, respectively. Our research and development spending primarily focuses on our AI capabilities and our PaaS platform for enterprise clients. We also invest in recruiting, training, and retaining high-caliber technology professionals and experienced solution architects to continually enrich our knowledge base and technical depth.

As of April 30, 2026, we had a dedicated research and development team of 1,236 members, representing 13.2% of our total employees. Our core product development personnel possess experience in areas such as AI and data intelligentization technologies, engineering of PaaS platform for enterprise clients, and enterprise digital management. This diverse expertise enables us to provide comprehensive and agile digitalization support to clients across industries.

SALES AND MARKETING

Our sales and marketing strategy aims to strengthen our brand influence, expand market reach, and enhance client relationships through a broad sales network, proactive client engagement, and integrated marketing initiatives. We believe that a client-centric sales model and long-term relationship management are key to sustaining our business growth and industry position.

We have established a broad sales network. We have served enterprise clients across various countries and regions worldwide, covering a wide range of industries, including manufacturing, consumer goods, finance, energy, and telecommunications.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables present a summary of our consolidated financial information during the Track Record Period and should be read together with our consolidated financial information and the related notes set forth in the Accountants' Report in Appendix I to this Document as well as the section headed "Financial Information."

SUMMARY

Summary of Results of Operations

The following table sets forth our consolidated statements of profit or loss for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)						*(Unaudited)*			
Revenue	2,979,699	100.0	3,235,151	100.0	3,415,370	100.0	989,734	100.0	1,069,320	100.0
Cost of sales	(2,207,163)	(74.1)	(2,176,541)	(67.3)	(2,227,269)	(65.2)	(658,973)	(66.6)	(709,943)	(66.4)
Gross profit	**772,536**	**25.9**	**1,058,610**	**32.7**	**1,188,101**	**34.8**	**330,761**	**33.4**	**359,377**	**33.6**
Other income	48,919	1.6	30,425	0.9	35,093	1.0	6,420	0.6	14,009	1.3
Other gains and losses, net	53,422	1.8	15,323	0.5	(7,106)	(0.2)	26,383	2.7	(14,185)	(1.3)
Impairment losses	(73,340)	(2.4)	(52,474)	(1.6)	(74,882)	(2.2)	(27,400)	(2.7)	(27,176)	(2.6)
Selling expenses	(290,318)	(9.7)	(234,284)	(7.2)	(255,732)	(7.5)	(73,972)	(7.5)	(79,453)	(7.4)
Administrative expenses	(312,306)	(10.5)	(388,224)	(12.0)	(432,144)	(12.7)	(137,391)	(13.9)	(123,158)	(11.5)
Research and development expenses	(231,690)	(7.8)	(247,950)	(7.7)	(243,978)	(7.1)	(95,099)	(9.6)	(80,963)	(7.6)
Operating (loss)/profit	**(32,777)**	**(1.1)**	**181,426**	**5.6**	**209,352**	**6.1**	**29,702**	**3.0**	**48,451**	**4.5**
Finance income	38,367	1.3	40,463	1.2	37,660	1.1	11,564	1.2	6,288	0.6
Finance costs	(29,187)	(1.0)	(14,342)	(0.4)	(12,744)	(0.4)	(3,168)	(0.3)	(3,885)	(0.4)
Finance income, net	9,180	0.3	26,121	0.8	24,916	0.7	8,396	0.9	2,403	0.2
Share of results of associates	(30,493)	(1.0)	(19,871)	(0.6)	(7,718)	(0.2)	(3,795)	(0.4)	(4,054)	(0.3)
(Loss)/Profit before tax	**(54,090)**	**(1.8)**	**187,676**	**5.8**	**226,550**	**6.6**	**34,303**	**3.5**	**46,800**	**4.3**
Income tax credit/(expense)	39,198	1.3	8,751	0.3	7,577	0.3	9,129	0.9	(475)	(0.0)
(Loss)/Profit for the year/ period	**(14,892)**	**(0.5)**	**196,427**	**6.1**	**234,127**	**6.9**	**43,432**	**4.4**	**46,325**	**4.3**
Attributable to:										
Owners of the Company	(16,041)	(0.5)	188,392	5.9	217,862	6.4	40,671	4.1	46,639	4.3
Non-controlling interests	1,149	0.0	8,035	0.2	16,265	0.5	2,761	0.3	(314)	(0.0)
(Loss)/Profit for the year/ period	**(14,892)**	**(0.5)**	**196,427**	**6.1**	**234,127**	**6.9**	**43,432**	**4.4**	**46,325**	**4.3**

We primarily generate revenue from provision of industry digitization solutions, finance digitalization solutions, and ERP consulting and implementation services. In addition, we generate revenue from ITO services.

We recorded a net loss of RMB14.9 million in 2023, and net profit of RMB196.4 million, RMB234.1 million, RMB43.4 million, and RMB46.3 million in 2024 and 2025 and for the four months ended April 30, 2025 and 2026, respectively. The net loss in 2023 was primarily due to the expansion of our sales and business teams in anticipation of business growth, while revenue was below expectation, which led to higher selling expenses and lower staff utilization rate. We resumed profitability in 2024 and further increased our net profit in 2025, primarily due to the continued growth in revenue and gross profit, mainly driven by our industry digitalization solutions and finance digitalization solutions, together with our efforts to optimize team structure, improve staff utilization rate, and control business expenses. Our profit increased from the four months ended April 30, 2025 to the same period in 2026, primarily due to (i) an increase in gross profit driven by revenue growth and (ii) a decrease in share-based payment expenses as expenses relating to certain share incentive grants had been fully recognized.

The following table sets forth a breakdown of our revenue by business line both in absolute amount and as a percentage of our revenue for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)						*(Unaudited)*			
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ERP Consulting and Implementation Services	1,066,395	35.8	1,067,017	33.0	1,015,303	29.7	321,266	32.5	318,954	29.8
ITO Services	372,064	12.5	380,036	11.7	382,872	11.2	114,111	11.5	115,307	10.8
Others[(1)]	14,404	0.5	14,336	0.5	11,548	0.4	2,676	0.3	2,569	0.2
Total	**2,979,699**	**100.0**	**3,235,151**	**100.0**	**3,415,370**	**100.0**	**989,734**	**100.0**	**1,069,320**	**100.0**

Note:

(1) Represents interest income from our factoring arrangements, which were charged based on the amount and duration of funds advanced, office rental income, and other miscellaneous income.

During the Track Record Period, contribution from our industry digitalization solutions and finance digitalization solutions to our overall revenue grew consistently.

In 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, our gross profit was RMB772.5 million, RMB1.06 billion, RMB1.19 billion, RMB330.8 million, and RMB359.4 million, respectively. Our gross profit margin was 25.9%, 32.7%, 34.8%, 33.4%, and 33.6%, respectively, for the same periods.

During the Track Record Period, our revenue continued to grow, primarily driven by the business growth of our industry digitalization and finance digitalization solutions. In aggregate, revenue from these two business lines increased from RMB1.53 billion in 2023 to RMB1.77 billion in 2024, and further to RMB2.01 billion in 2025, representing 51.2%, 54.8%, and 58.7% of our total revenue, respectively. The aggregate revenue from our industry digitalization and finance digitalization solutions increased from RMB551.7 million for the four months ended April 30, 2025 to RMB632.5 million for the same period in 2026, representing 55.7% and 59.2% of our total revenue for the applicable periods, respectively. The number of projects delivered under these two business lines increased from 3,594 in 2023 to 3,974 in 2024, and further to 4,975 in 2025, representing 50.4%, 51.5%, and 58.8% of our total projects delivered in each year, respectively. The aggregate number of projects delivered under our industry digitalization and finance digitalization solutions increased from 2,206 for the four months ended April 30, 2025 to 2,690 for the same period in 2026, representing 54.0% and 57.6% of our total projects delivered in each applicable period, respectively. Our revenue continued to grow during the Track Record Period, primarily driven by the business growth of our industry digitalization and finance digitalization solutions. The growth was supported by the continued expansion of the enterprise IT consulting and digitalization solution markets globally and in China, as well as our enhanced AI capabilities in industry digitalization and finance digitalization solutions, including the development and application of AI agents, which further improved the market recognition of our solutions. During the Track Record Period, our revenue generated from AI-related services increased significantly from RMB22.1 million in 2023 to RMB78.1 million in 2024, and further to RMB310.2 million in 2025, representing 0.8%, 2.3%, and 8.8% of our revenue in each year, respectively. Our revenue generated from AI-related services increased from RMB55.2 million for the four months ended April 30, 2025 to RMB120.5 million for the same period in 2026, representing 5.6% and 11.3% of our revenue in each period, respectively.

For the same periods, our gross profit and gross profit margin increased steadily, primarily driven by the expansion of our industry digitalization solutions, which generally have a higher gross margin. In addition, our staff utilization rate, calculated as the working days spent by our delivery staff on revenue-generating projects divided by their total available working days, increased from 68.0% in 2023 to 75.0% in 2024, and further to 77.2% in 2025. Our staff utilization rate increased from 70.3% for the four months ended April 30, 2025 to 73.6% for the same period in 2026. The improvement means that a higher proportion of our delivery staff's working days was allocated to revenue-generating projects, which improved our cost efficiency and contributed to the increase in our gross profit margin.

Our cost of sales primarily consists of staff costs, travel expenses, and outsourcing fees.

The following table sets forth a breakdown of our cost of sales both in absolute amount and as a percentage of total cost of sales for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)						*(Unaudited)*			
Staff costs	1,532,918	69.5	1,506,846	69.2	1,450,267	65.1	451,186	68.5	483,045	68.0
Outsourcing fees[(1)]	290,931	13.2	388,673	17.9	519,696	23.3	119,005	18.1	140,441	19.8
Travel expenses[(2)]	350,413	15.9	266,230	12.2	215,360	9.7	75,952	11.5	74,638	10.5
Tax surcharge	18,427	0.8	20,047	0.9	21,518	1.0	5,691	0.9	5,822	0.8
Inventory impairment loss[(3)]	7,478	0.3	(13,521)	(0.6)	8,498	0.4	(327)	0.0	5,485	0.8
Others	6,996	0.3	8,266	0.4	11,930	0.5	7,466	1.0	512	0.1
Total	**2,207,163**	**100.0**	**2,176,541**	**100.0**	**2,227,269**	**100.0**	**658,973**	**100.0**	**709,943**	**100.0**

Notes:

(1) Outsourcing fees primarily represented fees paid to third-party information technology service providers for auxiliary staffing and module-level implementation support. We adopted such outsourcing arrangements to flexibly respond to project needs and optimize our staff utilization rate. Fees were generally charged based on agreed man-day rates and confirmed service days, with reference to project complexity, implementation schedule, required personnel scale, and qualifications, and were paid by stages upon acceptance. The pricing and other key commercial terms were based on market and industry practice. Our contracts with third-party information technology service providers generally set forth project-specific commercial terms based on the needs of different projects, including service scope, staffing requirements, fee calculation and payment arrangements, work confirmation procedures, and acceptance standards.

(2) Travel expenses primarily represented long-distance travel, local transportation, accommodation, and meal expenses incurred by project personnel for on-site work at clients' locations in China and overseas. During the solution planning and customized development and system implementation stages of our industry digitalization, finance digitalization, and ERP consulting and implementation services, our project personnel are generally required to work on site, which typically lasts from three months to one year. Travel expenses are generally covered in our client contracts, either as reimbursable expenses based on actual travel arrangements and agreed standards, or as part of the overall contract price. Such travel expenses are ordinary and necessary costs incurred in the course of service delivery and are settled on normal commercial terms with reference to market practice.

(3) Our inventories mainly comprise project-based contract fulfillment costs assessed individually at each period end during the Track Record Period. Where estimated revenue is lower than incurred costs for a project, the shortfall is recognized as inventory impairment loss. As such losses arise on a project-by-project basis and are inherently uncertain, the amount may fluctuate across periods.

Our cost of sales increased from RMB2.18 billion in 2024 to RMB2.23 billion in 2025, primarily due to the increase in outsourcing fees resulting from an increase in outsourced non-core work in light of our business growth. Our cost of sales increased from RMB659.0 million for the four months ended April 30, 2025 to RMB709.9 million for the same period in 2026, in line with our business and revenue growth.

The following table sets forth a breakdown of our gross profit and gross profit margins by business line for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)									
							(Unaudited)			
Industry digitalization solutions	281,803	33.4	415,645	40.6	517,672	42.9	130,740	41.4	161,132	42.2
Finance digitalization solutions	178,284	26.1	244,138	32.6	283,757	35.5	80,560	34.2	89,075	35.6
ERP consulting and implementation services	292,534	27.4	349,772	32.8	353,666	34.8	107,535	33.5	103,169	32.3
ITO Services	44,042	11.8	53,709	14.1	61,391	16.0	16,949	14.9	16,914	14.7
Others	1,778	12.3	1,872	13.1	1,631	14.1	342	12.8	394	15.3
Subtotal	798,441	26.8	1,065,136	32.9	1,218,117	35.7	336,126	34.0	370,684	34.7
Inventory impairment loss and tax surcharge	(25,905)		(6,526)		(30,016)		(5,365)		(11,307)	
Total	**772,536**	**25.9**	**1,058,610**	**32.7**	**1,188,101**	**34.8**	**330,761**	**33.4**	**359,377**	**33.6**

Summary of the Consolidated Statements of Financial Position

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

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Total current assets	3,465,194	3,607,071	4,093,412	4,184,606
Total non-current assets	2,498,008	2,647,276	2,745,163	2,756,017
Total assets	**5,963,202**	**6,254,347**	**6,838,575**	**6,940,623**
Total current liabilities	997,571	1,007,947	1,030,224	1,065,967
Total non-current liabilities	112,245	120,504	125,606	122,697
Total liabilities	**1,109,816**	**1,128,451**	**1,155,830**	**1,188,664**
Net current assets	**2,467,623**	**2,599,124**	**3,063,188**	**3,118,639**
Capital and reserves:				
Share capital	984,342	984,846	1,022,503	1,023,472
Reserves	3,863,487	4,126,330	4,628,785	4,696,846
Non-controlling interests	5,557	14,720	31,457	31,641
Total equity	**4,853,386**	**5,125,896**	**5,682,745**	**5,751,959**

We had net current assets positions of RMB2.47 billion, RMB2.60 billion, RMB3.06 billion, RMB3.12 billion, and RMB3.21 billion as of December 31, 2023, 2024, and 2025, April 30, 2026, and June 30, 2026, respectively. Our net current assets positions as of each of these dates were primarily attributable to cash and bank balances, trade and bill receivables, contract assets, and financial assets at FVTPL, partially offset by our borrowings and other payables and accruals.

Our net current assets increased from RMB3.12 billion as of April 30, 2026 to RMB3.21 billion as of June 30, 2026. The increase was mainly due to (i) an increase in cash and bank balances of RMB281.7 million, (ii) an increase in trade and bills receivables of RMB112.5 million, (iii) a decrease in trade payables of RMB8.8 million, (iv) a decrease in contract liabilities of RMB8.1 million, (v) a decrease in borrowings of RMB4.2 million, and (vi) an increase in inventories of RMB1.7 million, partially offset by (y) a decrease in financial assets at FVTPL of RMB283.9 million, and (z) a decrease in time deposits and certificates of deposits of RMB24.0 million.

Our net current assets increased from RMB3.06 billion as of December 31, 2025 to RMB3.12 billion as of April 30, 2026. The increase was mainly due to (i) an increase in financial assets at FVTPL of RMB743.8 million, (ii) an increase in trade and bills receivables of RMB129.1 million, (iii) a decrease in other payables and accruals of RMB97.9 million, (iv) an increase in contract assets of RMB40.3 million, (v) an increase in inventories of RMB25.2 million, and (vi) an increase in time deposits and certificates of deposits of RMB20.3 million, partially offset by (y) a decrease in cash and bank balances of RMB885.9 million, and (z) an increase in borrowings of RMB151.2 million.

Our net current assets increased from RMB2.60 billion as of December 31, 2024 to RMB3.06 billion as of December 31, 2025. The increase was mainly due to (i) an increase in cash and bank balances of RMB625.6 million and (ii) an increase in trade and bills receivables of RMB105.4 million, partially offset by a decrease in time deposits and certificates of deposits of RMB236.6 million.

Our net current assets increased from RMB2.47 billion as of December 31, 2023 to RMB2.60 billion as of December 31, 2024. The increase was mainly due to (i) an increase in trade and bills receivables of RMB193.6 million, and (ii) an increase in time deposits and certificates of deposits of RMB183.2 million, partially offset by (y) a decrease in cash and bank balances of RMB106.8 million, and (z) a decrease in inventories of RMB76.6 million.

Our net assets increased from RMB5.68 billion as of December 31, 2025 to RMB5.75 billion as of April 30, 2026, primarily due to (i) a total comprehensive income for the period of RMB49.4 million, (ii) capital surplus increase of RMB12.4 million relating to share-based payments, and (iii) an increase in share capital and reserves of RMB7.4 million as a result of the exercise of shares and options under share incentive plans.

Our net assets increased from RMB5.13 billion as of December 31, 2024 to RMB5.68 billion as of December 31, 2025, primarily due to (i) a total comprehensive income for the year of RMB255.2 million, (ii) an increase in share capital and reserves of RMB255.9 million as a result of the exercise of shares and options under share incentive plans, and (iii) capital surplus increase of RMB91.4 million relating to share-based payments, partially offset by dividends paid to our shareholders and non-controlling interests of a subsidiary of RMB51.0 million.

Our net assets increased from RMB4.85 billion as of December 31, 2023 to RMB5.13 billion as of December 31, 2024, primarily due to (i) a total comprehensive income for the year of RMB191.1 million and (ii) capital surplus increase of RMB77.2 million relating to share-based payments, partially offset by (y) dividends paid to our shareholders and non-controlling interests of a subsidiary of RMB23.6 million, and (z) acquisition of interest in a subsidiary of RMB5.0 million.

Summary of the Consolidated Cash Flow Statements

The following table sets forth a summary of our consolidated cash flow statements for the periods indicated.

	For the Year Ended December 31,			For the Four Months Ended April 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(Unaudited)*	
Net cash generated from/(used in) operating activities	218,663	331,955	479,475	(69,257)	(178,293)
Net cash (used in)/generated from investing activities	(630,717)	(412,625)	14,696	(337,748)	(826,632)
Net cash generated from/(used in) financing activities	14,253	(10,106)	154,998	61,857	137,995
Net (decrease)/increase in cash and cash equivalents	(397,801)	(90,776)	649,169	(345,148)	(866,930)
Cash and cash equivalents at the beginning of the year/period	1,582,533	1,202,592	1,095,782	1,095,782	1,721,420
Effect of foreign exchange rate changes	17,860	(16,034)	(23,531)	25,126	(18,979)
Cash and cash equivalents at the end of the year/period	**1,202,592**	**1,095,782**	**1,721,420**	**775,760**	**835,511**

Key Financial Ratios

	For the Year Ended December 31,			For the Four Months Ended April 30,	
	2023	2024	2025	2025	2026
				(Unaudited)	
Gross profit margin	25.9%	32.7%	34.8%	33.4%	33.6%
Net profit margin	(0.5)%	6.1%	6.9%	4.4%	4.3%

	As of December 31,			As of April 30,
	2023	2024	2025	2026
Current ratio[(1)] (times)	3.5	3.6	4.0	3.9
Quick ratio[(2)] (times)	3.2	3.4	3.8	3.7
Gearing ratio[(3)] (%)	22.9	22.0	20.3	20.7

Notes:

(1) Current ratio is calculated as current assets divided by current liabilities as of the end of the period.

(2) Quick ratio is calculated as current assets less inventories and divided by current liabilities as of the end of the period.

(3) Gearing ratio is calculated as total liabilities divided by total equity.

Operating Metrics

The following table sets forth a breakdown of our revenue, gross profit, and gross profit margin by countries and regions for the periods indicated.

	For the Year Ended December 31,									For the Four Months Ended April 30,					
	2023			2024			2025			2025			2026		
	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin
	(in thousands, except percentages)														
										(Unaudited)					
Chinese Mainland	2,584,094	695,607	26.9	2,828,058	950,698	33.6	2,887,423	1,043,553	36.1	805,457	265,881	33.0	908,680	320,320	35.3
Japan	270,622	74,774	27.6	288,625	82,985	28.8	319,574	96,066	30.1	109,984	43,432	39.5	93,759	28,387	30.3
Hong Kong, Macao, and Taiwan	24,287	6,486	26.7	38,972	12,258	31.5	84,038	29,184	34.7	31,946	11,375	35.6	23,621	7,131	30.2
The United States	60,153	13,053	21.7	40,507	15,205	37.5	33,166	11,483	34.6	15,856	5,939	37.5	11,258	3,398	30.2
Others[2]	40,543	8,521	21.0	38,988	3,990	10.2	91,169	37,832	41.5	26,491	9,499	35.9	32,002	11,448	35.8
Total	**2,979,699**	**798,441**	**26.8**	**3,235,151**	**1,065,136**	**32.9**	**3,415,370**	**1,218,117**	**35.7**	**989,734**	**336,126**	**34.0**	**1,069,320**	**370,684**	**34.7**

Notes:

(1) Excluding changes in inventory impairment loss and tax surcharge.

(2) Includes Singapore, India, the United Kingdom, Malaysia, Thailand, and other countries or regions.

The following table sets forth a breakdown of our revenue, gross profit, and gross profit margin by industry sector of clients for the periods indicated.

	For the Year Ended December 31,									For the Four Months Ended April 30,					
	2023			2024			2025			2025			2026		
	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin
	(in thousands, except percentages)														
										(Unaudited)					
Manufacturing	1,118,691	274,275	24.5	1,112,336	357,072	32.1	1,118,541	393,141	35.1	329,096	106,480	32.4	349,665	113,812	32.5
Internet	397,828	122,232	30.7	366,235	121,732	33.2	537,005	201,494	37.5	135,371	48,665	35.9	182,850	57,082	31.2
Consumer goods	296,778	97,068	32.7	396,769	133,799	33.7	425,947	156,222	36.7	125,912	42,016	33.4	149,512	66,012	44.2
Telecommunications	245,640	90,557	36.9	255,916	106,463	41.6	193,960	77,772	40.1	55,742	19,038	34.2	55,862	20,699	37.1
Energy	227,841	45,437	19.9	178,404	58,975	33.1	229,798	96,043	41.8	71,307	30,753	43.1	65,160	19,128	29.4
Finance	222,953	45,343	20.3	254,515	64,043	25.2	247,906	89,606	36.1	74,782	23,385	31.3	76,183	27,870	36.6
Others	469,968	123,529	26.3	670,976	223,052	33.2	662,213	203,839	30.8	197,524	65,789	33.3	190,088	66,081	34.8
Total	**2,979,699**	**798,441**	**26.8**	**3,235,151**	**1,065,136**	**32.9**	**3,415,370**	**1,218,117**	**35.7**	**989,734**	**336,126**	**34.0**	**1,069,320**	**370,684**	**34.7**

Note:

(1) Excluding changes in inventory impairment loss and tax surcharge.

The following table sets forth a breakdown of our revenue, the number of projects delivered, average contract value per project, and average spending per customer by each business line for the periods indicated.

	For the Year Ended December 31,										For the Four Months Ended April 30,					
	2023				2024				2025				2025		2026	
	Revenue	Number of Projects Delivered[1]	Average Contract Value	Average Spending Per Customer	Revenue	Number of Projects Delivered[1]	Average Contract Value	Average Spending Per Customer	Revenue	Number of Projects Delivered[1]	Average Contract Value	Average Spending Per Customer	Revenue	Number of Projects Delivered[1]	Revenue	Number of Projects Delivered[1]	Average Contract Value	Average Spending Per Customer
	(RMB in thousands, except number of projects delivered)												*(Unaudited)*					
Industry Digitalization Solutions	844,297	1,516	557	1,355	1,023,872	1,845	555	1,354	1,206,010	2,410	500	1,280	316,154	954	331	588	382,243	1,187	322	591
Finance Digitalization Solutions	682,539	2,078	328	839	749,890	2,129	352	854	799,637	2,565	312	789	235,527	1,252	188	350	250,247	1,503	166	316
ERP Consulting and Implementation Services	1,066,395	2,968	359	769	1,067,017	3,057	349	761	1,015,303	2,978	341	724	321,266	1,596	201	343	318,954	1,667	191	337
ITO Services	372,064	409	910	1,512	380,036	557	682	1,234	382,872	449	853	1,334	114,111	262	436	591	115,307	292	395	531
Others	14,404	160	90	126	14,336	128	112	159	11,548	53	218	312	2,676	18	149	191	2,569	20	128	171
Total	**2,979,699**	**7,131**	**418**	**1,214**	**3,235,151**	**7,716**	**419**	**1,223**	**3,415,370**	**8,455**	**404**	**1,209**	**989,734**	**4,082**	**242**	**517**	**1,069,320**	**4,669**	**229**	**512**

Note:

(1) Refers to number of projects from which the revenue was recognized in an applicable year or period, including projects carried forward from previous years.

For projects delivered during the Track Record Period, the average project duration of our industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation services, and ITO services was approximately 309 days, 349 days, 318 days, and 318 days, respectively.

Our customer retention rate for 2023, 2024, and 2025 was 79.6%, 80.9%, and 81.6%, respectively.

RISK FACTORS

There are certain risks relating to an [REDACTED] in our H Shares. We believe that the most significant risks we face include the following:

- 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;
- 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;
- we are subject to credit risk from potential delay in payment and defaults of customers;
- 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;
- 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 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;
- 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;
- 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; and
- 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.

For a discussion of material risk factors, see "Risk Factors."

SUMMARY

REASONS FOR THE [REDACTED] ON THE STOCK EXCHANGE

We are seeking [REDACTED] of our H Shares on the Stock Exchange in order to (i) promote our public profile and visibility in both domestic and international markets so that we may expand our client base and promote our brand recognition, (ii) further broaden our access to international capital markets so that we may raise capital more efficiently both upon and after the [REDACTED] to support our growth, and (iii) attract talent and incentivize our employees.

For further details, see "Future Plans and Use of [REDACTED]" and "Business — Our Strategies" to this Document.

APPLICATION FOR [REDACTED] OF THE H SHARES ON THE HONG KONG

We have applied to the [REDACTED] for the [REDACTED] of, and permission to [REDACTED], the [REDACTED] to be issued pursuant to the [REDACTED] (including any H Shares which may be issued pursuant to the exercise of the [REDACTED]), on the basis that, among other things, we satisfy the [REDACTED] under Rule 8.05(3) of the Listing Rules.

THE SINGLE LARGEST SHAREHOLDER

Immediately prior to the [REDACTED], Mr. Chen, the Chairman of our Group, held 53,139,426 shares of the Company, representing approximately 5.11% of the total issued shares of the Company, and therefore constituted the single largest shareholder of the Group (the "**Single Largest Shareholder**"). Immediately following the completion the [REDACTED], the Single Largest Shareholder will be entitled to control the exercise of approximately [REDACTED]% of the voting rights (assuming the [REDACTED] is not exercised) or approximately [REDACTED]% of the voting rights (assuming the [REDACTED] is exercised in full) and thus remain as the Single Largest Shareholder.

A-SHARE [REDACTED] ON THE CHINEXT MARKET OF THE SHENZHEN STOCK EXCHANGE

On February 1, 2011, we completed the [REDACTED] of our A Shares and [REDACTED] on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300170) ("**A-Share Listing**"), involving an issue of 30,000,000 new A Shares. Since the A-Share Listing and up to the Latest Practicable Date, we had not received any notification from the Shenzhen Stock Exchange indicating that we were involved in any material non-compliance issues. Our Directors confirm that we had no instances of non-compliance with the rules or regulations of the Shenzhen Stock Exchange or the relevant laws and regulations in the PRC in all material respects, and to the best knowledge of our Directors after having made all reasonable enquiries, save as disclosed in "Directors and Senior Management — Directors — Executive Directors -Regulatory Letter Issued by the Shenzhen Stock Exchange in 2017" and in "History, Development and Corporate Structure — A-Share Listing on the ChiNext Market of the Shenzhen Stock Exchange", there is no matter that should be brought to [REDACTED] attention in relation to our compliance record on the Shenzhen Stock Exchange during the Track Record Period and up to the Latest Practicable Date.

DIVIDEND POLICY

We are a joint stock company incorporated under PRC laws. According to the PRC Company Law, a PRC-incorporated company is required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, determined under PRC GAAP, to contribute to certain statutory reserve funds until the aggregate amount contributed to such funds reaches 50% of its registered capital. The company may pay dividends out of after-tax profits after making up for accumulated losses and contributing to statutory reserve funds as mentioned above. As advised by our PRC Legal Adviser, no dividend will be declared or payable, unless we have profits and reserves lawfully available for distribution. Any future net profit that we make will have to be first applied to make up for our historically accumulated losses, if any, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. In addition, subject to applicable PRC laws and

regulations, including the PRC Company Law and the No. 3 Guideline for the Supervision of Listed Companies — Cash Dividend Distribution of Listed Companies (2025 Revision)(《上市公司監管指引第3號 — 上市公司現金分紅(2025年修訂)》), and our Articles of Association, and provided that the conditions for cash dividend distribution are met, we will, in principle, distribute our profits in cash at least once a year. Moreover, over any consecutive three-year period, the total amount of cash dividends distributed should be no less than 30% of the average annual distributable profits attributable to our Company realized during those three years.

We have adopted a formal dividend policy, under which our Board may recommend dividends on a tiered basis after considering factors such as our stage of development, profitability, financial condition, capital expenditure plans, debt repayment needs, and shareholders' returns. We do not have a pre-determined dividend payout ratio.

In 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, our Company declared dividends in respect of the previous years of RMB57.5 million, RMB19.6 million, RMB47.2 million, nil, and nil, respectively. The declared dividends had been paid in full. See Note 17 to the Accountants' Report included in Appendix I to this Document for details.

LEGAL PROCEEDING AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, there were no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition, and results of operations. As confirmed by our PRC Legal Adviser, during the Track Record Period and up to the Latest Practicable Date, our business operated in China have complied with PRC laws and regulations in all material respects, and no material administrative penalties imposed on us have been found that may have a material adverse effect on our business operations.

[REDACTED] STATISTICS

	Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]	**Based on an [REDACTED] of HK$[REDACTED] per [REDACTED]**
Market [REDACTED] of our H Shares	HK$[REDACTED] million	HK$[REDACTED] million
Market [REDACTED] of our Company upon the completion of the [REDACTED]	HK$[REDACTED] million	HK$[REDACTED] million
[REDACTED] adjusted [REDACTED] assets per [REDACTED]	HK$[REDACTED]	HK$[REDACTED]

Notes:

(1) All statistics in the table are based on the assumption that the [REDACTED] is not exercised.

(2) The calculation of market [REDACTED] is based on the assumption that [REDACTED] H Shares expected to be in issue immediately after completion of the [REDACTED].

(3) The calculation of market [REDACTED] is based on [1,039,890,021] A Shares in issue (excluding 529,690 treasury shares) as of the Latest Practicable Date and [REDACTED] H Shares expected to be issued immediately following the completion of the [REDACTED]. The calculation of market value of the A Shares is based on the average closing price of the A Shares of RMB[REDACTED] per A Share for the five Business Days immediately preceding the Latest Practicable Date.

(4) The [REDACTED] adjusted consolidated [REDACTED] assets per Share is calculated after making the adjustments referred to in the section headed "Appendix II — [REDACTED] Financial Information" and assuming completion of [REDACTED] on April 30, 2026.

[REDACTED] EXPENSES

Based on the [REDACTED] [REDACTED] of HK$[REDACTED] per [REDACTED], the total estimated [REDACTED] expenses in relation to the [REDACTED] is approximately RMB[REDACTED] million assuming no new Shares are issued under the [REDACTED]. Such estimated total [REDACTED] expenses include (i) [REDACTED] related expenses of approximately RMB[REDACTED] million; (ii) fees and expenses of our legal advisors and reporting accountant of approximately RMB[REDACTED] million; and (iii) other fees and expenses of approximately RMB[REDACTED] million.

During the Track Record Period, we incurred [REDACTED] expenses of RMB[REDACTED] million in 2025 and RMB[REDACTED] million for the four months ended April 30, 2026, all recorded under administrative expenses in our consolidated statement of profit or loss. We expect to further incur [REDACTED] expenses of approximately RMB[REDACTED] million, of which approximately RMB[REDACTED] million is expected to be charged to our consolidated statement of profit or loss and approximately RMB[REDACTED] million will be deducted from equity upon [REDACTED]. The [REDACTED] expenses represent [REDACTED]% of the net [REDACTED] from the [REDACTED].

USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of HK$[REDACTED] million assuming no exercise of the [REDACTED], based on an assumed [REDACTED] of HK$[REDACTED] per [REDACTED], being the [REDACTED] of the [REDACTED] range of HK$[REDACTED] to HK$[REDACTED] per [REDACTED], after deducting [REDACTED] commissions and fees and other estimated [REDACTED] expenses paid and payable by us in relation to the [REDACTED].

We currently intend to use the net [REDACTED] from the [REDACTED] for the purposes and in the amounts as set out below:

- approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used for the research and development of our AI technologies, including further investment in our AI application framework products and services, usage of AI technologies in coding and testing activities within our research and development processes, and the recruitment of additional AI and technology professionals;
- approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used for global client expansion and the construction of our global operational and service system;
- approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used to enhance our global branding, marketing, and collaboration capabilities;
- approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used to seek strategic cooperation, investment, and acquisition opportunities that we consider may enhance our offerings, primarily through the integration of advanced products and technologies in enterprise IT consulting and digital solution services to strengthen our technology and research and development capabilities, thereby supporting our expansion into new vertical industries, or invest in new technologies and business areas complementary to our existing businesses; and
- approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used for working capital and other general corporate purposes.

SUMMARY

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Our business has continued to experience steady growth momentum following the Track Record Period. Particularly, both our revenue and net profit have shown an upward trend, while our gross profit margin has remained relatively stable. In addition, for the two months from May 1 to June 30, 2026, we entered into 1,009 contracts with an aggregate contract value of RMB402.0 million, as compared with 983 contracts with an aggregate contract value of RMB373.4 million for the corresponding period in 2025. These results reflected the continued demand for our solutions and the successful execution of our growth strategy.

Our Directors have confirmed that up to the date of this Document, there has been no material adverse change in our financial or trading position or prospects since April 30, 2026, being the end date of the periods reported in Appendix I to this Document and there is no event since April 30, 2026 that would materially affect the information as set out in the Accountants' Report in Appendix I to this Document.

DEFINITIONS

In this Document, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in "Glossary of Technical Terms".

"2015 Plan"	the 2015 Share Incentive Plan adopted by our Company on February 21, 2015
"2021 First Plan"	the 2021 First Share Option Incentive Plan adopted by our Company on February 1, 2021
"2021 Second Plan"	the 2021 Second Share Option Incentive Plan adopted by our Company on December 7, 2021
"2023 Plan"	the 2023 Share Incentive Plan adopted by our Company on October 9, 2023
"2024 Plan"	the 2024 Restricted Share Incentive Plan adopted by our Company on April 16, 2024
"A Share(s)"	ordinary share(s) issued by our Company, with a nominal value of RMB1.00 each, which is/are traded in Renminbi and listed on the ChiNext Market of the Shenzhen Stock Exchange
"A Shareholder(s)"	holder(s) of the A Share(s)
"A-Share Listing"	the initial public offering of our A Shares and listing on the ChiNext Market of the Shenzhen Stock Exchange on February 1, 2011
"Accountants' Report"	the accountants' report of our Group for the Track Record Period as set out in Appendix I to this Document
"affiliate(s)"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"AIC Agreement"	the acting-in-concert agreement entered into between the AIC Parties on March 21, 2019, as supplemented by a subsequent confirmation on historical matters
"AIC Parties"	Mr. Chen Diqing (陳迪清) and Mr. Fan Jianzhen (范建震)
"AIC Termination"	the agreement entered into between the AIC Parties on August 15, 2025, pursuant to which the AIC Parties terminated the AIC Agreement
"Articles" or "Articles of Association"	the articles of association of our Company, as amended, which shall become effective on the [REDACTED] Date, a summary of which is set out in Appendix III to this Document
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Authorized Representatives"	Ms. Wong Mei Fung Carrie (黃美鳳) and Mr. Liu Fudong (劉福東)

DEFINITIONS

"Board", "Board of Directors" or "our Board"	the board of directors of our Company
"Board Diversity Policy"	the board diversity policy adopted by the Company, which sets out the objective and approach to achieve and maintain diversity of the Board
"Business Day" or "business day"	a day on which banks in Hong Kong are generally open to the public for normal banking business and which is not a Saturday, Sunday or public holiday in Hong Kong
"Chairman"	the chairman of our Board
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
"China", "Mainland China" or "PRC"	the People's Republic of China, which, for the purpose of this Document and for geographic reference only, excludes Hong Kong, the Macao Special Administrative Region of the People's Republic of China, and Taiwan Region
"China Fund"	The China Fund, INC., one of our Promoters, is a closed ended equity mutual fund launched and managed in the United States on April 28, 1992. Its principal business activities include investing in the public equity markets of China and investing in the stocks of companies operating across diversified sectors. As at the date of establishment of the Company, China Fund was held by Independent Third Parties
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Company", "our Company", "the Company"	Hand Enterprise Solutions Co., Ltd. (上海漢得信息技術股份有限公司), a joint stock limited company incorporated in the PRC on July 15, 2002, the A Shares of which have been listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300170)
"Compliance Adviser"	Guotai Junan Capital Limited, a licensed corporation registered under the SFO to carry on Type 6 (advising on corporate finance) regulated activity as defined in the SFO
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto under the Listing Rules
"core connected person(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules

"Core Management Team"	the core management team of the Company
"Corporate Governance Code"	the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"CSDC"	the China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
"Defan Investment"	Shanghai Defan Investment Management Co., Ltd.* (上海得帆投資管理有限公司), one of our Promoters, is a limited liability company established in the PRC in July 2009, which has been deregistered. Its principal business activities included investment management and technical services. As of the date of establishment of the Company, Defan Investment was held by Mr. Sun Fang, its largest shareholder, together with 38 other individual shareholders, all of whom were Independent Third Parties
"Dejing Investment"	Shanghai Dejing Investment Management Co., Ltd.* (上海得競投資管理有限公司), one of our Promoters, is a limited liability company established in the PRC in July 2009, which has been deregistered. Its principal business activities include investment management and technical services. As at the date of establishment of the Company, Dejing Investment was held by Mr. Yu Jifeng, its largest shareholder, together with 41 other individual shareholders, all of whom were Independent Third Parties
"Detuo Investment"	Shanghai Detuo Investment Management Co., Ltd.* (上海得拓投資管理有限公司), one of our Promoters, is a limited liability company established in the PRC in July 2009, which has been deregistered. Its principal business activities include investment management and technical services. As at the date of establishment of the Company, Detuo Investment was held by Mr. Gao Linxu, its largest shareholder, together with 29 other individuals, all of whom were Independent Third Parties
"Deyi Investment"	Shanghai Deyi Investment Management Co., Ltd.* (上海得逸投資管理有限公司), one of our Promoters, is a limited liability company established in the PRC in July 2009, which has been deregistered. Its principal business activities included investment management and technical services. As at the date of establishment of the Company, Deyi Investment was held by Mr. Deng Hui, its largest shareholder, together with 45 other individuals, all of whom were Independent Third Parties
"Dingyi Information Technology"	Shanghai Dingyi Information Technology Co., Ltd.* (上海鼎醫信息技術有限公司), a limited liability company established in the PRC in July 2018, and a non-wholly owned subsidiary interested as to 63.09% by our Company as of the Latest Practicable Date
"Director(s)" or "our Director(s)"	the director(s) of our Company

"Dixuan Investment"	Shanghai Dixuan Investment Management Co., Ltd.* (上海迪宣投資管理有限公司), one of our Promoters, is a limited liability company established in the PRC in June 2008, whose principal business activities included investment management and technical services. It was ultimately owned by Mr. Chen Diqing (陳迪清) and Mr. Fan Jianzhen (范建震), who each held approximately 41.58% of the equity interests in Dixuan Investment
"Early Redemption Date"	Date on which exercise of the right of early redemption to redeem all outstanding Hand Convertible Bonds at a redemption price of RMB103.43 per bond (inclusive of accrued interest and tax) becomes effective (after market closed on April 28, 2023)
"EIT"	the PRC enterprise income tax
"EIT Law"	the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》), as amended, supplemented, or otherwise modified from time to time
"ESG"	environmental, social and governance
"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"F&S" or "Frost or Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
"Group", "our Group", "we", "us" or "our"	our Company and our subsidiaries from time to time, and where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
"Guide for New Listing Applicants"	the Guide for New Listing Applicants issued by the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time
"H Share(s)"	[REDACTED] ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are to be [REDACTED] for and [REDACTED] in Hong Kong dollars and to be [REDACTED] on the Hong Kong Stock Exchange
[REDACTED]	[REDACTED]
"H Shareholder(s)"	holder(s) of the H Share(s)

"Hand Convertible Bonds"	the Company's public issuance of RMB937.15 million convertible corporate bonds on November 23, 2020, which were subsequently listed and commenced trading on the Shenzhen Stock Exchange on December 15, 2020 under the bond code 123077
"Hand International"	Hand International Pte. Ltd., a private company limited by shares incorporated in Singapore in December 2011, and a wholly-owned subsidiary of the Company
"Hand Japan"	Hand Japan Co. Ltd. (漢得日本株式會社), a private company limited by shares incorporated in Japan in August 2007, and a wholly-owned subsidiary of the Company
"HK$", "Hong Kong dollars", or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules" or "Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended supplemented or otherwise modified from time to time
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

DEFINITIONS

"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchange and Clearing Limited
"Hong Kong Takeovers Code" or "Takeovers Code"	the Codes on Takeovers and Mergers and Share Buybacks issued by the SFC, as amended, supplemented or otherwise modified from time to time
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
"IFRS"	International Financial Reporting Standards
"Independent Non-executive Director"	an independent non-executive director of the Company
"Independent Third Party(ies)"	any entity(ies) or person(s) who is not a connected person of our Company within the meaning of the Listing Rules
"Inspire East"	Inspire East Investments Limited, one of our Promoters, is a company limited by shares incorporated in the British Virgin Islands on June 15, 2007, whose principal business activities included investment management. As at the date of establishment of the Company, Inspire East was wholly owned by O, W&W Investment II Limited, an Independent Third Party
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
"Joint Company Secretaries"	Ms. Wong Mei Fung Carrie (黃美鳳) and Mr. Liu Fudong (劉福東)

DEFINITIONS

[REDACTED]	[REDACTED]
"Latest Practicable Date"	July 26, 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this Document prior to its publication
"Leading Finance Technology"	Leading Finance Technology Co., Ltd.* (上海甄盈業財科技有限公司), a limited liability company established in the PRC in October 2021, and a wholly-owned subsidiary of the Company
[REDACTED]	[REDACTED]
"Listing Committee"	the listing committee of the Hong Kong Stock Exchange
[REDACTED]	[REDACTED]
"Main Board"	the stock exchange (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange
"Nomination Committee"	the nomination committee of the Board
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
"Overseas Listing Trial Measures"	The Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and the supporting guidelines (《境內企業境外發行證券和上市管理試行辦法》及其配套指引) promulgated by the CSRC on February 17, 2023 which became effective on March 31, 2023

"PBOC"	the People's Bank of China (中國人民銀行)
"PRC Company Law"	Company Law of the PRC (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
"PRC Legal Adviser"	Shanghai Duan & Duan Law Firm, the legal adviser to the Company as to PRC law
"Predecessor"	Shanghai Quanfu Hand Software Technology Co., Ltd. (上海全富漢得軟件技術有限公司), a limited liability company established in the PRC in July 2002, converted into a joint stock company with limited liability and renamed Hand Enterprise Solutions Co., Ltd. (上海漢得信息技術股份有限公司)
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
"Principal Subsidiaries"	the principal subsidiaries of the Company, being Hand Japan, Hand International, Shanghai Hand Vyung, Shanghai Share Software, Shanghai Deyi Information Technology, Xi'an Hand, Shanghai Zhen Peng Technology, and Yiai Technology
"Promoters"	the promoters of our Company
"Document"	this document being issued in connection with the [REDACTED]
"Regulation S"	Regulation S under the U.S. Securities Act
"Relevant Persons"	means our Company, together with its investors and shareholders and persons who might directly or indirectly, be involved in permitting the listing, trading clearing and settlement of its shares including the Stock Exchange and related group companies
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"Renminbi" or "RMB"	the lawful currency of the PRC
"Restricted Share Incentive Plans"	the Company's nine restricted share incentive plans, including: the (i) 2011 Restricted Share Incentive Plan; (ii) 2012 Restricted Share Incentive Plan; (iii) 2013 Restricted Share Incentive Plan; (iv) 2014 Restricted Share Incentive Plan; (v) 2015 Restricted Share Incentive Plan; (vi) 2016 Restricted Share Incentive Plan; (vii) 2017 Restricted Share Incentive Plan; (viii) 2018 Restricted Share Incentive Plan; and (ix) 2024 Plan
"RSU"	restricted share units
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)

"SAMR"	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
"Securities Law"	the Securities Law of the People's Republic of China (《中華人民共和國證券法》), as amended, supplemented or otherwise modified from time to time
"SFC" or "Securities and Futures Commission"	the Securities and Futures Commission
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shanghai Deyi Information Technology"	Shanghai Deyi Information Technology Co., Ltd. (上海得逸信息技術有限公司), a limited liability company established in the PRC in August 2018, and a non-wholly-owned subsidiary interested as to 75% by the Company as of the Latest Practicable Date
"Shanghai-Hong Kong Stock Connect"	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shanghai Stock Exchange, HKSCC and CSDC for mutual market access between Hong Kong and Shanghai
"Shanghai Share Software"	Shanghai Share Software Co., Ltd.* (上海夏爾軟件有限公司), a limited liability company established in the PRC in October 2002, and an indirect wholly-owned subsidiary of the Company
"Shanghai Stock Exchange"	the Shanghai Stock Exchange (上海證券交易所)
"Shanghai Hand Vyung"	Shanghai Hand Vyung lnformation Technology Co., Ltd. (上海漢得微揚信息技術有限公司), a limited liability company established in the PRC in March 2015, and a non-wholly-owned subsidiary interested as to 51% by the Company as of the Latest Practicable Date
"Shanghai Zhenhui"	Shanghai Zhenhui Information Technology Co., Ltd (上海甄匯信息科技有限公司), a limited liability company established in the PRC in August 2016, and interested as to 19.36% by the Company as of the Latest Practicable Date
"Shanghai Zhen Peng Technology"	Shanghai Zhenpeng Technology Co., Ltd. (上海甄鵬科技有限公司), a limited liability company established in the PRC in July 2021, and a non-wholly-owned subsidiary interested as to 90% by the Company as of the Latest Practicable Date
"Share Acquisition"	the block trade through which Mr. Chen acquired an additional 0.5% shareholding from Mr. Fan in September 2025
"Share Incentive Plans"	the Company's (i) 2015 Plan and (ii) 2023 Plan
"Share Incentive Schemes"	the Company's (i) Restricted Share Incentive Plans; (ii) Share Incentive Plans; and (iii) Share Option Incentive Plans
"Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, comprising A Share(s) and H Share(s)
"Share Options"	the share options awarded under the 2021 Second Plan

"Share Option Incentive Plans"	the 2021 First Plan and 2021 Second Plan
"Shareholder(s)"	holder(s) of our Share(s)
"Shenzhen-Hong Kong Stock Connect"	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shenzhen Stock Exchange, HKSCC and CSDC for mutual market access between Hong Kong and Shenzhen
"Shenzhen Stock Exchange"	the Shenzhen Stock Exchange (深圳證券交易所)
"Single Largest Shareholder(s)"	the single largest shareholder(s) of the Company
"Sole Sponsor"	Guotai Junan Capital Limited, a licensed corporation registered under the SFO to carry on Type 6 (advising on corporate finance) regulated activity as defined in the SFO
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
"Strategy and Sustainable Development Committee"	the strategy and sustainable development committee of the Board
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Track Record Period"	the financial years ended December 31, 2023, 2024, and 2025 and for the four months ended April 30, 2026
"treasury share(s)"	has the meaning ascribed thereto under the Listing Rules
"U.S.", "US" or "United States"	the United States of America, its territories, its possessions, and all areas subject to its jurisdictions
"U.S. dollars", "US dollars", "USD" or "US$"	United States dollars, the lawful currency of the United States
"U.S. Securities Act"	United States Securities Act of 1933 and the rules and regulations promulgated thereunder
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

DEFINITIONS

[REDACTED]	[REDACTED]
"Xi'an Hand"	Xi'an Hand Information Technology Co., Ltd. (西安漢得信息技術有限公司), a limited liability company established in the PRC in October 2022, and a wholly-owned subsidiary of the Company
"Yiai Technology"	Shanghai Yiai Technology Co., Ltd.* (上海億砆科技有限公司), a limited liability company established in the PRC in September 2019, and a non-wholly-owned subsidiary interested as to 54% by the Company as of the Latest Practicable Date
"Zhenzi Information Technology"	Shanghai Zhenzi Information Technology Co.* (上海甄自信息科技有限公司), a limited liability company established in the PRC in November 2020, and a non-wholly-owned subsidiary interested as to 60% by the Company as of the Latest Practicable Date
"%"	per cent
"¥" or "JPY"	Japanese Yen, the lawful currency of Japan

Unless otherwise specified, in this Document:

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

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

* *For identification purposes only*

GLOSSARY OF TECHNICAL TERMS

This glossary contains definitions of certain technical terms used in this Document in connection with us and our business. These may not correspond to standard industry definitions and may not be comparable to similar terms adopted by other companies.

"AI"	artificial intelligence
"B2B"	business-to-business
"B2C"	business-to-consumer
"big data"	extremely large and complex data sets that cannot be easily managed or analyzed with traditional data processing tools, particularly spreadsheets, including (i) structured data, like an inventory database or list of financial transactions; (ii) unstructured data, such as social posts or videos; and (iii) mixed data sets, like those used to train large language models for AI
"CAGR"	compound annual growth rate
"client retention rate"	for a given year, the percentage calculated as the aggregate revenue generated in the given year from clients that purchased our solutions in both the given year and the immediately preceding year, divided by the aggregate revenue generated in the given year from clients that purchased our solutions in the given year
"cloud-native"	an approach of technologies that help organizations build and run applications in modern, dynamic environments such as public, private, and hybrid clouds, which can be exemplified by containers, service meshes, microservices, immutable infrastructure, and declarative APIs
"CRM"	customer relationship management
"data middle platform"	an enterprise-level infrastructure built on top of various data sources, designed to provide a centralized and standardized data processing and storage environment, serving as a bridge between raw data and actionable insights, enabling organizations to efficiently collect, integrate, analyze, and visualize data to support decision-making and drive business growth
"DevOps technologies"	tools, platforms, and automation frameworks that bridge the gap between software development (Dev) and IT operations (Ops) teams, enabling continued integration and continued delivery, infrastructure as code (IaC), and automated testing to speed up software delivery, improve reliability, and enhance collaboration
"EI-SCM"	enterprise intelligence supply chain management, a solution that integrates data analytics and intelligent technologies into supply chain management to enhance efficiency and decision-making
"ERP"	enterprise resource planning
"GPU"	graphics processing unit
"HR"	human resources
"H-AI Coder"	our enterprise-grade AI coding model
"IaaS"	infrastructure as a service

GLOSSARY OF TECHNICAL TERMS

"IoT"	internet of things
"IT"	information technology
"ITO"	information technology outsourcing
"knowledge graphs"	representation of network of real-world entities — such as objects, events, situations or concepts — and illustrates the relationship between them, usually stored in a graph database and visualized as a graph structure
"large model"	models constructed using deep neural networks with massive parameters and complex computational structures
"LLMs"	large language models, a class of artificial intelligence models trained on large volumes of data to understand and generate human-like language
"machine learning"	a branch of AI that focuses on developing algorithms and statistical models to enable computers to perform tasks without explicit instructions, by learning from data
"MES"	manufacturing execution system
"microservices"	an approach to develop a single application as a suite of small services, each running in its own process and communicating with lightweight mechanisms, often an HTTP resource API, and built around business capabilities and independently deployable by fully automated deployment machinery, with a bare minimum of centralized management
"natural language processing"	a subfield of computer science and artificial intelligence that uses machine learning to enable computers to understand and communicate with human language, enabling computers and digital devices to recognize, understand and generate text and speech by combining computational linguistics, the rule-based modeling of human language together with statistical modeling, machine learning and deep learning
"NPU"	neural processing unit
"PaaS"	platform as a service
"PaaS platform for enterprise clients"	a platform-as-a-service infrastructure designed to support enterprise-grade application development and deployment, which typically provides standardized development frameworks, reusable components, and integrated management tools to support scalability, reliability, and security requirements of enterprise clients
"PLM"	product lifecycle management
"SaaS"	Software as a Service
"SRM"	supplier relationship management

FORWARD-LOOKING STATEMENTS

Certain statements in this document are forward-looking statements that are, by their nature, subject to significant risks and uncertainties. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions, or future events or performance (often, but not always, through the use of words or phrases such as "will," "expect," "anticipate," "estimate," "believe," "going forward," "ought to," "may," "seek," "should," "intend," "plan," "projection," "could," "vision," "goals," "aim," "aspire," "objective," "target," "schedules," and "outlook") are not historical facts, are forward-looking, and may involve estimates and assumptions and are subject to risks (including, but not limited to, the risk factors detailed in this document), uncertainties, and other factors some of which are beyond our control and which are difficult to predict. Accordingly, these factors could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

Our forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to us about the businesses that we operate. The risks, uncertainties, and other factors, many of which are beyond our control, that could influence actual results include, but are not limited to:

- our goals and strategies;
- our future business development, financial condition, and results of operations;
- expected changes in our revenues, expenses, or expenditures;
- the expected growth of enterprise IT consulting and digital solution services in China;
- our expectations regarding demand for and market acceptance of our services;
- our expectations regarding our relationship with our existing and potential clients;
- competition in our industry;
- general economic and business conditions in China and elsewhere;
- government policies and regulations relating to our industry;
- the outcome of any current and future legal or administrative proceedings; and
- all other risks and uncertainties described in "Risk Factors."

Since actual results or outcomes could differ materially from those expressed in any forward-looking statements, we strongly caution investors against placing undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by the Listing Rules, we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. Statements of or references to our intentions or those of any of our Directors are made as of the date of this document. Any such intentions may change in light of future developments.

All forward-looking statements in this document are expressly qualified by reference to this cautionary statement.

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

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.

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

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,

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

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

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

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

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.

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,

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

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.

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.

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税法》), 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税法》)

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税法實施條例》), 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 (《國家税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.

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

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]

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

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.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

In preparation of the [REDACTED], we have sought the following waivers from strict compliance with certain provisions of the Listing Rules and exemption from strict compliance with the Companies (Winding Up And Miscellaneous Provisions) Ordinance.

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

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

We do not have a sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 and Rule 19A.15 of the Listing Rules. Our Group's management headquarters, business operations and assets are primarily based outside Hong Kong in the PRC under the supervision and guidance of our executive Directors and senior management. Our executive Directors and senior management team ordinarily reside in the PRC and they play important roles in our Group's business operations. Therefore, our Company considers that it is in our best interests for them to be based in places where our Group has significant operations. We consider that it would not be beneficial to or appropriate for us to arrange two executive Directors to be ordinarily resident in Hong Kong, either by means of relocation of our existing executive Directors or appointment of additional executive Directors. For the above reasons, we do not have, and do not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 and Rule 19A.15 of the Listing Rules.

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

(a) we have appointed Ms. Wong Mei Fung Carrie ("**Ms. Wong**") and Mr. Liu Fudong, our executive Director and our joint company secretary ("**Mr. Liu**"), as the authorized representatives of our Company (the "**Authorized Representatives**", each the "**Authorized Representative**") for the purpose of Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange and ensure that our Company will comply with the Listing Rules at all times. The Authorized Representatives will be readily contactable by phone, facsimile and email to deal promptly with enquiries from the Stock Exchange and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon request of the Stock Exchange. Each of the Authorized Representatives has been duly authorized to communicate on behalf of our Company with the Stock Exchange;

(b) when the Stock Exchange wishes to contact our Directors on any matter, each of the Authorized Representatives will have all necessary means to contact all our Directors (including our Independent Non-executive Directors) promptly at all times. Our Company will also inform the Stock Exchange promptly in respect of any changes of the Authorized Representatives. We have provided the Stock Exchange with the contact details (i.e. mobile phone number, office phone number and email address (as applicable)) of all Directors to facilitate communication with the Stock Exchange;

(c) we have appointed Guotai Junan Capital Limited as our compliance adviser (the "**Compliance Adviser**") upon Listing pursuant to Rule 3A.19 of the Listing Rules for a period commencing on the [REDACTED] Date and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED] Date. The Compliance Adviser, who will provide us with professional advice on continuing obligations under the Listing Rules and act as the additional channel of communication with the Stock Exchange when the Authorized Representatives are not available, will have access at all times to our Authorized Representatives, our Directors and our senior management;

(d) meetings between the Stock Exchange and the Directors can be arranged through the Authorized Representatives or the Compliance Adviser or directly with the Directors within a reasonable period of time; and

(e) each of our Directors (including the Independent Non-executive Directors) who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period upon request of the Stock Exchange.

WAIVER IN RELATION TO JOINT COMPANY SECRETARIES

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

(a) a member of The Hong Kong Chartered Governance Institute;

(b) a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong)); and

(c) a certified public accountant (as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)).

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

(a) length of employment with the issuer and other issuers and the roles he/she played;

(b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

(c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and

(d) professional qualifications in other jurisdictions.

Our Company considers that while it is important for the company secretaries to be familiar with the relevant securities regulation in Hong Kong, they also need to have experience relevant to our Company's operations, nexus to the Board and close working relationship with the management of our Company in order to perform the function of a company secretary and to take necessary

actions in the most effective and efficient manner. The Directors are of the view that it is for the benefit of our Company to appoint a person who has been a member of the senior management for a period of time and is familiar with our Company's business and affairs as company secretary.

(a) We have appointed Mr. Liu as one of the joint company secretaries of our Company. Mr. Liu is currently an executive Director and Authorised Representative of the Company, with substantial experience in the management of corporate, legal and regulatory compliance, and administrative affairs. However, he does not presently possess any of the qualifications prescribed under Rules 3.28 and 8.17 of the Listing Rules and may not be able to solely satisfy the requirements under the Listing Rules. Accordingly, our Company has appointed Ms. Wong, a fellow of the Hong Kong Institute of Certified Public Accountants, who fully satisfies the requirements under Rules 3.28 and 8.17 of the Listing Rules, to act as one of our joint company secretaries and to provide assistance to Mr. Liu for an initial period of three years from the [REDACTED] Date. This arrangement is intended to enable Mr. Liu to acquire the "relevant experience" as referred to in Note 2 to Rule 3.28 of the Listing Rules, so that he may fully comply with the requirements under Rules 3.28 and 8.17 of the Listing Rules. For further biographical details of Ms. Wong and Mr. Liu, please refer to the section headed 'Directors and Senior Management' in this Document. The following measures have been, or will be, implemented to assist Mr. Liu in obtaining the necessary qualifications and experience required of a company secretary of our Company:

(b) Mr. Liu will comply with the annual professional training requirement during each financial year as required under Rule 3.29 of the Listing Rules;

(c) Ms. Wong will regularly communicate with Mr. Liu on matters relating to corporate governance, the Listing Rules and any other laws and regulations which are relevant to our Company and its affairs; and she will work closely with, and provide assistance to Mr. Liu to discharge his duties and responsibilities as a company secretary of our Company, including organizing our Company's Board meetings and Shareholders' general meetings;

(d) Mr. Liu will also receive assistance from our Company's Compliance Adviser and legal advisers on Hong Kong laws in respect of matters relating to our Company's ongoing compliance obligations under the Listing Rules and applicable laws and regulations;

(e) Prior to the expiry of Mr. Liu's initial three-year term as company secretary of our Company, we will assess his experience to determine whether he has acquired the qualifications required under Rule 3.28 of the Listing Rules. We will also seek confirmation from the Stock Exchange that Mr. Liu, having benefited from Ms. Wong's assistance during the three-year period, has attained the relevant experience under Rule 3.29 of the Listing Rules and is capable of discharging the functions of a company secretary. We will further consider whether ongoing assistance should be arranged to ensure that his appointment continues to satisfy the requirements under Rules 3.28 and 8.17 of the Listing Rules, thereby eliminating the need for a further waiver; and

(f) The Company has appointed Guotai Junan Capital Limited as its Compliance Adviser pursuant to Rule 3A.19 of the Listing Rules. The Compliance Adviser will serve as an additional communication channel with the Stock Exchange for a period commencing on the [REDACTED] Date and ending on the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately following the [REDACTED] Date, or until the engagement is terminated, whichever is earlier. The Compliance Adviser will also provide professional guidance and advice to the Company (including Mr. Liu) on compliance with the Listing Rules and all other applicable laws and regulations.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Accordingly, we have applied for, and the Stock Exchange [has granted,] a waiver from strict compliance with Rules 3.28 and 8.17 of the Listing Rules. The waiver will be revoked immediately if (i) Mr. Liu ceases to be assisted by Ms. Wong, being a person who possesses the qualifications required under Rules 3.28 and 8.17 of the during the three-year period, and we undertake to re-apply to the Stock Exchange for a waiver in the event that Ms. Wong ceases to meet the requirements under Rule 3.28 of the Listing Rules or otherwise ceases to serve as a joint company secretary of our Company Listing Rules, or (ii) there is any material breach of the Listing Rules by our Company. Prior to the end of the three-year period, our Company will demonstrate to the Stock Exchange and seek the Stock Exchange's confirmation that Mr. Liu, having had the benefit of Ms. Wong's assistance during the initial three-year period, has attained the relevant experience and is capable of discharging the functions of company secretary within the meaning of Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

WAIVER AND EXEMPTION IN RESPECT OF THE DISCLOSURE REQUIREMENTS IN RELATION TO THE SHARE INCENTIVE SCHEMES

The Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (the "**CWUMPO**") prescribes certain disclosure requirements in relation to the restricted shares granted by our Company under the Share Incentive Schemes, pursuant to which the grantees shall pay the grant price upon fulfillment of all the conditions of the restricted shares to purchase the A Shares from the Company:

i. Rule 17.02(1)(b) of the Listing Rules stipulates that all material terms of a scheme must be clearly set out in this Document. Our Company is also required to disclose in this Document full details of all outstanding options and awards and their potential dilution effect on the shareholdings upon [REDACTED] as well as the impact on the earnings per share arising from the issue of shares in respect of such outstanding options or awards

ii. Paragraph 27 of Appendix D1A to the Listing Rules requires our Company to disclose, *inter alia*, particulars of any capital of any member of the group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee, or an appropriate negative statement, provided that where options have been granted or agreed to be granted to all the members or debenture holders or to any class thereof, or to employees under a share scheme, it shall be sufficient, so far as the names and addresses are concerned, to record that fact without giving the names and addresses of the grantees; and; and

iii. Paragraph 10 of Part I of the Third Schedule to the CWUMPO requires the Company to disclose, amongst others, details of the number, description and amount of any Shares in or debentures of the Company which any person has, or is entitled to be given, an option to subscribe for, together with the particulars of the option, that is to say, (a) the period during which it is exercisable; (b) the price to be paid for Shares or debentures subscribed for under it; (c) the consideration (if any) given or to be given for it or for the right to it; and (d) the names and addresses of the persons to whom it or the right to it was given or, if given to existing Shareholders or debenture holders as such, the relevant Shares or debentures must be specified in this document.

Pursuant to paragraphs 6 to 7 of Chapter 3.6 of the Guide for New Listing Applicants, the Stock Exchange would normally grant waivers from disclosing the names and addresses of certain grantees if the issuer could demonstrate that such disclosures would be irrelevant and unduly burdensome, subject to certain conditions specified therein.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

As of the Latest Practicable Date, our Company had granted outstanding restricted shares under the 2024 Plan to grantees to subscribe for 4,000,000 A Shares, representing an aggregate of approximately [REDACTED]% of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes are made to the issued share capital of the Company between the Latest Practicable Date and the [REDACTED]). As of the Latest Practicable Date, among the outstanding restricted shares, 82,500 restricted shares were held by one director of the Company, and 3,917,500 restricted shares were held by the remaining 62 grantees of the Group (who are not Directors, members of senior management or connected persons of the Company).

For further details of the 2024 Plan, see the section headed "Statutory and General Information — 4. Share Incentive Schemes" in Appendix VI to this Document.

We have applied to: (i) the Stock Exchange for a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules; and (ii) the SFC for a certificate of exemption from strict compliance with paragraph 10(d) of Part I of the Third Schedule pursuant to section 342A of the CWUMPO in connection with the disclosure of certain details relating to the restricted shares and certain grantees in this Document, on the ground that the waiver and the exemption would not prejudice the interest of the [REDACTED] and strict compliance with the above requirements would be unduly burdensome for the Company for the following reasons:

(i) given that over 60 grantees are involved for the granting of outstanding restricted shares under the 2024 Plan, strict compliance with such disclosure requirements in setting out full details of all the grantees under the 2024 Plan in this Document would be costly and unduly burdensome for us in light of a significant increase in cost and timing for information compilation and [REDACTED] preparation. For example, we would need to collect and verify the addresses of over 60 grantees to meet the disclosure requirement. Further, the disclosure of the personal details of each grantee, including their names, addresses and the number of outstanding restricted shares granted, may require obtaining consent from the grantees in order to comply with the relevant personal data privacy laws and principles and it would be unduly burdensome for our Company to obtain such consents given the number of grantees;

(ii) as of the Latest Practicable Date, among all the grantees, apart from the grantee which is disclosed on an individual basis, being Mr. Liu Fudong, our Executive Director and Joint Company Secretary, who was granted restricted shares to subscribe for 82,500 A Shares, the remaining grantees were employees (who are not Directors, members of senior management of the Company) and are not connected persons of our Company. Strict compliance with the above requirements to disclose names, addresses, and entitlements on an individual basis will require substantial additional disclosure and does not provide any material nor meaningful information to the [REDACTED];

(iii) the remaining grantees who are not Directors, members of the senior management, connected persons of our Company who were granted restricted shares to subscribe for an aggregate of 3,917,500 A shares respectively, representing approximately [REDACTED]% of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes are made to the issued share capital of the Company between the Latest Practicable Date and the [REDACTED]), respectively, which is not material in the circumstances of our Company, and exercise in full of the outstanding restricted shares under the 2024 Plan will not cause any material adverse impact to our financial position;

(iv) there will not be any new H Shares issued under the 2024 Plan as the foregoing plans are A-share incentive schemes;

(v) non-compliance with the above disclosure requirements would not prevent us from providing our potential [REDACTED] with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Company;

(vi) material information relating to the shares under the 2024 Plan has been disclosed in this Document to provide [REDACTED] with sufficient information to make an informed assessment of the potential dilutive effect and impact on earnings per Share of the outstanding restricted shares in making their [REDACTED] decision, and such information includes:

(a) a summary of the principal terms of the 2024 Plan;

(b) the aggregate number of A Shares subject to the outstanding restricted shares and the percentage of our Shares of which such number represents;

(c) the dilutive effect and the impact on earnings per Share upon full exercise of the outstanding restricted shares immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes are made to the issued share capital of the Company between the Latest Practicable Date and the [REDACTED]);

(d) full details of the outstanding restricted shares granted to Directors, members of senior management and other connected persons (if any) of our Company, on an individual basis (if any), are disclosed in this Document, and such details include all the particulars required under Rule 17.02(1)(b) of the Listing Rules, paragraph 27 of Appendix D1A to the Listing Rules and paragraph 10 of Part 1 of the Third Schedule to the Companies Ordinance;

(e) with respect to the outstanding restricted shares granted to other grantees (other than those referred to in (iv) above), disclosure are made on an aggregate basis, categorized into lots based on the number of A Shares underlying each individual grant, being (x) 1–30,000; (y) 30,001–60,000; (z) 60,001–90,000; (aa) 90,001–120,000 and (bb) over 120,000 for each lots of restricted shares, the following details are disclosed in this Document, including (1) the aggregate number of the grantees and the number of A Shares subject to such restricted shares; (2) the consideration paid for the grant of such restricted shares; and (3) the exercise period and the exercise price for such restricted shares;

(f) the particulars of the waiver and exemption granted by the Stock Exchange and the SFC, respectively; and

(g) a full list of all the grantees under the 2024 Plan, containing all the particulars as required under paragraph 10 of Part I of the Third Schedule to the CWUMPO, be made available for physical public inspection in accordance with "Documents delivered to the Registrar of Companies and Available on Display" in Appendix VII of this Document.

The Stock Exchange [has granted] to us a waiver from strict compliance with the applicable disclosure requirements on the conditions that:

(i) on an individual basis, full details of the outstanding restricted shares granted to each of our Directors, members of senior management and other connected persons of our Company (if any) are disclosed in the section headed "Statutory and General Information

— 4. Share Incentive Schemes" in Appendix VI to this Document as required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules, and paragraph 10 of Part I of the Third Schedule to the CWUMPO;

(ii) in respect of the outstanding restricted shares granted to remaining grantees (being the grantees other than those referred to in (i) above) under the 2024 Plan, disclosure are made, on an aggregate basis, categorized into lots based on the number of A Shares underlying each individual grant, being (x) 1–30,000; (y) 30,001–60,000; (z) 60,001–90,000; (aa) 90,001–120,000 and (bb) over 120,000 for each lots of restricted shares, the following details are disclosed in this Document, including (a) the aggregate number of the grantees and the number of A Shares subject to such restricted shares; (b) the consideration paid for the grant of such restricted shares; and (c) the exercise period and the exercise price for such restricted shares granted under the 2024 Plan;

(iii) the aggregate number of A Shares underlying the outstanding restricted shares granted under the 2024 Plan and the percentage to our total issued share capital represented by such number of A Shares as of the Latest Practicable Date;

(iv) the dilutive effect and impact on earnings per Share upon the full exercise of the outstanding restricted shares under the 2024 Plan will be disclosed in the section headed "Statutory and General Information — 4. Share Incentive Schemes" in Appendix VI to this Document;

(v) a summary of the major terms of the 2024 Plan will be disclosed in the section headed "Statutory and General Information — 4. Share Incentive Schemes" in Appendix VI to this Document;

(vi) the grant of a certificate of exemption under the CWUMPO from the SFC exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the CWUMPO;

(vii) a full list of all the grantees with outstanding restricted shares under the 2024 Plan, containing all the particulars as required under paragraph 10 of Part I of the Third Schedule to the CWUMPO, be made available for physical public inspection in accordance with the section headed "Documents delivered to the Registrar of Companies and Available on Display" in Appendix VII to this Document; and

(viii) the particulars of the waiver will be disclosed in this Document and this Document will be issued on or before [REDACTED].

The SFC [has granted] to our Company a certificate of exemption from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the CWUMPO on the conditions that:

(i) on an individual basis, full details of the outstanding restricted shares under the 2024 Plan granted to each of our Directors, senior management and other connected persons of our Company (if any) will be disclosed in the section headed "Statutory and General Information — 4. Share Incentive Schemes" in Appendix VI to this document as required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to the Listing Rules, and paragraph 10 of Part I of the Third Schedule to the CWUMPO;

(ii) in respect of the outstanding restricted shares granted to remaining grantees (being the grantees other than those referred to in (i) above) under the 2024 Plan, disclosure are made, on an aggregate basis, categorized into lots based on the number of A Shares underlying each individual grant, being (x) 1–30,000; (y) 30,001–60,000; (z) 60,001–90,000; (aa) 90,001–120,000 and (bb) over 120,000 for each lots of restricted shares, the following

details are disclosed in this document, including (1) the aggregate number of the grantees and the number of A Shares subject to such restricted shares; (2) the consideration paid for the grant of such restricted shares; and (3) the exercise period and the exercise price for such restricted shares granted under the 2024 Plan;

(iii) a full list of all the grantees with outstanding restricted shares under the 2024 Plan, containing all the particulars as required under paragraph 10 of Part I of the Third Schedule to the CWUMPO, be made available for physical public inspection in accordance with the section headed "Documents delivered to the Registrar of Companies and Available on Display" in Appendix VII to this document; and

(iv) the particulars of the exemption will be disclosed in this document.

[REDACTED]

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND [REDACTED]

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INFORMATION ABOUT THIS DOCUMENT AND [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND [REDACTED]

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

DIRECTORS

Name	Address	Nationality
Executive Directors		
Chen Diqing (陳迪清)	No. 58, Lane 999, Huajing Road, Shanghai, the PRC	Chinese
Huang Yiquan (黃益全)	Room 1201, Building 3, Lane 1188, Wanping South Road, Xuhui District, Shanghai, the PRC	Chinese
Liu Fudong (劉福東)	Room 1702, Unit 2, Building 7, No. 79 Chongye Road, Yanta District, Xi'an, the PRC	Chinese
Wu Bin (吳濱)	Room 402, No. 510, Lane 1288, Xinsong Road, Shanghai, the PRC	Chinese
Wang Xinyi (王辛夷)	Unit 601, No. 4, Lane 500, Xianxia West Road, Shanghai, the PRC	Chinese
Independent Non-executive Directors		
Cao Huimin (曹惠民)	Room 801, No. 44, Lane 77, Caobao Road, Xuhui District, Shanghai, the PRC	Chinese
Chen Jingfeng (陳靖豐)	Room 502, No. 94, Lane 3297, Hongmei Road, Minhang District, Shanghai, the PRC	Chinese
Liu Wei (劉維)	Room 402, No. 16, Lane 4250, South Pudong Road, Pudong New Area, Shanghai, the PRC	Chinese
Tsang Kwai Keung (曾貴強)	Flat B, 6/F, Sun Shing Mansion, 31 Queen's Road West, Sheung Wan, Hong Kong	Chinese

See "Directors and Senior Management" for further information of our Directors.

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor	**Guotai Junan Capital Limited** 27/F Low Block Grand Millennium Plaza 181 Queen's Road Central Hong Kong
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
Reporting Accountants and Independent Auditor	**BDO Limited** 25th Floor Wing On Center 111 Connaught Road Central Hong Kong

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

Legal Advisers to our Company	*as to Hong Kong law:* **K&L Gates** 44/F Edinburgh Tower The Landmark 15 Queens Road Central Central Hong Kong *as to PRC law:* **Shanghai Duan & Duan Law Firm** 11F, Shanghai World Financial Center 100 Century Avenue Pudong New Area Shanghai China *as to Japanese law:* **Verybest Law Offices** MFPR Roppongi Azabudai Bldg 11F 1–8-7 Roppongi Minato-ku, Tokyo 106–0032 Japan *as to Singaporean law:* **Sabara Law LLC** 6 Shenton Way #25–09 OUE Downtown 2 Singapore 068809 *as to international sanctions laws:* **Sheppard, Mullin, Richter & Hampton LLP** Avenue Louise 480 1050 Brussels Belgium +32 2 290 7900 main
Legal Advisers to the Sole Sponsor and the [REDACTED]	*as to Hong Kong and U.S. law:* **Han Kun Law Offices LLP** Rooms 4301–10 43/F., Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong SAR, PRC *as to PRC law:* **Allbright Law Offices** 9, 11, 12/F, Shanghai Tower No.501 Yincheng Middle Road Pudong New Area Shanghai 200120 PRC
Industry Consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** Room 2504, Wheelock Square No. 1717 Nanjing West Road, Jing'an District Shanghai PRC

CORPORATE INFORMATION

Registered Office and Head Office	No. 33 Huilian Road, Qingpu District Shanghai PRC
Place of Business in Hong Kong Registered under Part 16 of the Companies Ordinance	46/F, Hopewell Centre 183 Queen's Road East Wan Chai Hong Kong
Company's Website	https://www.hand-china.com/ *(The information on the website does not form part of this Document)*
Joint Company Secretaries	Mr. Liu Fudong (劉福東) Ms. Wong Mei Fung Carrie (黃美鳳) *(Fellow member of The Hong Kong Chartered Governance Institute and the Chartered Governance Institute in the United Kingdom)*
Authorized Representatives	Mr. Liu Fudong (劉福東) Ms. Wong Mei Fung Carrie (黃美鳳)
Audit Committee	Mr. Cao Huimin (曹惠民) (Chairman) Mr. Tsang Kwai Keung (曾貴強) Mr. Liu Wei (劉維)
Remuneration and Appraisal Committee	Mr. Liu Wei (劉維) (Chairman) Mr. Chen Jingfeng (陳靖豐) Mr. Wu Bin (吳濱)
Nomination Committee	Mr. Chen Jingfeng (陳靖豐) (Chairman) Mr. Cao Huimin (曹惠民) Ms. Wang Xinyi (王辛夷)
Strategy and Sustainable Development Committee	Mr. Chen Diqing (陳迪清) (Chairman) Mr. Huang Yiquan (黃益全) Mr. Wu Bin (吳濱)
Compliance Adviser	Guotai Junan Capital Limited 27/F Low Block Grand Millennium Plaza 181 Queen's Road Central Hong Kong
[REDACTED]	[REDACTED]
Principal Bank	**Zhangjiang Sub-branch of China Merchants Bank, Shanghai Branch** No. 88 Keyuan Road Pudong New Area Shanghai PRC

INDUSTRY OVERVIEW

Certain information presented in this section and elsewhere in this Document was derived from official government publications, other publicly available sources, and a market research report prepared by Frost & Sullivan, or Frost & Sullivan Report. Frost & Sullivan is an independent global consulting firm that we have commissioned. We believe that the sources of the information in this section and elsewhere in this Document are appropriate sources for such information and reasonable care has been taken in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any part has been omitted that would render such information false or misleading. The information from official government sources has not been independently verified by us or any other parties involved in the [REDACTED], or any of our or their respective directors, officers, or representatives, and no representation is given as to its accuracy. Accordingly, you should not place undue reliance on such information. For a discussion of risks relating to our industries, see "Risk Factors — Risks Relating to Our Business and Industry."

OVERVIEW OF ENTERPRISE DIGITALIZATION INDUSTRY

Enterprise digitalization is a process to systematically integrate digital technologies into a full range of enterprise management and business operations. Leveraging data collection, process automation, cloud computing, IoT, and other digital capabilities, this process enables the consolidation and optimization of enterprise resources, workflows, and information. Enterprise digitalization enhances operating efficiency, strengthens cross-function collaboration, and supports the transition towards intelligent and sustainable business development. The enterprise digitalization industry not only comprises consulting and implementation services related to digital transformation, but also includes the IT infrastructure and related technical services required by enterprises in the course of digitalization. In particular, the enterprise digitalization industry encompasses IT infrastructure and cloud services, including servers, storage, network equipment and cloud computing resources, data processing and information system development services, as well as system integration and operation and maintenance services provided in support of software and hardware systems.

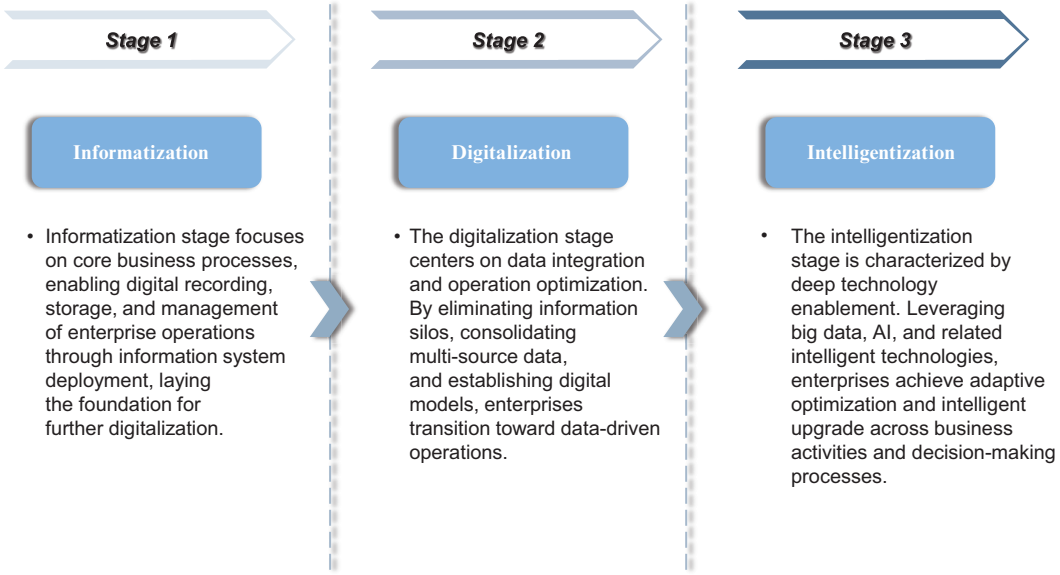
Background of Enterprise Digitalization in China and Globally

Amid rapid technological evolution, deep industrial restructuring, and the rising demand for high-quality economic development, governments globally are increasingly prioritizing digitalization and technology upgrade.

Enterprise digitalization has become one of the prioritized national strategies in China. The Recommendations of the Central Committee of the Communist Party of China on Formulating the 15th Five-Year Plan for National Economic and Social Development (《中共中央關於制定國民經濟與社會發展第十五個五年計劃的建議》), which we refer to as the 15th Five-Year Plan, explicitly emphasize promoting technology upgrade, accelerating digitalization and intelligentization of the manufacturing industry, and enhancing the integration of modern services with advanced manufacturing to promote digitalization and intelligentization of the service industry. During the execution of the 15th Five-Year Plan in China, enterprise digitalization is expected to receive continued strong policy support, with digitalization and intelligentization of both manufacturing and service industries considered a key pathway to the next phase of industrial development and competition. In addition, the 2025 Key Action Plan for Digital Economy (《2025年數字經濟工作要點》) jointly issued by the National Development and Reform Commission and the National Data Administration calls for comprehensive rollout of enterprise digitalization initiatives and cultivation of digitalization service providers. These policies aim to deepen the integration of digital technology and real economy, enhance industrial digitalization, and strengthen enterprises' digital capabilities. Meanwhile, intensifying global competition, rising operating costs, increasingly complex supply chains, and diverse market demand implicate the urgency of enterprise digitalization in China. Driven by demands for cost optimization and lean management, enterprises increasingly adopt unified data collection, analysis, and feedback systems, enabling real-time operating visibility, faster issue identification, and dynamic decision-making optimization.

Evolution of Enterprise Digitalization in China and Globally

Enterprise digitalization generally evolve through three stages: informatization, digitalization, and intelligentization. The following diagram illustrates these three stages of enterprise digitalization evolution.



Source: China Academy of Information and Communications Technology, Frost & Sullivan Report

At the informatization stage, enterprises set up information systems — such as ERP, customer relationship management (CRM), and manufacturing execution system (MES) — to digitize core processes from procurement and manufacturing to sales. In light of data security and compliance as well as lean management needs, enterprises primarily adopt an on-premises deployment model to ensure system control and data security. This stage creates a technical foundation for further evolution.

At the digitalization stage, enterprises begin leveraging operating data generated across business systems for multi-dimensional analysis and decision-making support. By building digital models of business logic and workflows, enterprises optimize resource allocation, improve coordination efficiency, and enhance decision-making in operations.

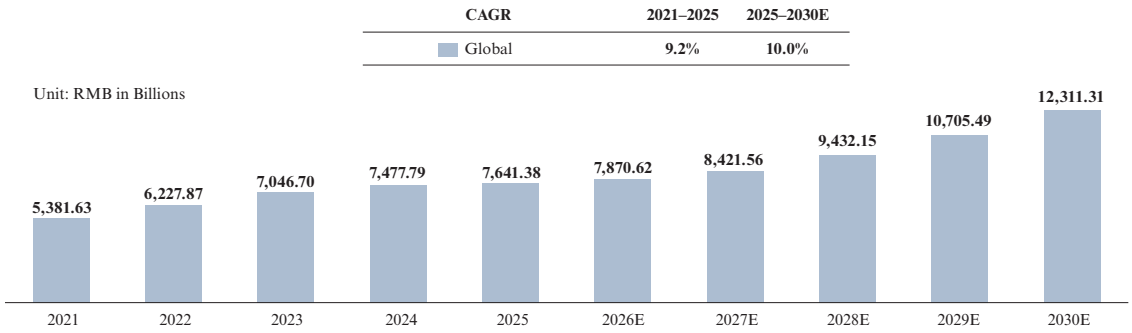
At the intelligentization stage, enterprises are increasingly integrating big data, artificial intelligence, cloud computing, and other advanced technologies to build self-optimizing decision-making frameworks. This enables real-time operational awareness, intelligent analytics, and automated decision execution, which significantly improve management efficiency, execution accuracy, and business responsiveness.

In advancing digitalization, enterprises commonly face challenges such as complex business processes, insufficient system coordination, inconsistent data definitions, and difficulties in quantifying digitalization outcomes. In addition, some digitalization initiatives suffer from inadequate understanding of business scenarios and limited alignment between proposed solutions and actual operational practices. Service providers with deep business insights and the capability to effectively integrate digital technologies into enterprise operating scenarios are more likely to support continued implementation of digitalization.

Global Scale of Investment in Enterprise Digitalization

Driven by the growing demand for data-driven decision-making, intelligent manufacturing, and enterprise IT modernization, the global scale of investment in enterprise digitalization increased from RMB5,381.63 billion in 2021 to RMB7,641.38 billion in 2025, representing a CAGR of 9.2%. With continued investment in digital infrastructure and intelligent systems, the global scale of investment in enterprise digitalization is expected to reach RMB12,311.31 billion by 2030, demonstrating a sustained long-term growth trajectory.

Global Scale of Investment in Enterprise Digitalization (2021-2030E)

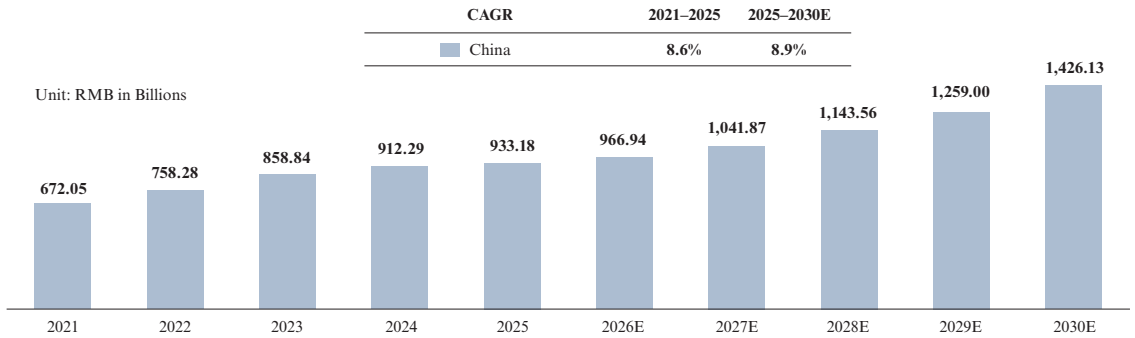


Source: International Telecommunication Union, Frost & Sullivan Report

China's Scale of Investment in Enterprise Digitalization

Driven by industry upgrade, continued improvement in digital infrastructure, and the growing demand for enhanced competitiveness, China's scale of investment in enterprise digitalization has continued to expand, increasing from RMB672.05 billion in 2021 to RMB933.18 billion in 2025, representing a CAGR of 8.6%. As enterprise digitalization continues, broader deployment of artificial intelligence and strengthened data security systems are expected to further accelerate investment growth. China's scale of investment in enterprise digitalization is expected to reach RMB1,426.13 billion by 2030, representing a CAGR of 8.9% from 2025 to 2030.

China's Scale of Investment in Enterprise Digitalization (2021-2030E)



Source: China Academy of Information and Communications Technology, Frost & Sullivan Report

Drivers and Trends of the Enterprise Digitalization Market

Sustained Investment Driving the Progression of Enterprise Digitalization

In light of enterprises' increasing reliance on data and intelligent technologies and competitive pressure, the form of enterprise digitalization is shifting from short-term, project-based initiatives to long-term strategic planning. It is widely recognized that digital capabilities now constitute essential infrastructure for competitiveness and innovation. Across research and development, manufacturing, and client engagement, continued investment in enterprise digitalization fosters

establishment of data-centric operating systems. Capital and talent are increasingly allocated to cloud platforms, data hubs, and AI capabilities, strengthening the digital foundation, eliminating data silos, and enabling dynamic resource allocation and precise decision-making.

Intelligent Technologies Accelerating the Shift from Digital Process Management to Intelligent Decision-making

With rapid maturation of AI and big data, enterprise digitalization is gearing from digital management toward intelligent decision-making. Early-stage digitalization primarily focused on data capture, workflow optimization, and automation. Today, enterprises are increasingly leveraging intelligent algorithms for business insights, predictive analytics, and scenario-based planning, enabling more scientific, accurate strategic decision-making. The essence of intelligentization lies not in simple technological substitution, but in building a data-driven decision architecture that enables rapid response and adaptive adjustment in dynamic market environments.

Security and Controllability Becoming Critical Priorities in Enterprise Digitalization

Enterprise digitalization is emphasizing more on data sovereignty, controllability, and secure deployment models to address data security and privacy concerns. Regulatory requirements, cybersecurity standards, and industry-specific compliance frameworks call for prioritizing security-centric system architectures. On-premises deployment has become a key approach to ensuring system control, protecting core data assets, strengthening access governance, and maintaining business continuity and regulatory compliance. This model is particularly critical for highly regulated industries such as manufacturing, healthcare, and public services.

Deep Industry-Specific Application Becoming the Focus of Implementing Enterprise Digitalization

As enterprise digitalization progresses from conceptual exploration to large-scale implementation, its focus shifts toward scenario-based and industry-specific digitalization applications. Instead of adopting generic and standardized systems, current initiatives emphasize tailored system architectures and refined integration that align with sector-specific processes. By combining domain expertise with internal and external IT capabilities, enterprises are applying data analytics and intelligent technologies to improve functions such as manufacturing management, quality control, supply chain collaboration, and client engagement. This approach enhances operating efficiency and strengthens closed-loop management.

Entry Barriers of Enterprise Digitalization Market

The enterprise digitalization market is characterized by relatively high entry barriers for large enterprises, as providers are required to possess capabilities in solution design, system integration and project delivery. In addition, industry know-how, client trust and implementation experience increase the difficulty for new entrants to establish a competitive position in the short term.

Threats and Challenges of China's Enterprise Digitalization Market

China's enterprise digitalization market faces several challenges, including the complexity of integrating digital solutions with legacy systems and coordinating implementation across multiple business functions. In addition, differences in digital maturity and data interoperability may prolong project cycles and affect implementation results.

Competitive Landscape of China's Enterprise Digitalization Market

China's enterprise digitalization market remains highly fragmented, with participants including enterprise hardware and software providers, system integrators and digital solution service providers. Competition is driven primarily by industry know-how, integration capability, delivery quality and the ability to provide end-to-end solutions tailored to enterprise needs. As enterprises

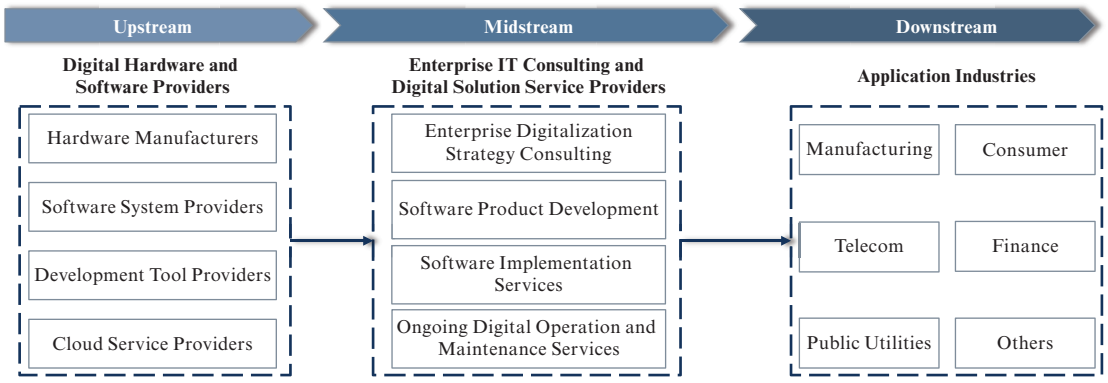
increasingly pursue deeper and more comprehensive digital transformation, market participants with stronger cross-functional service capabilities and proven implementation experience are expected to gain competitive advantages.

OVERVIEW OF ENTERPRISE IT CONSULTING AND DIGITAL SOLUTION SERVICES INDUSTRY

Enterprise IT consulting and digital solution services refer to a comprehensive digital service system built on information technologies and integrating digital strategy consulting, software product development, system implementation, and ongoing operations and maintenance. The core objective is to systematically analyze and optimize enterprise business processes, management frameworks, and IT architecture, delivering full-lifecycle solutions that span digital strategy formulation, system construction, software deployment, and continued operation support. These services include digital consulting, information system integration, business process digitalization, and the implementation and customized configuration of enterprise software such as ERP, CRM, supplier relationship management (SRM), and MES. In addition, proprietary platforms and products may be incorporated to provide clients with integrated technical support and ITO services.

The enterprise IT consulting and digital solution services industry represents a specialised professional service sub-sector within the enterprise digitalization industry. It primarily focuses on providing consulting, customised software implementation and ongoing operation and maintenance support in connection with enterprises' digital transformation processes, and does not directly involve the sale of hardware equipment or cloud services. Revenue of this sub-segment is primarily derived from the provision of customised services. Unlike standalone software products, enterprise IT consulting and digital solution services emphasize more on scenario-based implementation and long-term service continuity. The approach focuses on the alignment of technology and business requirements, ensuring system efficiency, scalability, and seamless integration into real operating environments, ultimately enabling business intelligentization and sustainable development for enterprises.

Value Chain of the Enterprise IT Consulting and Digital Solution Services Industry



Source: Frost & Sullivan Report

The value chain of the enterprise IT consulting and digital solution services industry can be categorized into upstream, midstream, and downstream segments, with diverse participants. The upstream segment primarily includes hardware manufacturers, software system providers, development tool providers, and cloud service providers, which together form the digital infrastructure. Hardware manufacturers provide servers, storage systems, network equipment, and terminal devices, delivering the computing power and runtime environment required for digital applications. Software system providers, such as SAP and Oracle, offer core system frameworks that support software development and enterprise applications. Development tool providers supply

efficient development, testing, and collaboration toolsets. Meanwhile, cloud service providers deliver expandable computing and deployment capabilities through IaaS, PaaS, and other cloud service models.

At the core of the value chain, the midstream segment consists of enterprise IT consulting and digital solution service providers. Their businesses include enterprise digitalization strategy consulting, software product development, software implementation services, and ongoing digital operation and maintenance services. Enterprise digitalization strategy consulting focuses on strategic digitalization planning and business process optimization, supporting the transition from informatization to intelligent digital operations. Software product development represents the innovation engine of the industry*, with enterprises building proprietary platforms or solutions to establish long-term technical differentiation. Software implementation services involve solution design, system integration, and deployment based on client-specific requirements. The ongoing digital operation and maintenance services ensure long-term performance stability, continued optimization, and user retention. Enterprise IT consulting and digital solution services providers often adopt a hybrid model integrating proprietary products with third-party systems. Through integration by functional components and flexible configuration, they achieve functional complementarity and system synergy to enhance overall solution performance and implementation effectiveness. They generally possess industry know-how and domain expertise, enabling them to deliver customized development and consulting services aligned with client business scenarios.

The upstream and midstream segments of the enterprise IT consulting and digital solution services value chain are clearly differentiated in terms of business focus, scope of services, business model and market positioning. Although certain upstream vendors may provide limited ancillary services in relation to their products, such services are fundamentally different from the independent and integrated services that combine various upstream products and capabilities provided by midstream enterprise IT consulting and digital solution services providers.

	Upstream- Digital Hardware and Software Provider	Midstream- Enterprise IT Consulting and Digital Solution Services Provider
Core Business	Primarily engaged in the sale of basic hardware, software licenses, SaaS subscriptions, development tools.	Primarily engaged in digital transformation strategy consulting, customized software product development, software implementation services and ongoing digital operation and maintenance services.
Value to Customers	Provide enterprise customers with general-purpose digital products and underlying technology capabilities.	Combine general-purpose upstream products with customers' specific business scenarios and, through more integrated solution design and delivery, facilitate the implementation of digital technologies and promote the deep integration of business operations and IT systems.
Substitutability	Products are generally not able to directly satisfy the individualized business needs of large or complex organizations.	As a link connecting technology supply with practical enterprise applications, they are essential to the effective implementation of digital solutions.
Market Position	Differ fundamentally from midstream providers in terms of market positioning, and generally do not specialize in or directly provide consulting services. More often maintain an ecosystem-based cooperative relationship with midstream providers.	Generally do not directly compete with upstream service providers, but instead form a complementary relationship with them.

Source: Information Technology Service Sub-association of Chinese Electronics Standardization Association, Frost & Sullivan

The downstream segment covers enterprise users across industries. Compared with small and medium-sized enterprises, large enterprises typically operate with greater organizational and business complexity and require higher system implementation capabilities, and are thus in need of IT consulting and digital solution providers that can closely align with industry characteristics and support a broader range of business scenarios. Digitalization requirements vary significantly across downstream industries, such as manufacturing, consumer goods, finance, energy, and

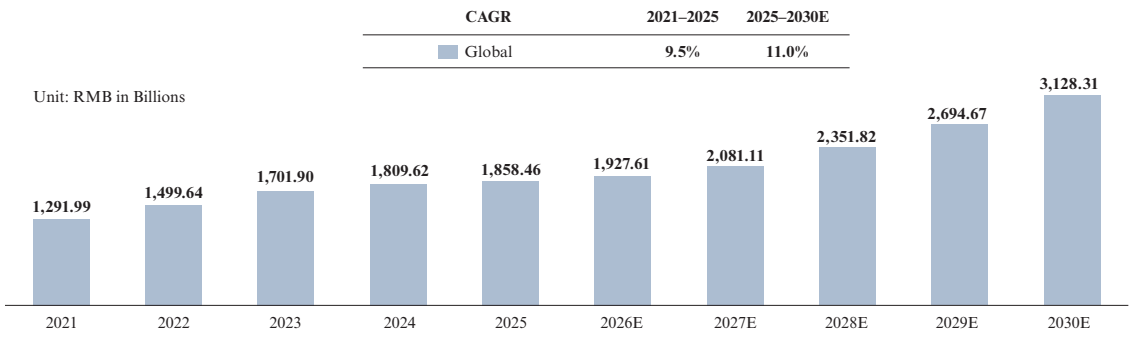
* The innovation engine of the industry refers to the central role of software product development and related technological innovation in driving the upgrading of demand and the iteration of solutions within the enterprise IT consulting and digital solution services market. By enabling the development of new functionalities and new application scenarios, such innovation continuously propels the evolution of service offerings across the industry.

telecommunications. Manufacturing enterprises tend to prioritize the digital coordination of production, supply chains, and operating processes, while consumer-oriented enterprises place greater emphasis on user operations, channel management, and data analytics capabilities. Across all sectors, enterprises continue to demonstrate growing demand for enhanced system integration and improved operating efficiency.

Market Size of Global Enterprise IT Consulting and Digital Solution Services

Driven by the accelerating global digitalization and business model innovation, the market size of global enterprise IT consulting and digital solution services expanded from RMB1,291.99 billion in 2021 to RMB1,858.46 billion in 2025, representing a CAGR of 9.5%. With broader adoption of generative AI, enterprise data platforms, and industry-specific customized digital solutions, the market is entering an intelligentization-driven development phase. The market size is expected to increase to RMB3,128.31 billion in 2030, representing a CAGR of 11.0% from 2025 to 2030.

Market Size of Global Enterprise IT Consulting and Digital Solution Services (2021-2030E)



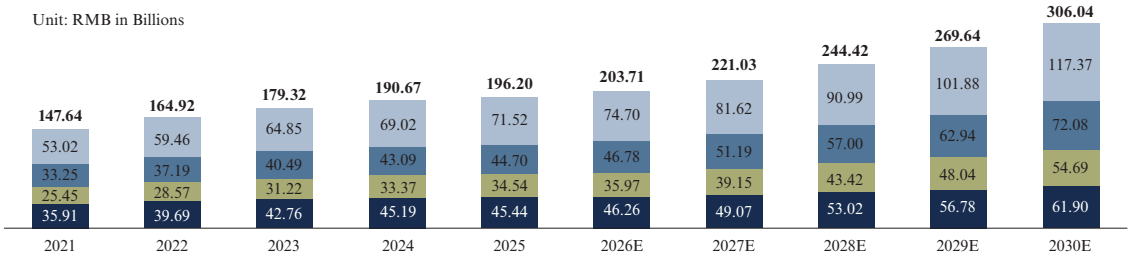
Source: International Telecommunication Union, Frost & Sullivan Report

Market Size of China's Enterprise IT Consulting and Digital Solution Services

Driven by increasing demand for enterprise digital infrastructure development and improvements in proprietary products, the market size of China's enterprise IT consulting and digital solution services expanded from RMB147.64 billion in 2021 to RMB196.20 billion in 2025, representing a CAGR of 7.4%. In terms of application sectors, manufacturing remains the largest source of demand, accounting for 36.5% of the market in 2025, supported by growing needs in industrial automation, equipment connectivity, and manufacturing workflow optimization. Demand from the manufacturing sector is also underpinned by enterprises' increasing emphasis on production efficiency and digitalized factory management a which continues to support the sector's leading market position. In the consumer sector, driven by increasing investment in client operations, supply chain management, and data analytics, its market size expanded from RMB33.25 billion in 2021 to RMB44.70 billion in 2025, representing a CAGR of 7.7%. As consumer-facing enterprises continue to strengthen omni-channel operations and refine user engagement strategies, demand for digital solutions in this segment is expected to remain resilient. Fueled by the widespread adoption of online financial services and upgrades in risk control systems, the financial sector has become the fastest-growing one of China's enterprise IT consulting and digital solution services market. Its market size increased from RMB25.45 billion in 2021 to RMB34.54 billion in 2025, representing a CAGR of 7.9%. Ongoing requirements for system security, regulatory compliance and intelligent risk management are expected to continue driving demand from corporate financial management. The deepening digitalization across industries such as manufacturing, consumer, and financial will continue to support sustained growth in China's enterprise software and digital solutions market. The overall market size is expected to increase to RMB306.04 billion in 2030, representing a CAGR of 9.3% from 2025 to 2030. Supported by accelerating adoption of intelligent manufacturing, industrial internet systems, and AI-driven quality control solutions, the manufacturing sector will remain the core growth engine, with its market size expected to reach RMB117.37 billion by 2030.

Market Size of China's Enterprise IT Consulting and Digital Solution Services (2021-2030E)

CAGR	2021–2025	2025–2030E
Manufacturing	7.8%	10.4%
Consumer	7.7%	10.0%
Finance	7.9%	9.6%
Others	6.1%	6.4%
Total	7.4%	9.3%



Source: China Academy of Information and Communications Technology, Frost & Sullivan Report

Drivers of China's Enterprise IT Consulting and Digital Solution Services Market

Growing Demand for Enterprise Digitalization

To remain competitive in the global business environment, enterprises face increasing demand to upgrade digital capabilities in operation management, supply chain coordination, client engagement, and financial control. Traditional manual processes, paper-based reporting, and siloed systems are no longer adequate, prompting wider adoption of CRM, financial, and HR management systems. Going forward, enterprises are expected to rely more on integrated digital platforms to connect core functions and establish end-to-end data governance and process management.

Data-Factor Market Development and "Data Asset Recognition" Driving New Demand

With data formally recognized as a production factor alongside land, labor, and capital, its circulation and assetization are creating new demand for digital solutions. Enterprises increasingly require data governance, asset management, and analytics systems to standardize data-collection and quality control, ensuring traceability and compliance. This shift is accelerating the deployment of business intelligence (BI) platforms, data middle platforms, and data management tools as key components of enterprise digital infrastructure.

Policy Driving Enterprise Digitalization Development

Policy initiatives continue to provide strong momentum for the enterprise IT consulting and digital solution services market. In recent years, national and sectoral authorities have issued a series of policies supporting the development of digital economy, intelligent manufacturing, and innovation in information technology applications. The 15th Five-Year Plan proposals in China emphasize advancing service-sector digitalization, upgrading the software and IT services industry, and accelerating the build-out of new digital infrastructure such as the industrial internet, AI, and big data. Meanwhile, local governments have introduced digital-economy development plans and enterprise-digitalization support policies. These policies collectively provide a clear regulatory environment, standard framework, and market direction for IT consulting digital solution providers, reducing overall industry uncertainty. The Special Action Plan for Digital Empowerment of Small and Medium-sized Enterprises (2025–2027) 《中小企業數字化賦能專項行動方案(2025–2027年)》, which proposes to encourage leading enterprises to collaborate with industrial software companies to develop dedicated digital tools, and to foster a portfolio of "small, fast, lightweight and precise" digital products and solutions. Such policy is conducive to enabling the Company to leverage its existing customer base and industry understanding to participate in the promotion and

implementation of IT consulting and digital solution services tailored for small and medium-sized enterprises, thereby enhancing its business penetration and expandable service capabilities. The Implementation Guidelines for the Digital Transformation of Manufacturing Enterprises《製造業企業數字化轉型實施指南》, which advocate a scenario-based digitalization approach as the entry point for formulating enterprise digital transformation roadmaps. The substantial digitalization demand arising under such policy guidance provides the Company's enterprise IT consulting and digital solution services with sustained and expanding application scenarios.

Industry-Specific Needs Driving Growth in Vertical Sectors

Industry-specific and customized solution requirements have become more prominent. Manufacturing focuses on equipment connectivity, quality optimization, and energy management. Retail emphasizes omnichannel client operations and inventory management. Finance and other regulated sectors place greater weight on data security, compliance, and process automation. These differentiated needs are fueling growth in industry-specific ERP, supply chain management, and client operations platforms, driving vendors to shift from generic offerings to more verticalized, scenario-based solutions.

Trends of China's Enterprise IT Consulting and Digital Solution Services Market

AI-Enabled Transformation of Enterprise Software and Services

AI currently is recognized as a key factor in enhancing enterprise management systems. Its integration is shifting enterprise software from process-execution tools toward decision-support and knowledge-management platforms, improving information processing and business insights through natural language processing, intelligent analytics, and model-based learning. The application of generative AI and large models further expands the boundaries of enterprise systems, enabling higher levels of automation and intelligentization in operating decision-making.

Chinese Enterprise Software Going Global with a "Deep Operations" Model

Chinese enterprise software business is transitioning from mere export delivery to long-term, systematic overseas operations. Instead of relying solely on software delivery, enterprises now emphasize on-premises deployment, ecosystem partnerships, and ongoing services to enhance project stability and user engagement. This shift reflects stronger adaptation to local regulatory, cultural, and business environments, effecting a transition toward integrated operating engagement in their globalization efforts.

Low-Code and PaaS Platforms Accelerating Software Agility and Integration

Development platforms with less coding requirements and PaaS platforms offer more flexible pathways for system development and integration. Their componentized and visual development capabilities reduce technical barriers and enable systems to adapt quickly to business changes and cross-department collaboration. This has driven a shift from centralized, IT-led development toward distributed, multi-business-unit collaboration, improving delivery speed and organizational responsiveness.

Development of Proprietary Products Supporting a More Localized Ecosystem

Driven by policy priorities and supply chain security requirements, proprietary products have become an important focus of enterprise digitalization. Domestic Chinese vendors are accelerating the development of their own frameworks, databases, and middleware, strengthening compatibility, performance, and security within locally built technology stacks. This trend reduces dependence on external systems and supports the formation of a localized ecosystem centered on domestic operating systems, databases, and PaaS platforms, providing enterprises with more controllable and sustainable digital infrastructure.

Entry Barriers of Enterprise IT Consulting and Digital Solution Services Market

The enterprise IT consulting and digital solution services market is characterized by relatively high entry barriers for large enterprises, as providers are required to possess integrated capabilities across strategy consulting, solution design, software implementation and ongoing operation and maintenance services. In addition, cross-vendor integration capability, project delivery experience and established client relationships increase the difficulty for new entrants to compete effectively in the short term.

Threats and Challenges of China's Enterprise IT Consulting and Digital Solution Services Market

China's enterprise IT consulting and digital solution services market faces several challenges, including the complexity of coordinating consulting, implementation and ongoing service delivery across different enterprise systems and business functions. In addition, long project cycles, diversified client demands and evolving technologies may increase delivery difficulty and affect service efficiency and project results.

Competitive Landscape of China's Enterprise IT Consulting and Digital Solution Services Market

China's enterprise IT consulting and digital solution services industry remains relatively fragmented, characterized by multi-layered competition.* 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. Overall, competition is shifting from single-product offerings to integrated solutions and service capabilities. Single-product offerings refer to solutions in which a single software product or functional module constitutes the primary deliverable, with a focus on the standalone functionality of the product, and which are typically insufficient to address enterprise-wide business processes or system integration requirements. In contrast, integrated solutions refer to holistic solutions that are structured around enterprises' specific business scenarios, integrating multiple software products, technology platforms, and implementation and ongoing services to deliver solutions covering system construction, operation and continuous optimization. With policy support for secure and proprietary products and the deepening of enterprise digitalization, the market share of domestic vendors is expected to gradually increase.

Ranking of China's Enterprise IT Consulting and Digital Solution Service Providers

In 2025, the market size of China's enterprise IT consulting and digital solution services reached RMB196.20 billion, and the top six service providers in terms of revenue accounted for a combined 14.3% market share. Our Company ranked fourth nationwide and first among domestic Chinese enterprises, with a 1.7% market share.

* Multi-layered competition refers to the fact that competition in the enterprise IT consulting and digital solution services industry is not limited to pricing or scale, but instead spans multiple dimensions, including customization capabilities, technical expertise, depth of understanding across diverse customer industries, and the maturity of solution offerings.

The following table sets forth the ranking of China's enterprise IT consulting and digital solution service providers in 2025.

Ranking	Company	Revenue (*RMB in Billions*)	Market Share
1	Company A[(1)]	7.70	3.9%
2	Company B[(2)]	7.11	3.6%
3	Company C[(3)]	5.01	2.6%
4	Our Company	3.42	1.7%
5	Company D[(4)]	2.85	1.5%
6	Company E[(5)]	2.07	1.1%
	Others	168.05	85.7%
Total		196.20	100%

Source: Expert Interviews, Frost & Sullivan Report

Notes:

(1) Company A is a listed company founded in 1911 and headquartered in the United States, primarily engaging in developing and supplying enterprise IT consulting and digital solution services.

(2) Company B is a listed company founded in 1989 and headquartered in Ireland, primarily engaging in developing and supplying enterprise IT consulting and digital solution services.

(3) Company C is a private company founded in 1845 and headquartered in the United Kingdom, primarily engaging in developing and supplying enterprise IT consulting and digital solution services.

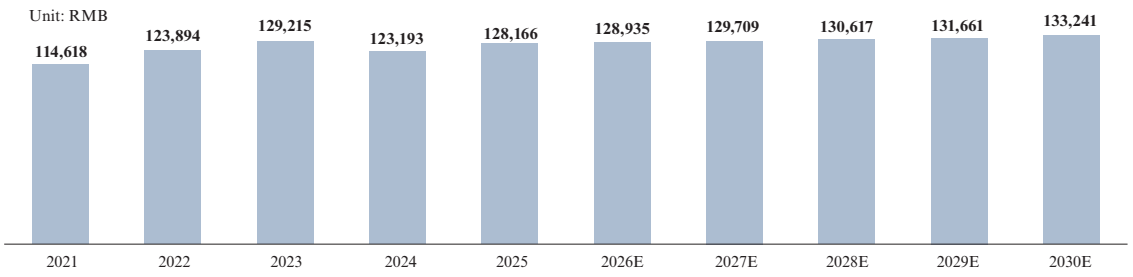
(4) Company D is a private company founded in 1998 and headquartered in the United Kingdom, primarily engaging in developing and supplying enterprise IT consulting and digital solution services.

(5) Company E is a listed company founded in 2005 and headquartered in China, primarily engaging in developing and supplying enterprise IT consulting and digital solution services.

Cost Analysis of China's Enterprise IT Consulting and Digital Solution Service

Labor cost constitutes the primary cost in enterprise IT consulting and digital solution service. From the historical and projected labor cost perspective, despite minor fluctuations in certain periods, the average annual compensation of industry practitioners generally exhibits an upward trend, reflecting sustained demand for professional technical personnel and multidisciplinary talent. As enterprises' digital transformation initiatives continue to deepen, requirements for consulting capabilities, industry-specific expertise and system implementation experience have increased, resulting in labor costs remaining at a relatively elevated level across the industry. Against the backdrop of a gradual weakening of demographic dividends, a tightening labor supply, and intensifying competition for high-end IT talent, labor costs within the industry are expected to continue to trend upward, with compensation levels potentially further increasing.

Average Annual Income of Employees in China's Enterprise IT Consulting and Digital Solution Service, 2021–2030E



Source: National Bureau of Statistics of China, Frost & Sullivan Report

Entry Barriers of Enterprise IT Consulting and Digital Solution Services Market

Client Acquisition and Retention

Enterprise clients typically have long decision cycles when selecting and implementing digital solutions, which require multiple rounds of proposal evaluation, internal justification, and compliance and risk reviews. Once a solution is deployed and deeply integrated with business processes, management systems, and data structures, switching service providers entails substantial costs, including process adjustments, system reintegration, and organizational retraining. Through ongoing consulting, implementation, and operating support, service providers build strong client stickiness, with relationships evolving from single projects into long-term service engagements, which form one of the most significant entry barriers in the market.

Business Understanding and Consulting Capability

Digital solutions must be closely integrated with clients' management processes and business logic. Service providers need not only software delivery capabilities but also industry consulting and process-optimization expertise to align technical solutions with operating practices. Without sufficient industry knowledge or methodology, even mature products would struggle to achieve effective implementation and client trust.

Proprietary Products and Core Architecture

Key competitiveness in enterprise IT consulting and digital solution services market depends heavily on the completeness and controllability of the underlying technology stack. Service providers with proprietary products and technical foundations benefit from stronger system stability, reuse of functional components, and customization capabilities. These technology foundations are typically refined over a long time and deeply integrated with their own application ecosystems, making it difficult for new entrants to achieve comparable levels of compatibility, performance, and integration depth.

AI Application and System Integration

As AI becomes more widely embedded in enterprise software, the depth of AI-business system integration has emerged as a key barrier. Established service providers are able to incorporate intelligent analytics, predictive decision-making, and natural language interaction into core functions such as finance, supply chain, manufacturing, and marketing, while ensuring seamless interoperability with existing systems. AI's value lies in improving business processes rather than replacing single functions, and entrants without experience in cross-system integration or industry-specific AI applications face challenges in delivering stable deployments for enterprise clients.

Integration Delivery and Long-Term Operations

Enterprise digitalization projects are complex and multi-stage, involving system design, implementation, data migration, and ongoing support. Successful delivery requires not only technical capabilities but also robust project management and service systems. Established service providers build strong reputations through reliable delivery and sustained operations, creating a meaningful advantage in serving large enterprise clients.

OVERVIEW OF ENTERPRISE AI APPLICATION MARKET

As enterprise digitalization advances, AI application is becoming a key development focus within enterprise IT consulting and digital solution service frameworks. Enterprise AI application refers to the systematic integration of AI technologies into enterprise management and operations. By leveraging machine learning, natural language processing, knowledge graphs, and related methods to analyze and model internal and external data, these applications enhance operating efficiency, optimize resource allocation, reduce manual workload, and strengthen the intelligence level of business decision-making.

Core Use Cases and Values of Enterprise AI Application

The value of enterprise AI application is primarily reflected in decision-making, process optimization, and resource allocation. By enabling intelligent data analysis and scenario-based applications, AI enhances operating efficiency across core functions such as marketing, manufacturing, supply chain, and finance, while supporting the shift toward more intelligent, predictive, and adaptive management models.

- ***Intelligent Marketing and Client Operations.*** AI technologies enable precise marketing and client relationship management through user profiling, behavioral analytics, and content generation. Systems can automatically adjust targeting strategies and communication content based on client characteristics, improving conversion rates and client engagement.

- ***Intelligent Manufacturing and Quality Optimization.*** In manufacturing, AI software analyzes manufacturing data, equipment conditions, and quality inspection results in real time to enable predictive maintenance, process optimization, and defect detection. These capabilities reduce unplanned downtime, improve yield and energy efficiency, and support lean manufacturing and cost control.

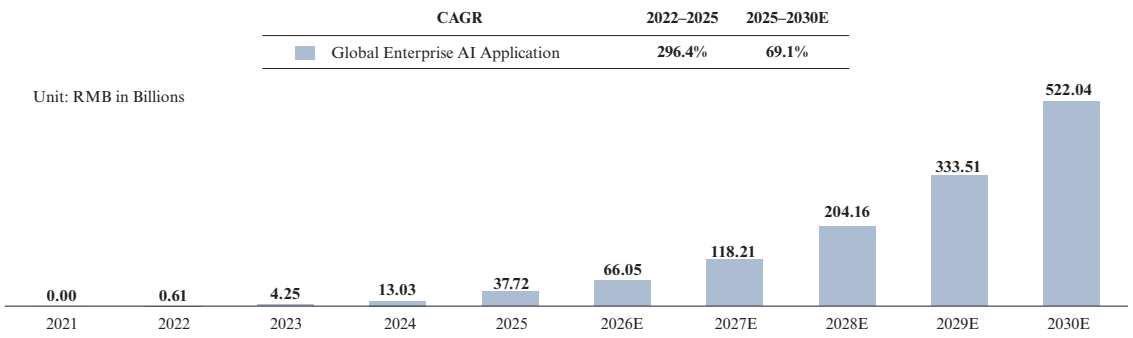
- ***Intelligent Supply Chain Management.*** AI-driven supply chain systems support end-to-end coordination and predictive management from procurement and inventory to logistics. By analyzing multi-dimensional data, enterprises can enhance supply chain responsiveness and stability, reduce redundancy and waste, and build more resilient and transparent supply chain operations.

- ***Intelligent Finance and Risk Management.*** AI enhances automation and intelligence in financial management, covering invoice recognition, cost accounting, budgeting analytics, and risk identification. Through real-time monitoring and anomaly detection, such systems help improve capital efficiency, enhance financial transparency, and strengthen internal controls and risk mitigation.

Market Size of Global Enterprise AI Application

The global enterprise AI application market entered an early growth and acceleration phase in 2022. As generative AI technologies advanced and demand for intelligent management increased, AI became widely embedded in software for enterprise clients. The market expanded from RMB0.61 billion in 2022 to RMB37.72 billion in 2025. Strong growth is expected to continue, with the market size projected to reach RMB522.04 billion by 2030, representing a CAGR of 69.1% from 2025 to 2030. North America began adopting enterprise AI applications earlier and has reached relatively high maturity in intelligent analytics, automated decision-making, and generative AI use cases. Asia Pacific is experiencing rapid expansion, supported by accelerating enterprise digitalization, which is expected to remain a key driver of future growth.

Market Size of Global Enterprise AI Application (2021-2030E)

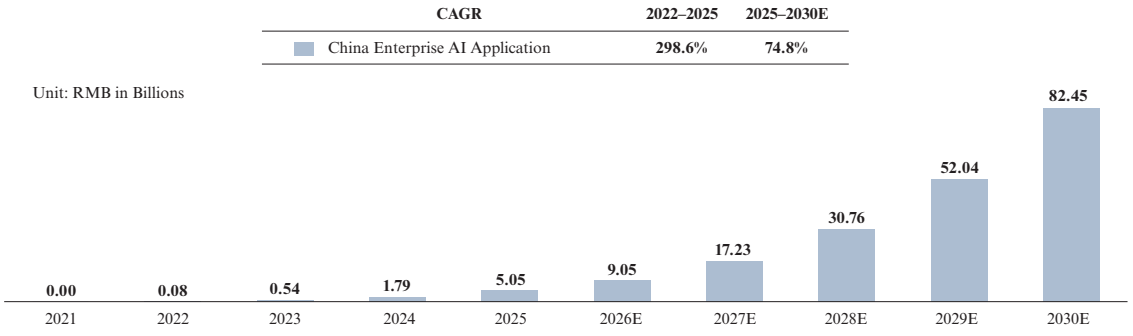


Source: Frost & Sullivan Report

Market Size of China's Enterprise AI Application

Domestic Chinese enterprises have shown significantly stronger willingness to invest in and adopt intelligentization since 2023. The market expanded from RMB0.08 billion in 2022 to RMB5.05 billion in 2025, representing a CAGR of 298.6% from 2022 to 2025, which makes it the fastest-growing market globally. Such high growth is expected to continue over the next five years, with the market size projected to reach RMB82.45 billion by 2030, representing a CAGR of 74.8%. This rapid expansion reflects domestic Chinese enterprises' strong inclination to experiment with and adopt AI-driven digitalization. With strengthening policy support and continued improvement of domestic computing infrastructure and platform ecosystems, the application of AI software across enterprise scenarios is expected to broaden further, pushing the market into a phase of accelerated penetration.

Market Size of China's Enterprise AI Application (2021-2030E)



Source: Frost & Sullivan Report

Drivers and Trends of China's Enterprise AI Application Market

Strengthening Data and Computing Infrastructure

Data and computing capacity form the foundation of enterprise AI adoption. As data governance improves and the data-factor market develops, enterprises are enhancing data quality and assetization. In parallel, domestic computing platforms and intelligent computing centers continue to expand, with GPU, NPU, and other heterogeneous clusters supporting large model training and inference. In addition, service providers are advancing proprietary large model and computing resource management platform to improve deployment efficiency and cost control. Meanwhile, progress in data security and compliance standards is making AI applications for enterprise clients safer and more reliable.

Deep Integration of AI with Enterprise Operations and the Emergence of Intelligent Agents

AI technologies are evolving from supplementary tools into core enablers of enterprise operations. Enterprises begin to embed intelligent decision-making mechanisms across strategic planning, supply chain, marketing, finance, and human resources, enabling greater adaptability and self-optimization. As large models are integrated with industry knowledge graphs, AI systems are progressing toward intelligent agents for enterprise clients capable of continuous learning and collaborative decision-making, supporting a shift in enterprise operations from process-driven models to knowledge- and data-driven approaches.

Dual Drivers of Policy Support and Technology Development

AI has become a national strategic priority, and policy initiatives such as "AI+" programs are incentivizing deeper integration of AI across manufacturing, finance, government services, and other sectors. Technology development, including algorithm optimization, model compression, cloud computing, and edge computing, are reducing deployment barriers. At the same time, the rise of AI as a service (AIaaS) enables enterprises to access AI capabilities on demand, accelerating the shift from traditional information systems toward more intelligent software architectures.

Entry Barriers of Enterprise AI Application Market

The enterprise AI application market is characterized by high entry barriers driven by long client decision cycles and significant switching costs once solutions are integrated into core business workflows. Effective deployment requires strong industry expertise and consulting capabilities to translate AI into practical business outcomes. In addition, providers benefit from proprietary platforms and mature technology stacks, which enhance system stability and scalability and are difficult for new entrants to replicate in the short term.

Threats and Challenges of China's Enterprise AI Application Market

China's enterprise AI application market faces several key challenges, including increasing compliance, data security and model governance requirements, which add to operational complexity and costs. At the same time, implementation remains complex, as AI solutions require deep integration with core enterprise systems and business processes, leading to longer deployment cycles and uncertain near-term returns. In addition, fragmented data architectures and inconsistent data quality continue to constrain effective AI deployment.

Competitive Landscape of China's Enterprise AI Application Market

China's enterprise AI application market remains at an early stage and is highly fragmented, with no clear dominant players. Participants include enterprise software vendors, IT consulting and system integrators, and AI platform or AIaaS providers. Competition is currently driven by solution integration capability, industry applicability, and delivery execution rather than scale. As adoption expands beyond pilot projects, differentiation is expected to increasingly depend on system integration depth and sustained delivery capability.

SOURCES OF INFORMATION

We commissioned Frost & Sullivan, an independent global consulting firm founded in 1961 in New York that offers industry consulting, market strategic consulting, and corporate training to conduct a detailed research on and analysis of the enterprise digitalization industry in China and globally in respect of the [REDACTED]. We have agreed to pay a fee of RMB500,000 to Frost & Sullivan in connection with the preparation of the Frost & Sullivan Report. The Frost & Sullivan Report has been prepared by Frost & Sullivan independently without any influence from us or the interested parties. We have extracted certain information from the Frost & Sullivan Report in this section, as well as in "Summary," "Risk Factors," "Business," "Financial Information," and elsewhere in this document to provide our potential [REDACTED] with a more comprehensive presentation of the industries where we operate.

INDUSTRY OVERVIEW

During the preparation of the Frost & Sullivan Report, Frost & Sullivan performed both primary and secondary research, and obtained knowledge, statistics, information, and industry insights on the industry trends of the target research markets. Primary research involved discussing the status of the industry with certain major industry participants, and interviewing industry experts on a best-effort basis to collect information to aid in-depth analysis. Secondary research involved reviewing government, statistics, industry association publication, company reports, independent research reports, and data based on Frost & Sullivan's own research database. Frost & Sullivan has independently verified the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected.

REGULATORY OVERVIEW

This section sets out a summary of the most significant rules and regulations affecting our business activities in China.

REGULATIONS RELATING TO FOREIGN INVESTMENT

Foreign Investment Regulation

The establishment, operation and management of our PRC companies are governed by the Company Law of the PRC (中華人民共和國公司法) (the "**Company Law**"), as promulgated in 1993 by the Standing Committee of the National People's Congress (the "**SCNPC**") and newly amended in 2023 and came into effect on July 1, 2024, which applies to all PRC companies including foreign-invested companies, except where foreign-investment related laws provide otherwise. According to the Company Law, companies established in the PRC are either limited liability companies or joint stock limited liability companies.

On March 15, 2019, the NPC approved the Foreign Investment Law of the PRC (中華人民共和國外商投資法), which sets out the regulatory framework for foreign investments and pursuant to which (i) foreign natural persons, enterprises or other organizations (collectively, the "**foreign investors**") shall not invest in any sector prohibited as specified in the negative list for access of foreign investment, (ii) for any sector restricted by the negative list, foreign investors shall conform to the investment conditions provided in the negative list, and (iii) sectors not included in the negative list shall be managed under the principle of equality in treating domestic investments and foreign investments. It, together with its implementation rules, also sets forth necessary mechanisms to facilitate, protect and manage foreign investments and proposes to establish a foreign investment information report system where foreign investors or foreign-funded enterprises shall submit investment information to the competent departments of commerce through the enterprise registration system and the enterprise credit information publicity system.

The Measures for Foreign Investment Information Reporting (外商投資信息報告辦法), which was promulgated on December 30, 2019 and came into effect on January 1, 2020, sets out the details of the foreign investment information report system. Since January 1, 2020, with respect to foreign investors carrying out investment activities directly or indirectly in the PRC, foreign investors or foreign-funded enterprises shall submit investment information to the commerce authorities in accordance with these measures.

Foreign Investment Access

According to the Special Administrative Measures for Access of Foreign Investment (Negative List) (2024 Edition) (外商投資准入特別管理措施(負面清單)(2024年版)) (the "**Negative List**") promulgated on September 6, 2024 and brought into effect on November 1, 2024, foreign investors shall not invest in any field prohibited by the Negative List and shall meet the investment conditions stipulated for any field restricted by the Negative List, while for foreign investments outside the Negative List, it shall be administered under the principle of equal treatment to domestic and foreign investment. Value-added telecommunications services which fall within China's commitment to the WTO (excluding e-commerce, domestic multi-party communications, data collection and transmission services, and call centers) is a restricted industry for foreign investment, and the shareholding ratio of foreign investors shall not exceed 50%.

Pursuant to the Notice on Promulgation of "Implementing Rules of Shenzhen Stock Exchange on Securities Trading by Qualified Foreign Institutional Investors and Renminbi Qualified Foreign Institutional Investors (Revised in 2020) (關於發佈《深圳證券交易所合格境外機構投資者和人民幣合格境外機構投資者證券交易實施細則(2020年修訂)》的通知), when all qualified foreign investors and other foreign investors collectively hold 24% or more of the total A-share stocks of a single listed company, the Shenzhen Stock Exchange will, before the market open of the next trading day, announce on its website the total number of the A-share stocks of the company held by the foreign investors and such number as a percentage of the total number of the company's stocks. When, after the close of a trading day, the stocks of a listed company held by a single qualified foreign investor or other foreign investor

exceeds the shareholding limit, the qualified foreign investor or other foreign investor shall, within 5 trading days, close out the positions in excess of the shareholding limit and, as required, timely perform its obligation to disclose information related thereto.

According to the Securities Law of the PRC (中華人民共和國證券法) and the Administrative Measures on Acquisition of Listed Companies (上市公司收購管理辦法), where the shares held by an investor (including an overseas investor) through securities transactions on a stock exchange or jointly with others through an agreement or other arrangements attain 5% of the issued voting rights shares (including A-shares and H-shares) of a listed company, the investor shall submit a written report to the CSRC and the stock exchange within three days, notify the listed company and make an announcement. Whenever the investor's shares with voting rights in the said listed company are increased or reduced by 1%, the investor shall notify the listed company on the day following such occurrence, and make an announcement.

REGULATIONS RELATING TO INTERNET INFORMATION SERVICES AND VALUE-ADDED TELECOMMUNICATIONS SERVICES

Internet Information Services

According to the Administrative Measures on Internet Information Services (互聯網信息服務管理辦法) (the "**Internet Measures**"), which was promulgated by the State Council on September 25, 2000 and amended on January 8, 2011 and December 6, 2024, Internet information services are categorized as either commercial or non-commercial services. Commercial Internet information services are subject to a permit system while non-commercial Internet information services to a record-filing system. Entities engaged in providing commercial Internet information services shall apply for a license for value-added telecommunications services of Internet information services with the competent telecom administrative authority or the State Council's department in charge of the information industry. As for the operation of non-commercial Internet information services, only a filing with the competent telecom administrative authority or the State Council's department in charge of the information industry is required.

License for Value-added Telecommunications Services

According to the Administrative Measures on Telecommunications Business License (電信業務經營許可管理辦法) promulgated by the Ministry of Industry and Information Technology of the PRC (the "**MIIT**") on March 1, 2009, last amended on July 3, 2017, and subsequently effective on September 1, 2017, the telecommunications business may be operated only after a business permit has been obtained from the telecommunications administrative department in accordance with the law. According to the Telecommunications Regulations of the PRC (中華人民共和國電信條例) (the "**Telecommunications Regulations**"), which was enacted on September 25, 2000 and amended on February 6, 2016, telecommunications services are divided into basic telecommunications services and value-added telecommunications services. The telecommunications business operator shall indicate its business license number on a prominent place such as the main business premise, website homepage and business promotion materials. In addition, the holder of a value-added telecommunications services license is required to obtain approval from the original issuing authority in respect of any change of its operating entity, business scope or shareholders. In addition, according to the Classification Catalog of Telecommunications Services (2015 version) (電信業務分類目錄(2015年版)) (the "**2015 Telecom Catalog**") which came into force on March 1, 2016 and amended on June 6, 2019 by MIIT, information service fall within the value-added telecommunications services.

Foreign Investment in Valued-Added Telecommunications Business

According to the Circular of the Ministry of Information Industry of the PRC on Strengthening the Administration of Foreign Investment in Value-added Telecommunications Services (信息產業部關於加強外商投資經營增值電信業務管理的通知) promulgated by Ministry of Information Industry of the PRC (which has now been merged into MIIT) and effective on July 13,

2006, foreign investors can only operate a telecommunications business in the PRC through establishing a foreign-invested telecommunications enterprise with a valid telecommunications business operation license; domestic license holders are prohibited from leasing, transferring or selling telecommunications business operation licenses to foreign investors in any form, or providing any resource, sites or facilities to foreign investors to facilitate the unlicensed operation of telecommunications business in the PRC.

According to the Administrative Regulations for Foreign-Invested Telecommunications Enterprises (外商投資電信企業管理規定) (the "**FITE Regulations**"), promulgated by the State Council on December 11, 2001 and amended on September 10, 2008, February 6, 2016 and March 29, 2022, foreign-invested value-added telecommunications enterprises in the PRC shall be established as sino-foreign equity joint ventures, and the ultimate foreign equity ownership in a foreign-invested value-added telecommunications enterprise shall not exceed 50%. In addition, foreign-invested value-added enterprises shall obtain approvals from the MIIT or its authorized local counterparts after its establishment.

REGULATIONS RELATING TO ALGORITHM GOVERNANCE

The Administrative Provisions on Internet Information Service Algorithm-Based Recommendation (互聯網信息服務算法推薦管理規定) (the "**Algorithm Recommendation Provisions**"), which took effect on March 1, 2022, implement classification and hierarchical management for algorithm-based recommendation service providers based on various criteria. The Algorithm Recommendation Provisions also require the algorithmic recommendation service providers to establish and improve the management systems and technical measures for algorithm mechanisms and to provide users with options that will not target their personal profiles or convenient options to close algorithmic recommendation services.

The CAC, the MIIT, and the Ministry of Public Security jointly issued the Administrative Provisions on Deep Synthesis of Internet Information Services (互聯網信息服務深度合成管理規定), which implemented from January 10, 2023. The Regulations clearly stipulate that the use of deep synthesis technology to provide Internet information services within the territory of the PRC is subject to these regulations. The general provisions of deep synthesis services are specified, emphasizing that deep synthesis services must not be used for activities prohibited by laws and administrative regulations. The Regulations require deep synthesis service providers to implement the main responsibility for information security, establish sound management systems and technical security measures, formulate public management rules and platform conventions, authenticate the real identity information of users, strengthen deep synthesis content management, establish sound rumor-refuting mechanisms and complaint and reporting mechanisms. Deep synthesis service providers and technical support providers are required to strengthen training data management and technical management, ensure data security, not illegally process personal information, and regularly review, evaluate, and verify algorithm mechanisms. Deep synthesis service providers and technical support providers with public opinion attributes or social mobilization capabilities should fulfill filing, change, and cancelation procedures. If new products, applications, or functions with public opinion attributes or social mobilization capabilities are launched, security assessments should be conducted.

According to the Provisional Administrative Measures for Generative Artificial Intelligence Services (生成式人工智能服務管理暫行辦法) promulgated by the CAC, NDRC, Ministry of Education, Ministry of Science & Technology, the MIIT, Ministry of Public Security and National Radio and Television Administration on July 10, 2023 and became effective on August 15, 2023, for the provision and use of generative AI services, laws, and administrative regulations shall be observed, social morality and ethics shall be respected. A generative AI service provider shall assume the responsibility of the producer of network information content in accordance with the law and fulfill the obligations of network information security. If personal information is involved, the provider shall assume the responsibility of the personal information processor according to the law, and fulfill the obligation of personal information protection.

According to the Measures for the Identification of AI-Generated and Synthesized Content (人工智能生成合成內容標識辦法), promulgated by the Cyberspace Administration of China, the Ministry of Industry and Information Technology, the Ministry of Public Security, and the National Radio and Television Administration in March 2025, and which became effective on September 1, 2025, for the provision and use of generative AI services, laws and administrative regulations shall be observed, and social morality and ethics shall be respected. An AI-generated content service provider shall assume the responsibility of labelling AI-generated content in accordance with the law, and fulfil the obligations of content security and traceability management throughout the entire process, from generation to dissemination.

REGULATIONS RELATING TO DATA, CYBER AND INFORMATION SECURITY

On October 28, 2025, the SCNPC promulgated the Cybersecurity Law of the PRC (中華人民共和國網絡安全法) (the "**Cybersecurity Law**"), which became effective on January 1, 2026. According to the Cybersecurity Law, network operators must comply with applicable laws and regulations and fulfill their obligations to safeguard cybersecurity in conducting business and providing services. For the construction and operation of the network or the provision of services through the network, technical and other necessary measures shall be taken as required by law and the compulsory requirements of national standards to ensure the safe and stable operation of the network, respond to cybersecurity incidents effectively, prevent illegal and criminal activities, and maintain the integrity, confidentiality and usability of network data.

The Data Security Law of the PRC (中華人民共和國數據安全法) was released by the SCNPC on June 10, 2021 and became effective on September 1, 2021. The PRC Data Security Law stipulates the measures to support and promote data security and development, to establish and optimize the national data security management system, and to clarify organizations' and individuals' responsibilities in data security. The PRC Data Security Law introduces a data classification and hierarchical protection system based on the materiality of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or entities when such data is tampered with, destroyed, divulged, or illegally acquired or used.

On December 28, 2021, the CAC and certain other PRC regulatory authorities published the Cybersecurity Review Measures (網絡安全審查辦法), which became effective on February 15, 2022. Pursuant to the Cybersecurity Review Measures, critical information infrastructure operators that purchase network products and services and network platform operators engaging in data processing activities that affect or may affect national security must be subject to the Cybersecurity Review.

On September 24, 2024, the State Council released the Regulations on the Administration of Cyber Data Security (網絡數據安全管理條例) (the "**Regulation**"), which came into effect on January 1, 2025. According to the Regulation, where network data processing activities carried out by a network data processor affect or may affect national security, national security review shall be conducted in accordance with the relevant provisions issued by the state. Furthermore, where it is indeed necessary to provide an overseas party with important data collected and generated by a network data processor during its operation within the territory of the PRC, it shall be subject to the security assessment of outbound data transfer organized by the cyberspace administration of the state. If a network data processor identifies and declares important data according to the relevant provisions of the state, which has not been informed or announced by the relevant region or department to be important data, it is not required to declare such data as important data for security assessment of outbound data transfer.

The Personal Information Protection Law of the PRC (中華人民共和國個人信息保護法) (the "**PIP Law**") was promulgated by the SCNPC on August 20, 2021 and became effective on November 1, 2021. The PIP Law stipulates the scope of personal information and the ways of processing personal information, establishes rules for processing personal information and for providing personal information to overseas recipients, and clarifies the individual's rights and the processor's obligations in the process of personal information processing.

The CAC promulgated the Security Assessment Measures for Data Provision Abroad (數據出境安全評估辦法) (the "**Security Assessment Measures**"), which came into effect on September 1, 2022. Pursuant to the Security Assessment Measures, a data processor shall declare the security assessment of cross-border data transfer when the personal information or important data it collects and generates in the course of its business operation in China is provided to an overseas receiver under one of the following circumstances: (i) The data processor provides important data abroad; (ii) the critical information infrastructure operator or the data processor that has processed the personal information of over one million people provides personal information abroad; (iii) the data processor that has provided the personal information of over 100,000 people or the sensitive personal information of over 10,000 people cumulatively since January 1, of the previous year provides personal information abroad; and (iv) any other circumstance where an application for the security assessment of cross-border data transfer is required by the national cyberspace administration.

The MIIT promulgated the Administrative Measures on Data Security in the Field of Industry and Information Technology (for Trial Implementation) (工業和信息化領域數據安全管理辦法(試行)), effect on January 1, 2023. The Measures applies to the data processing activities in the field of industry and information technology carried out within the territory of China, and sets out a series of data security protection obligations for data processors in such field, such as establishing a full life-cycle data security management system, appointing data security management personnel, and conducting filings for the important data and core data processed by the data processors.

The CAC promulgated the Provisions on Promoting and Regulating Cross-border Data Flows (促進和規範數據跨境流動規定), which came into effect on March 22, 2024. The Provisions specifies the circumstances where it is not required to apply for security assessment for data to be provided abroad, to conclude a standard contract for personal information to be provided abroad or to pass the certification for personal information protection.

REGULATIONS RELATING TO PRIVACY PROTECTION

Pursuant to the PIP Law, personal information refers to any kind of information related to an identified or identifiable individual as electronically or otherwise recorded but excluding the anonymized information. The PIP Law specifically specified the rules for handling sensitive personal information, which means personal information that, once leaked or illegally used, may easily cause harm to the dignity of natural persons or grave harm to personal or property security, including information on biometric characteristics, financial accounts, individual location tracking, etc., as well as the personal information of minors under the age of 14. Personal information handlers shall bear responsibility for their personal information handling activities and adopt the necessary measures to safeguard the security of the personal information they handle. Otherwise, the personal information handlers will be ordered to correct and be confiscated illegal income, or suspend or terminate the provision of services, fines, or other penalties.

In December 2011, the MIIT issued Several Provisions on Regulating the Market Order of Internet Information Services (規範互聯網信息服務市場秩序若干規定), which became effective on March 15, 2012, and provides that an internet information service provider may not collect any user's personal information or provide any such information to third parties without such user's consent, unless otherwise provided by laws and administrative regulations. Pursuant to the Several Provisions on Regulating the Market Order of Internet Information Services, internet information service providers are required to, among others, (i) expressly inform the users of the method, content

and purpose of the collection and processing of such users' personal information and may only collect such information necessary for the provision of its services; and (ii) properly maintain the users' personal information, and in case of any leak or possible leak of a user's personal information, internet information service providers must take immediate remedial measures and, in severe circumstances, make an immediate report to the telecommunications regulatory authority and cooperate with relevant authorities in investigation and solution.

Pursuant to the Decision on Strengthening the Protection of Online Information (關於加強網絡信息保護的決定), issued by the SCNPC in December 2012, and the Order for the Protection of Telecommunication and Internet User Personal Information (電信和互聯網用戶個人信息保護規定), issued by the MIIT in July 2013, any collection and use of any user personal information must be subject to the consent of the user, and abide by the applicable law, rationality and necessity of the business and fall within the specified purposes, methods and scopes in the applicable law.

In addition, the Cybersecurity Law provides that: (i) to collect and use personal information, network operators shall follow the principles of legitimacy, rightfulness and necessity, disclose rules of data collection and use, clearly express the purposes, means and scope of collecting and using the information, and obtain the consent of the persons whose data is gathered; (ii) network operators shall neither gather personal information unrelated to the services they provide, nor gather or use personal information in violation of the provisions of laws and administrative regulations or the scopes of consent given by the persons whose data is gathered; and shall dispose of personal information they have saved in accordance with the provisions of laws and administrative regulations and agreements reached with users; and (iii) network operators shall not divulge, tamper with or damage the personal information they have collected, and shall not provide personal information to others without the consent of the persons whose data is collected. However, there will be an exception to the rules if the information has been processed and cannot be recovered, making it impossible to match such information with specific persons.

On May 28, 2020, the NPC promulgated the Civil Code of the PRC (中華人民共和國民法典) (the "**Civil Code**"), which became effective on January 1, 2021. The Civil Code stipulates that the personal information of a natural person shall be protected by the law. Any organization or individual shall legally obtain the personal information of others when necessary and ensure the safety of such personal information, and shall not illegally collect, use, process or transmit the personal information of others, or illegally buy or sell, provide or make public the personal information of others.

REGULATIONS RELATING TO PRODUCT LIABILITY

The Product Quality Law of the PRC (中華人民共和國產品質量法) (the "**Product Quality Law**"), promulgated by the SCNPC, which took effect on September 1, 1993, and was amended on December 29, 2018, sets out the requirements to strengthen quality control of product and the measures that sellers shall adopt to maintain the quality of products for sale. Pursuant to the Product Quality Law, sellers shall establish and implement purchase inspection and acceptance system and verify the product qualification certificate and other marks. Sellers shall not mix impurities or imitations into products, or take counterfeit goods as genuine ones, defective products as good ones, or substandard products as standard ones. Violations of the Product Quality Law may result in confiscation of illicit products and imposition of fines. In addition, relevant sellers will be ordered to suspend its operations, with business license revoked and criminal liability incurred in serious cases. According to the Product Quality Law, consumers or victims who suffer injuries or property losses due to product defects may demand compensation from either the producer or the seller. Where the liability lies with the producer, the seller shall, after settling the claim, have the right to recover such claim from the producer, and vice versa.

REGULATIONS RELATING TO IMPORT AND EXPORT OF GOODS

According to the Foreign Trade Law of the PRC (中華人民共和國對外貿易法) promulgated by the SCNPC on December 27, 2025, which became effective on March 1, 2026, the department in charge of foreign trade under the State Council shall be responsible for all foreign trade work throughout country, and work with other relevant departments under the State Council to formulate, adjust and issue a catalogue of goods and technologies that are restricted or prohibited from import and export. The department in charge of foreign trade under the State Council or, together with other relevant departments under the State Council, may, with the approval of the State Council, make temporary decisions to restrict or prohibit the import and export of specific goods and technologies not included in the aforesaid catalogue to the extent permitted by laws.

According to the Notice on Matters Concerning the Recordation of the Consignees and Consignors of Imported and Exported Goods (關於進出口貨物收發貨人備案有關事宜的通知) promulgated on January 3, 2023 and took effect on the same day, and the Provisions on the Administration of Recordation of Customs Declaration Entities of the PRC (中華人民共和國海關報關單位備案管理規定) promulgated by the General Administration of Customs of the PRC on November 19, 2021 and effective as of January 1, 2022, beginning on January 3, 2023, a consignee or consignor of imported or exported goods and customs declaration enterprises that apply for filing shall obtain market entity qualifications and are not required to complete the record-filing registration procedures for foreign trade operators.

REGULATIONS RELATING TO LAND, PLANNING AND CONSTRUCTION PERMITS

Land Use Rights

According to the Land Administration Law of the PRC (中華人民共和國土地管理法) promulgated by the SCNPC on June 25, 1986, last amended on August 26, 2019 with effect from January 1, 2020, lands owned by the State might be transferred or allotted to construction entities or individuals in accordance with the law. According to the Interim Regulations on Real Estate Registration (不動產登記暫行條例), promulgated on November 24, 2014 and last amended on March 10, 2024 and brought into effect on May 1, 2024, the real estate registration shall be conducted by the real estate registration authorities of the people's government at or above the county level.

According to the Civil Code, the creation, alteration, alienation, or extinguishment of a real right of the immovable property that is required by law to be registered becomes effective at the time when it is recorded in the register of immovable property. The real right certificate for immovable property is the proof of a right holder's entitlement to the real right in the immovable property.

The Interim Regulations on Real Estate Registration and the Implementing Rules of the Interim Regulations on Real Estate Registration (不動產登記暫行條例實施細則) promulgated and brought into effect on May 9, 2024 provide that, among others, the state implements a uniform real estate registration system and the registration of real estate shall be strictly administered and carried out in a stable and continuous manner that provides convenience for people.

REGULATIONS RELATING TO LEASING

Pursuant to the Law on Administration of Urban Real Estate of the PRC (中華人民共和國城市房地產管理法) promulgated by the SCNPC on July 5, 1994, and last amended on August 26, 2019, and took effect on January 1, 2020, when leasing premises, the lessor and lessee are required to enter into a written lease contract, containing such provisions as the leasing term, use of the premises, rental prices, rental and repair liabilities, and other rights and obligations of both parties. In addition, pursuant to the Law on Administration of Urban Real Estate of the PRC and the Administrative Measures on Leasing of Commodity Housing (商品房屋租賃管理辦法), promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010, and became effective on February 1, 2011, both lessor and lessee are required to register the lease within 30 days

from execution of the property lease contract with the real estate administration department. If the lessor and lessee fail to go through the registration procedures, both lessor and lessee may be subject to fines ranging from RMB1,000 to RMB10,000.

According to the Civil Code, the lessee may sublease the leased premises to a third party, subject to the consent of the lessor. Where the lessee subleases the premises, the lease contract between the lessee and the lessor remains valid. The lessor is entitled to terminate the lease contract if the lessee subleases the premises without the consent of the lessor. If the lessor transfers the premises, the lease contract between the lessee and the lessor will still remain valid. In addition, where the mortgaged property has been leased and the possession thereof has been transferred before the creation of the mortgage, the previously established leasehold interest will not be affected by the subsequent mortgage.

REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Patent

Patents in the PRC are principally protected under the Patent Law of the PRC (中華人民共和國專利法), which was promulgated on March 12, 1984, came into effect on April 1, 1985, and was last amended on October 17, 2020 with effect from June 1, 2021, as well as the Implementation Rules for the Patent Law of the PRC (中華人民共和國專利法實施細則) promulgated by the State Council on June 15, 2001, came into effect on July 1, 2001, and was last amended on December 11, 2023 with effect from January 20, 2024. According to the PRC Patent Law and its implementation rules, the duration of a patent right for inventions, utility models and designs shall be 20 years, 10 years and 15 years, respectively, all commencing from the application date, except where no annual fee for the patent has been paid as required, or the patent owner has given up its patent by a written declaration.

Copyright

The Copyright Law of the PRC (中華人民共和國著作權法) (the "**Copyright Law**"), promulgated on September 7, 1990 and last amended on November 11, 2020 and brought into effect on June 1, 2021, specifies that works of Chinese citizens, legal persons or other organizations, namely ingenious intellectual achievements in the fields of literature, art and science that can be presented in a certain form, whether published or not, shall enjoy the copyright. The copyright holder can enjoy multiple rights, including the right of publication, the right of authorship, and the right of reproduction. On May 30, 1991, the State Council promulgated the Implementation Regulations of the Copyright Law of the PRC (中華人民共和國著作權法實施條例) (the "**Implementation Regulations of the Copyright Law**"), which came into effect on June 1, 1991. It was last amended by the State Council on January 30, 2013 and took effect from March 1, 2013. Copyrights are protected by relevant laws and regulations such as the Civil Code, the Copyright Law and the Implementation Regulations of the Copyright Law. The national copyright authority is responsible for copyright administration throughout the country.

The Computer Software Copyright Registration Measures (計算機軟件著作權登記辦法) (the "**Software Copyright Measures**"), promulgated by the National Copyright Administration and brought into effect on February 20, 2002, regulates the registration of software copyright, exclusive licensing contracts for software copyright and transfer contracts. The National Copyright Administration shall be the competent governmental authority for the national administration of software copyright registration and the Copyright Protection Center of China (the "**CPCC**") is designated as the software registration authority. The CPCC shall grant registration certificates to the Computer Software Copyrights applicants pursuant to the provisions of both the Software Copyright Measures and the Computer Software Protection Regulations (計算機軟件保護條例).

Trademark

According to the Trademark Law of the PRC (中華人民共和國商標法), which was promulgated on August 23, 1982, came into effect on March 1, 1983, and last amended on June 26, 2026, which will become effective on January 1, 2027, as well as the Implementation Regulation of the PRC Trademark Law (中華人民共和國商標法實施條例) adopted by the State Council on August 3, 2002, came into effect on September 15, 2002, and was revised on April 29, 2014 with effect from May 1, 2014, registered trademarks are trademarks approved and registered by the Trademark Office of China National Intellectual Property Administration, including commodity trademarks, service trademarks, collective trademarks, and certification marks. A trademark registrant enjoys exclusive rights to use a registered trademark, which is protected by the law. The Trademark Law and its implementation regulations set forth an application for trademark registration, which shall be filled in based on the published classification of commodities and services. The description of commodities or services shall be filled in based on the class number and description in the classification of commodities and services; where the commodities or services are not listed in the classification of commodities and services, a statement on the commodities or services shall be attached. Registered trademarks are valid for ten years commencing from the date of registration, unless otherwise revoked by the Trademark Office. When it is necessary to continue using the registered trademark upon expiration of period of validity, a trademark registrant shall make an application for renewal in accordance with the requirements. The period of validity for each renewal of registration shall be ten years commencing from the next day of the expiration of the previous period of validity. If the formalities for renewal have not been handled upon expiration of period of validity, the registered trademarks will be deregistered.

Domain Name

According to the Administrative Measures for Internet Domain Names (互聯網域名管理辦法), promulgated on August 24, 2017 and brought into effect on November 1, 2017, the principle of "first to file" is adopted for domain name registration services. The applicant for domain name registration shall provide the agency of domain name registration with true, accurate and complete information about the domain name holder's identity for registration purpose and enter registration agreements with domain name registration service providers. Upon the completion of the registration process, the applicant will become the holder of the relevant domain name. The Notice on Regulating the Use of Domain Names in Internet Information Services (關於規範互聯網信息服務使用域名的通知), which was promulgated on November 27, 2017 and came into effect on January 1, 2018, stipulates the obligations of Internet information service providers and other entities to combat terrorism and maintain network security.

REGULATIONS RELATING TO EMPLOYMENT, SOCIAL INSURANCE AND HOUSING FUND

Pursuant to the Labor Law of the PRC (中華人民共和國勞動法) (the "**Labor Law**"), which was promulgated in 1994 and last amended in 2018, the Labor Contract Law of the PRC (中華人民共和國勞動合同法) (the "**Labor Contract Law**"), which was promulgated in 2007 and amended in 2012, and the Implementation Regulations of the Labor Contract Law of the PRC (中華人民共和國勞動合同法實施條例), which was issued by the State Council on September 18, 2008 and came into effect on the same day, employers must execute written labor contracts with full-time employees. All employers must comply with local minimum wage standards. Employers must establish a system for labor safety and sanitation that strictly abide by state standards and provide relevant education to its employees. Violations of the Labor Contract Law and the Labor Law may result in the imposition of fines and other administrative and criminal liability in the case of serious violations.

Furthermore, the Labor Law issued that the State shall adopt a working hour system wherein laborers shall work for no more than eight hours a day and no more than 44 hours a week on the average, and the employer shall guarantee that its laborers have at least one day off a week. If an enterprise cannot follow the aforementioned stipulations due to special characteristics of its production, it may follow other rules on work and rest with the approval by labor administrative departments.

According to the Social Insurance Law of the PRC (中華人民共和國社會保險法), which was promulgated on October 28, 2010 and amended on December 29, 2018, and the Interim Regulations on Collection and Payment of Social Insurance Premiums (社會保險費徵繳暫行條例) recently amended by the State Council and effective on March 24, 2019, an employer is required to make contributions to social insurance schemes for its employees, including basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance and work-related injury insurance. If the employer fails to make social insurance contributions in full and on time, the social insurance authorities may demand the employer make payments or supplementary payments for the unpaid social insurance premium within a prescribed time limit together with a 0.05% surcharge of the unpaid social insurance premium from the due date. If the payment is not made within such time limit, the relevant administrative authorities will impose a fine ranging from one to three times the total outstanding amount.

According to the Reform Plan of the State Tax and Local Tax Collection Administration System (國税地税徵管體制改革方案), which was promulgated on July 20, 2018, commencing from January 1, 2019, all the social insurance premiums, including the premiums of basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance, shall be collected by the tax authorities. According to the Notice on Conducting the Relevant Work Concerning the Administration of Collection of Social Insurance Premiums in a Steady, Orderly and Effective Manner (關於穩妥有序做好社會保險費徵管有關工作的通知) promulgated by the General Office of the State Administration of Taxation (the "**SAT**") on September 13, 2018, all the local authorities responsible for the collection of social insurance are strictly forbidden from conducting self-collection of historical unpaid social insurance contributions from enterprises. The Notice on Implementing the Several Measures to Further Support and Serve the Development of Private Economy (關於實施進一步支持和服務民營經濟發展若干措施的通知), promulgated by the SAT on November 16, 2018, repeats that tax authorities at all levels may not organize self-collection of arrears of taxpayers including private enterprises from the previous years. The Notice on Promulgation of the Comprehensive Plan for the Reduction of Social Insurance Premium Rate (關於印發降低社會保險費率綜合方案的通知), promulgated on April 1, 2019, requires steady advancement of the reform of the system of social security fees collection. In principle, the basic pension insurance for enterprise employees and other insurance types for enterprise employees shall be collected temporarily according to the existing collection system to stabilize the payment method. It also emphasizes that the historical unpaid arrears of the enterprise shall be properly treated. In the process of reformation of the collection system, the relevant governmental body is not allowed to conduct self-collection of historical unpaid arrears from enterprises, neither is it allowed to adopt any method of increasing the actual payment burden of small and micro enterprises to avoid causing difficulties in the production and operation of the enterprises.

According to the Administrative Regulations on Housing Provident Funds (住房公積金管理條例), which was promulgated on April 3, 1999 and last amended on March 24, 2019, employers are required to make contributions to housing provident funds for their employees. Any entity fails to make payment of housing provident fund within the time limit or has shortfall in payment of housing provident fund will be ordered to make the payment or makeup the shortfall within the prescribed time limit, otherwise, the housing provident management center is entitled to apply for compulsory enforcement with the People's Court. Each employee can only have one housing provident fund account. The contribution ratio of employee and employer's housing provident fund shall not be less than 5% of the employee's monthly average salary in the previous year. Cities with favorable conditions can appropriately the contribution ratio.

Pursuant to the Interpretation II of the Supreme People's Court on 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)》), which was promulgated on July 31, 2025 and became effective on September 1, 2025, where an employer and an employee agree, or an employee undertakes, that the employer is not required to make social insurance contributions, the People's Court will hold such agreement or undertaking invalid. In addition, where an employer fails to make social insurance contributions in accordance with applicable laws, and an employee terminates the labor contract and claims economic compensation from the employer pursuant to the Labor Contract Law of the PRC, the People's Court will support such claim. During the Track Record Period, we did not enter into any agreement with, or obtain any undertaking from, any relevant employee providing that the Group was not required to make social insurance contributions. Accordingly, the New Judicial Interpretation does not affect the assessment of our compliance with the relevant contribution requirements.

REGULATIONS RELATING TO TAX

Enterprise Income Tax

Under the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得税法) (the "**EIT Law**"), which became effective on January 1, 2008 and was last amended on December 29, 2018, and the Regulations on the Implementation of EIT Law (中華人民共和國企業所得税法實施條例) which was promulgated by the State Council on December 6, 2007, came into effect on January 1, 2008 and was last amended on December 6, 2024, enterprises are classified as resident enterprises and non-resident enterprises. Enterprises which are established in China in accordance with PRC laws or established pursuant to foreign laws with their "de facto management bodies" located in the PRC are deemed a "resident enterprise" and subject to an enterprise income tax rate of 25% on their global income. Non-resident enterprises are subject to (i) an enterprise income tax rate of 25% on their income generated by their establishments or places of business in the PRC and their income derived outside the PRC which are effectively connected with their establishments or places of business in the PRC; and (ii) an enterprise income tax rate of 10% on their income derived from the PRC but not connected with their establishments or places of business located in the PRC. Non-resident enterprises without establishment or place of business in the PRC are subject to an enterprise income tax of 10% on their income derived from the PRC. High and new technology enterprises that need the support of the country are entitled to enjoy the reduced enterprise income tax rate of 15%.

Value-added Tax ("VAT")

According to the Detailed Rules for the Implementation of the Provisional Regulations of the PRC on Value-added Tax (中華人民共和國增值税暫行條例實施細則), which was promulgated on December 25, 1993, came into effect on the same day and was amended on December 15, 2008 and October 28, 2011 with effect from November 1, 2011, entities and individuals engaged in selling goods or labor services of processing, repair or maintenance, selling services, intangible assets or immovables within the PRC or importing goods to the PRC are subject to the payment of value-added tax.

Pursuant to the Notice on Adjusting Value-Added Tax Rates (關於調整增值税税率的通知) effective on May 1, 2018, a taxpayer who was previously subject to a 17% tax rate on VAT-taxable sales activities shall have the applicable tax rate adjusted to 16%. According to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform (關於深化增值税改革有關政策的公告), which came into effect on April 1, 2019, for VAT-taxable sales or imported goods of a VAT general taxpayer previously subject to VAT tax rate of 16%, the tax rate shall be adjusted to 13%.

The Value-Added Tax Law of the PRC (中華人民共和國增值税法) was promulgated by the SCNPC on November 25, 2024, which became effective on January 1, 2026. According to the Value-Added Tax Law of the PRC, entities and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets, or immovables, or import goods within the territory of the PRC are taxpayers of VAT, and shall pay VAT in accordance with this Law.

REGULATIONS RELATING TO OVERSEAS DIRECT INVESTMENT

Pursuant to the Regulations on the Foreign Exchange Administration of the Overseas Direct Investment of Domestic Institutions (境內機構境外直接投資外匯管理規定) issued by the State Administration of Foreign Exchange of the PRC (the "**SAFE**") on July 13, 2009 and came into effect on August 1, 2009, upon obtaining approval for overseas investment, an enterprise in Mainland China shall apply for foreign exchange registration for its overseas direct investments. According to the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving the Foreign Exchange Management Policies for Direct Investment (國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知) issued on February 13, 2015 and came into effect on June 1, 2015, the administrative approval for foreign exchange registration approval under overseas direct investment has been canceled, and the banks are entitled to review and carry out foreign exchange registration under overseas direct investment directly.

Pursuant to the Measures for the Administration of Overseas Investment (境外投資管理辦法) which was issued by the MOFCOM on September 6, 2014 and came into effect on October 6, 2014, the MOFCOM and the commerce departments at provincial levels shall subject the overseas investment of enterprises to recordation or confirmation management, depending on the actual circumstances of investment. Overseas investment involving any sensitive country or region, or any sensitive industry shall be subject to confirmation management. Overseas investment under other circumstances shall be subject to recordation management.

Pursuant to the Administrative Measures for Outbound Investment by Enterprises (企業境外投資管理辦法) promulgated by the NDRC on December 26, 2017 and came into effect on March 1, 2018, the investing activities of enterprises in Mainland China such as acquiring overseas ownerships, controlling rights, operating and management rights and other relevant interests by way of investing assets and interests or providing financing and guarantees to control its overseas enterprises, either directly or indirectly, are required to obtain approval or filing with the NDRC in accordance with the relevant conditions of the overseas investment projects. Outbound investment projects that involve sensitive countries and regions or sensitive industries shall be subject to administration of verification and approval by the NDRC and non-sensitive outbound investment projects shall be subject to administration by record-filing. For non-sensitive projects of US$300 million or above invested by local enterprise in Mainland China or carried out by overseas enterprises controlled by them, the investors shall file with the NDRC and non-sensitive outbound investment projects, of which the investment amount of investors in Mainland China is less than US$300 million (exclusive) shall file with the provincial counterpart of the NDRC.

REGULATIONS RELATING TO FOREIGN EXCHANGE

According to the Foreign Exchange Administration Regulations of the PRC (中華人民共和國外匯管理條例) promulgated on January 29, 1996 and last amended on August 5, 2008, the RMB is generally freely convertible for current account items, including the distribution of dividends, trade and service related foreign exchange transactions, but not for capital account items, such as direct investment, loan, repatriation of investment and investment in securities outside the PRC, unless the prior approval of the SAFE or its designated banks is obtained.

According to the Notice on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (關於改革和規範資本項目結匯管理政策的通知) promulgated on June 9, 2016, the settlement of foreign exchange receipts under the capital account (including but not limited to foreign exchange capital and external debts and funds recovered from overseas listing) may convert from foreign currency into RMB on a self-discretionary basis. The ratio of the discretionary exchange rate of foreign exchange receipts under the domestic capital account is tentatively set at 100%. The SAFE may adjust the above ratio in due course according to the balance of payment status.

According to the Notice on Further Promoting Cross-border Trade and Investment Facilitation (關於進一步促進跨境貿易投資便利化的通知) which was promulgated on October 23, 2019 and amended by SAFE, together with the Notice on Further Deepening the Reform to Facilitate Cross-border Trade and Investment (關於進一步深化改革促進跨境貿易投資便利化的通知) which was promulgated on December 4, 2023, foreign-invested enterprises engaged in non-investment business are permitted to settle foreign exchange capital in RMB and make domestic equity investments with such RMB funds according to the law on the condition that the Special Administrative Measures for Access of Foreign Investment (Negative List) (2024 Edition) are not violated and the relevant domestic investment projects are genuine and in compliance with laws.

According to the Circular on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business (關於優化外匯管理支持涉外業務發展的通知) issued on April 10, 2020, eligible enterprises are allowed to make domestic payments by using their capital, foreign credits and the income under capital accounts of overseas listing, with no need to provide the evidentiary materials concerning authenticity of such capital for banks in advance, provided that their capital use shall be authentic and in line with provisions, and conform to the prevailing administrative regulations on the use of income under capital accounts. The concerned bank shall conduct spot checking in accordance with the relevant requirements.

According to the Notice on Optimizing Foreign Exchange Management to Support the Development of Foreign Businesses (關於優化外匯管理支持涉外業務發展的通知) issued by the SAFE on April 10, 2020, eligible enterprises are allowed to use revenue under capital accounts, such as capital funds, foreign debt offering proceeds, and remitted foreign listing proceeds for domestic payments without providing supporting materials to the bank in advance for authenticity verification; provided that the use of funds should be true, in compliance with applicable rules and conforming to the current administrative regulations for use of revenue from capital accounts. Relevant banks should conduct spot checks in accordance with relevant provisions.

REGULATIONS RELATING TO DIVIDEND DISTRIBUTION

The principal regulations governing dividends distributions by companies is the Company Law. PRC companies are required to set aside as general reserves at least 10% of their after-tax profit, until the cumulative amount of their reserves reaches 50% of their registered capital. PRC companies are not permitted to distribute any profits until any losses from prior fiscal years have been offset. Profits retained from prior fiscal years may be distributed together with distributable profits from the current fiscal year.

REGULATIONS RELATING TO OVERSEAS LISTING

On February 17, 2023, the CSRC issued the Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) (the "**Overseas Listing Trial Measures**"), which came into force on March 31, 2023. The Trial Measures regulates overseas securities offering and listing activities by domestic companies in direct or indirect form. The Trial Measures provides that Chinese companies that seek to offer and list securities in overseas markets shall fulfill the filing procedures with the CSRC and report relevant information to the CSRC, and the filing shall be submitted within three working days after the application for an initial public offering is submitted. Moreover, an overseas offering and listing is

prohibited if (i) it is prohibited by PRC laws, (ii) it may endanger national security as reviewed and determined by competent PRC authorities under the State Council in accordance with law, (iii) in recent three years, the Chinese companies or their controlling shareholders or actual controllers have committed relevant prescribed criminal offenses, (iv) domestic companies that are suspected of committing crimes or major violations of laws and regulations are under investigation according to law, and no conclusion has yet been made thereof, or (v) there are material ownership disputes over equity held by the controlling shareholders or by other shareholders that are controlled by the controlling shareholders or actual controllers.

On February 24, 2023, the CSRC, the Ministry of Finance, the National Administration of State Secrets Protection, and the National Archives Administration of China published the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定) (the "**Archives Rules**") which came into force on March 31, 2023. The Archives Rules require that, in relation to the overseas securities offering and listing activities of domestic enterprises, either in direct or indirect form, such domestic enterprises, as well as securities companies and securities service institutions providing relevant securities services, are required to strictly comply with relevant requirements on confidentiality and archives management, establish a sound confidentiality and archives system, and take necessary measures to implement their confidentiality and archives management responsibilities. According to the Archives Rules, during an overseas offering and listing, if a domestic company needs to provide or publicly disclose to securities companies, securities service providers and overseas regulators, any materials that contain relevant state secrets or that have an adverse impact on the national security or public interests, the domestic company should complete the relevant approval/filing and other regulatory procedures.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

We are a proven enterprise IT consulting and digital solution service provider in China. We serve large and top-tier enterprises with a full range of digitalization and intelligentization solutions. Leveraging AI-powered applications, proprietary software products, and ERP implementation services, we help enterprises achieve digitalization and intelligentization, improve operating efficiency, and build their core competence.

Our history can be traced back to July 15, 2002 when our Predecessor, Shanghai Quanfu Hand Software Technology Co., Ltd. (上海全富漢得軟件技術有限公司) (the "**Predecessor**") was established in Shanghai, and Mr. Fan and Mr. Chen, our founders, then served as directors of the Predecessor. In February 2010, the Predecessor was converted into a joint stock limited company.

In February 2010, the then shareholders of the Predecessor, or the Promoters of our Company, resolved to establish our Company. In February 2011, our A Shares have been listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300170).

As of the Latest Practicable Date, our total issued share capital was RMB1,040,419,711, including 529,690 A Shares which were held as treasury shares, of which approximately 5.11% of our issued capital (including treasury shares) was held by Mr. Chen, our Chairman, Executive Director and the Single Largest Shareholder.

OUR MILESTONES

The following is a summary of our Group's key business development milestones:

2002	Our Predecessor was established in Shanghai, PRC
2007	Our Company established Hand Japan, our first overseas subsidiary in Japan, marking the official commencement of our overseas business operations
2011	Our Company was listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300170)
2016	Our Company successfully incubated Shanghai Zhenhui, marking its initial expansion into the SaaS industry
2020	Our Company completed the public issuance of the Hand Convertible Bonds
2021	Our Company formed an initial capability ecosystem of subsidiaries focusing on the development of SaaS products
2023	Our Company has built a comprehensive portfolio of AI technologies and application service capabilities

For more details on awards won by our Company, see "Business — Awards and Recognition" of this Document.

OUR PRINCIPAL SUBSIDIARIES

The following sets forth information about our each of our principal subsidiaries that made a material contribution to our results of operation or are regarded as otherwise significant to our business operations during the Track Record Period:

Name	Date of Incorporation and Commencement of Business	Principal Business Activities	Paid-in Capital/ Registered Capital	Ownership as of the Latest Practicable Date *(%)*
Hand International	December 19, 2011	Provision of software services	USD14,000,000	100%
Hand Japan	August 17, 2007	Provion of software services	JPY30,000,000	100%
Shanghai Hand Vyung	March 23, 2015	Provision of software & related services	RMB10,000,000	51%
Shanghai Share Software	October 21, 2002	Provision of software & related services	RMB20,000,000	100%
Shanghai Deyi Information Technology	August 20, 2018	Provision of software & related services	RMB20,000,000	75%
Xi'an Hand	October 18, 2022	Provision of software and information technology services	RMB200,000,000	100%
Shanghai Zhenpeng Technology	July 2, 2021	Provision of software and information technology services	RMB20,000,000	90%
Yiai Technology	September 17, 2019	Provision of software and information technology services	RMB11,111,110	54%

MAJOR SHAREHOLDING CHANGES IN OUR COMPANY

Early Development of our Company

Our history can be traced back to July 15, 2002, when Sino-Twinwood Pte., Ltd., a company incorporated and existing under the laws of Singapore, established our Predecessor as its wholly-owned subsidiary in Shanghai. Our Predecessor was principally engaged in the research, development and production of computer software information systems and network products. Mr. Fan and Mr. Chen, our founders, then served as directors of the Predecessor. On January 6, 2010, as approved by the relevant PRC regulatory authorities, our Predecessor was converted from a limited liability company into a joint stock limited company and changed its name to Hand Enterprise Solutions Co., Ltd (上海漢得信息技術股份有限公司). The Company also completed its change of business registration on February 26, 2010.

On February 25, 2010, the then shareholders of the Predecessor, or the Promoters of our Company, resolved to establish our Company, with an initial registered capital of RMB85,724,482, which was based on our Predecessor's audited net assets of RMB140,356,794.09 as of October 31, 2009. As verified by an independent auditor, such initial registered capital was fully paid up on the same day.

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

Promoters/Shareholders	Number of Shares	Percentage of shareholding *(%)*
China Fund	8,027,241	9.36
Defan Investment	6,510,000	7.59
Dejing Investment	4,485,000	5.23
Detuo Investment	4,925,000	5.75
Deyi Investment	10,400,000	12.13
Dixuan Investment	43,350,000	50.57
Inspire East	8,027,241	9.36
Total	**85,724,482**	**100.0**

A-Share Listing on the ChiNext Market of the Shenzhen Stock Exchange

On February 1, 2011, we completed the initial public offering of our A Shares and listing on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300170) ("**A-Share Listing**"), involving an issue of 30,000,000 new A Shares. Immediately after the A-Share Listing, the shareholding structure of our Company was as follows:

Shareholder	**Percentage of shareholding** *(%)*
China Fund	6.94
Defan Investment	5.63
Dejing Investment	3.88
Detuo Investment	4.26
Deyi Investment	8.99
Dixuan Investment	37.46
Inspire East	6.94
Other A Share Shareholders	25.92
Total	**100.0**

Since the A-Share Listing and up to the Latest Practicable Date, we had not received any notification from the Shenzhen Stock Exchange indicating that we were involved in any material non-compliance issues. Our Directors confirm that we had no instances of non-compliance with the rules or regulations of the Shenzhen Stock Exchange or the relevant laws and regulations in the PRC in all material respects, and to the best knowledge of our Directors after having made all reasonable enquiries, save as disclosed in "Directors and Senior Management — Directors — Executive Directors — Regulatory Letter Issued by the Shenzhen Stock Exchange in 2017" and the 2020 Regulatory Letter (as defined below), there is no matter that should be brought to investors' attention in relation to our compliance record on the Shenzhen Stock Exchange during the Track Record Period and up to the Latest Practicable Date.

2020 Regulatory Letter

On February 5, 2020, a regulatory letter (the "**2020 Regulatory Letter**") was issued by the ChiNext Market Company Management Department of the Shenzhen Stock Exchange to the Company in relation to its aggregate related party transactions during the period from 2018 to December 27, 2019 (the "**Material Time for 2020 Regulatory Letter**") between the Company and its related persons, Shanghai Zhenyun Information Technology Co., Ltd. (上海甄雲信息科技有限公司) ("**Shanghai Zhenyun**") (in which the Company then held approximately 37.5% equity interest during the Material Time for 2020 Regulatory Letter) and Shanghai Zhenhui (in which the Company then held approximately 31.5% equity interest at the relevant time), both being the related persons of the Company under the listing rules for the Shenzhen Stock Exchange, having exceeded the estimated annual transaction amount for the period from 2018 to December 27, 2019, in an aggregate amount of approximately RMB138,858,000.

The above transactions with both Shanghai Zhenyun and Shanghai Zhenhui consisted of software implementation services, software sales and other technology-related services entered into in the ordinary course of the Group's business. Among which, Shanghai Zhenyun served as the implementation entity for the Group's cloud SRM business, providing SRM system management services to enterprises and institutions, whilst Shanghai Zhenhui served as the implementation entity for the Group's "Huilianyi" (匯聯易) SaaS product business. Our Directors are of the view that all such transactions were on fair and reasonable, on normal commercial terms and in the interests of the Shareholders as a whole.

For each of the years ended December 31, 2023, 2024 and 2025 and for the four months ended April 30, 2026, the Company continued to transact with each of Shanghai Zhenyun and Shanghai Zhenhui of the same nature as the transactions as that for the period from 2018 to December 27, 2019 abovementioned. The historical transaction amount between the Company and Shanghai Zhenyun was approximately RMB18,773,000, RMB27,439,000, RMB23,760,000 and RMB559,000 for the year ended December 31, 2023, 2024 and 2025 and for the four months ended April 30, 2026, respectively. The historical transaction amount between the Company and Shanghai Zhenhui was approximately RMB1,827,000, RMB1,860,000, RMB1,810,000 and RMB2,612,000 for the years ended December 31, 2023, 2024 and 2025 and for the four months ended April 30, 2026, respectively.

The above was a one-off incident which was primarily as a result of an inaccurate estimate of the relevant transaction value by the Company. Following the incident, the Company enhanced its internal control measures and implemented a computerised monitoring system so that the Company would be notified when the amount of any accumulated transactions with any related person may exceed the pre-determined maximum transaction amount of the Company. Since the 2020 Regulatory Letter, our Directors confirmed that the Company has not received any further regulatory letter, or be subject to any administrative penalty or enforcement action by the Shenzhen Stock Exchange, the CSRC or any other regulatory authority in relation to the above incident.

With regards to the Company's interest in Shanghai Zhenyun, Shanghai Zhenyun received investment from external investors in September 2018, as a result of which the Company's equity interest in Shanghai Zhenyun was diluted from a controlling interest to 37.50%. In November 2018, Shanghai Zhenyun ceased to be a controlling subsidiary and became an associate of the Company. The Company's equity interest of 37.5% referred to above reflects the Company's interest in Shanghai Zhenyun at the material time of the 2020 Regulatory Letter. Following the dilution of the Company's interest to 19.76% as at December 31 2021 and as at the Latest Practicable Date, the Company's interest in Shanghai Zhenyun remain unchanged as to 19.76%.

The 2020 Regulatory Letter did not result in any civil or administrative proceedings against the Company. Since February 2020, our Directors confirmed that there has been no further regulatory letter, administrative penalty or enforcement action taken against the Company by the Shenzhen Stock Exchange, the CSRC or any other regulatory authority in relation to this matter.

Having considered (i) the nature of the 2020 Regulatory Letter as a regulatory measure, (ii) the one-off nature of the incident, and (iii) the remediation measures implemented by the Company following the incident, the Directors are of the view that the 2020 Regulatory Letter is an immaterial non-compliance incident that does not affect the suitability of the Company for [REDACTED].

To the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, the Group has complied with all laws and regulations applicable to the Company's A-share listing in all material respects during the Track Record Period and up to the Latest Practicable Date.

Subsequent Shareholding Changes

Since our A-Share Listing in 2011, there have been several instances of share capital changes of our Company, which primarily included (i) adoption of the Share Incentive Schemes from 2011 to 2025; (ii) a series of dividend declarations involving issuance of A Shares in August 2011, June 2014, April 2015 and April 2016, respectively; (iii) acquisition of the entire equity interests in Yangzhou Damei Investment Management Co., Ltd. (揚州達美投資管理有限公司), a non-significant subsidiary of our Company, through issuance of a total of 6,750,000 A Shares in January 2016; and (iv) issuance of Hand Convertible Bonds in November 2020. For details of the share incentive schemes and Issuance of Hande Convertible Bonds, see "— Share Incentive Schemes" and "— Issuance of Hand Convertible Bonds" in this section, respectively.

As of the Latest Practicable Date, the total issued share capital of our Company was 1,040,419,711 A Shares (including 529,690 A shares which were held as treasury shares).

SHARE INCENTIVE SCHEMES

To attract, motivate and retain key members of management and core employees critical to our long-term development, our Company has, since its establishment, adopted a series of share incentive schemes, comprising (i) nine restricted share incentive plans; (ii) two share option incentive plans; and (iii) two share incentive plans (collectively, the "**Share Incentive Schemes**"). The Share Incentive Schemes involved the grant, vesting, exercise, repurchase, cancellation and grant of the A Shares from time to time and, together with our continued business expansion, resulted in the gradual enlargement of our Company's total issued share capital and corresponding dilution to the shareholdings of existing shareholders. The Share Incentive Schemes were implemented in compliance with applicable PRC laws and regulations and the rules of the Shenzhen Stock Exchange, as advised by the PRC Legal Adviser. For details of the effective Share Incentive Schemes as of the Latest Practicable Date, see "Appendix VI — Statutory and General Information — D. Our Incentive Schemes" of this Document.

Restricted Share Incentive Plans

Since 2011, our Company has adopted nine restricted share incentive plans (collectively, the "**Restricted Share Incentive Plans**") to incentivize and retain members of senior management, technical specialists and other core employees who are integral to our long-term development. These plans were implemented in multiple phases with differing grant sizes, grant prices and vesting schedules, aligning with our evolving operational needs and business expansion.

A summary of the principal terms of the Restricted Share Incentive Plans is set out below:

Plan/Tranche	Grant Date	Number of Grantees	Number of Underlying A Share Issued and Granted *('000)*
2011 Restricted Share Incentive Plan (First Tranche)	August 2011	244	5,380.0
2011 Restricted Share Incentive Plan (Reserved Tranche)	August 2011	70	613.5
2012 Restricted Share Incentive Plan	January 2013	293	9,635.0
2013 Restricted Share Incentive Plan	February 2014	231	5,526.0
2014 Restricted Share Incentive Plan	October 2014	556	12,696.0
2015 Restricted Share Incentive Plan	September 2015	251	5,026.0
2016 Restricted Share Incentive Plan	July 2016	1,039	27,095.5
2017 Restricted Share Incentive Plan	January 2018	565	19,085.0
2018 Restricted Share Incentive Plan	January 2019	480	14,588.0
2024 Restricted Share Incentive Plan (First Tranche)	May 2024	268	33,980.0
2024 Restricted Share Incentive Plan (Reserved Tranche)	September 2024	63	8,000.0

As of the Latest Practicable Date, certain restricted A Shares granted under the 2024 Restricted Share Incentive Plan (the "**2024 Plan**") remained unvested in accordance with the applicable vesting schedule. In particular, an aggregate of 4,000,000 restricted A Shares (being the reserved tranche under the 2024 Plan) remained subject to the corresponding second vesting period. Such restricted A Shares will vest strictly in accordance with the original terms of the 2024 Plan. Save as disclosed above, all previously granted restricted A Shares under earlier plans have either fully vested or have been repurchased and cancelled pursuant to their respective terms. For details of 2024 Plan, see "Appendix VI — Statutory and General Information — D. Our Incentive Schemes — 2024 Plan" of this Document.

Share Option Incentive Plans

Since 2021, our Company has also implemented two share option incentive plans (the "**Share Option Incentive Plans**") to complement the Restricted Share Incentive Plans and further incentivize and retain core management members, technical personnel and other key employees, and therefore align their interests with the long-term development of our Group. Pursuant to the Share Option Incentive Plans, among which, each share option granted shall entitle the holder to subscribe for one

A Share upon exercise. The Share Option Incentive Plans are not subject to the provisions of Chapter 17 of the Listing Rules as such plans do not involve the grant of options by our Company to [REDACTED] new Shares after the [REDACTED].

A summary of the principal terms of the Share Option Incentive Plans is set out below:

Plan	Grant Date	Number of Grantees	Number of Underlying A Share Issued and Granted *('000)*
2021 First Share Option Incentive Plan	February 2021	912	51,200
2021 Second Share Option Incentive Plan	January 2022	153	49,370

Pursuant to the 2021 First Share Option Incentive Plan, an aggregate of 51,200,000 A Shares were granted to 912 key employees critical to our Group's business operations and strategic development. Pursuant to the 2021 Second Share Option Incentive Plan, 49,370,000 A Shares were granted to 153 directors, senior management member and other key employees critical to our Group's business operations and strategic development. Among which, an aggregate of 17,280,000 A Shares were granted to Mr. Huang Yiquan, our Executive Director and General Manager under the 2021 Second Share Option Incentive Plan. As of the Latest Practicable Date, all share options granted under both of the 2021 First Share Option Incentive Plan and the 2021 Second Share Option Incentive Plan have been duly exercised or cancelled pursuant to the applicable vesting, exercise and adjustment mechanisms.

Share Incentive Plans

To further enhance management stability, strengthen long-term performance incentives and promote sustainable corporate growth, our Company also adopted the 2015 Share Incentive Plan (the "**2015 Plan**") and 2023 Share Incentive Plan (the "**2023 Plan**", collectively, the "**Share Incentive Plans**"). The Share Incentive Plans are not subject to the provisions of Chapter 17 of the Listing Rules as such plans do not involve the grant of new Shares by our Company after the [REDACTED].

A summary of the principal terms of the Share Incentive Plans is set out below:

Plan	Grant Date	Number of Grantees	Number of Underlying A Share Issued and Granted *('000)*
2015 Share Incentive Plan	February 2015	22	12,890.839
2023 Share Incentive Plan	October 2023	4	12,000.0

Pursuant to the 2015 Plan, an aggregate of 12,890,839 A Shares were granted to 22 key employees critical to our Group's business operations and strategic development at the time of the grant, including two then senior management members, namely Ms. Wang Xinyi and Mr. Zhang Weifeng. Pursuant to the 2023 Plan, an aggregate of 12,000,000 A Shares were granted to four key employees of the Group, including Mr. Huang Yiquan, our Executive Director and General Manager.

The 2015 Plan and the 2023 Plan have expired in August 2020 and May 2025, respectively, and all underlying A shares under both Share Incentive Plans have been vested as of the Latest Practicable Date.

ISSUANCE OF HAND CONVERTIBLE BONDS

To further optimize our capital structure, broaden financing channels and support the implementation of key strategic initiatives, our Company completed the public issuance of RMB937.15 million convertible corporate bonds ("**Hand Convertible Bonds**") on November 23, 2020. The Hand Convertible Bonds were subsequently listed and commenced trading on the Shenzhen Stock Exchange on December 15, 2020, under the bond code 123077.

On April 6, 2023, the Board resolved to exercise the right of early redemption to redeem all the outstanding Hand Convertible Bonds at a redemption price of RMB100.43 per bond (inclusive of accrued interest and tax), effective after market close on April 28, 2023 (the "**Early Redemption Date**"). As at the Early Redemption Date, all 28,939 outstanding Hand Convertible Bonds were redeemed by our Company at a total consideration of RMB2,906,343.77. On May 11, 2023, the Hand Convertible Bonds were delisted from the Shenzhen Stock Exchange.

The principal terms of the Hand Convertible Bonds are summarized below.

Issuer	Our Company
Subscriber	The then Shareholders of our Company and public investors
Offering Size	RMB937,150,000
Denomination	RMB100
Interest Rate	First year: 0.4%; Second year: 0.6%; Third year: 1.0%; Fourth year: 1.5%; Fifth year: 2.0%; and Sixth year: 2.5%
Maturity Date	November 22, 2026 (six years after the issuance of Hand Convertible Bonds), subject to early redemption
Conversion period	From May 27, 2021 to the Maturity Date (or earlier termination upon full redemption)
Conversion price	RMB9.72 per A Share and not lower than (i) the average trading price of the A Shares of the 20 trading days before the date of the Hand Convertible Bonds offering document; and (ii) the average trading price of the trading day before conversion date. Such conversion price shall be adjusted in the event of increase of share capital, issuance of new shares and distribution of cash dividend
Conversion shares	A Shares
Redemption at maturity	Unless otherwise converted, each unconverted Hand Convertible Bond will be redeemed at 120% of their principal amount (inclusive of the interest for the final interest period) within five trading days of the Maturity Date
Redemption at the option of the issuer	During the conversion period, the issuer has the right to redeem part or all of the Hand Convertible Bonds at its principal amount together with accrued and unpaid interest if either situation occurred: i. during the conversion period, if at least 15 trading day in 30 consecutive trading days the closing price of the A Shares is not lower to the 130% of the conversion price; or ii. when the total outstanding amount of the unconverted Hand Convertible Bond is less than RMB30,000,000

Use of proceeds

A total of net proceeds of approximately RMB923.38 million was used in the following manner:

i. RMB700 million was used to develop our Company's enterprise information platform based on an integrated middle-platform architecture; and

ii. Approximately RMB223.38 million was used for supplementing working capital

THE ACTING-IN-CONCERT AGREEMENT

On March 21, 2019, Mr. Chen and Mr. Fan (the "**AIC Parties**") entered into an acting-in-concert agreement, as supplemented by a subsequent confirmation on historical matters (together, the "**AIC Agreement**") as part of the corporate-structure optimization and with a view to maintaining a stable shareholding structure as Mr. Fan, who resigned as a director in the same month, gradually ceased to be engaged in the business management and daily operation of our Group at the time. Pursuant to the AIC Agreement, among others, the AIC Parties agreed to consult and act in concert in respect of any Shareholders' resolution and, in the event of disagreement, Mr. Fan's voting should be bound to align with Mr. Chen's view. The AIC Agreement, on the other hand, did not confer any additional management authority beyond their respective rights under the Articles of Association and applicable PRC laws. As confirmed by the AIC Parties, there has been no disagreement or difference in views between each other during the AIC Period.

Since entering into the AIC Agreement and the commencement of the Track Record Period, Mr. Chen has been responsible for the Group's overall strategic planning, operational management, financial supervision and key personnel decisions, while Mr. Fan has not held any executive or management position or engaged in the business management or daily operation of the Group. In this context, the voting alignment arrangement under the AIC Agreement did not affect the Company's governance structure, senior management composition or operational leadership. As the Company's governance framework became more formalized in preparation for proposed [REDACTED], the AIC Parties mutually agreed to terminate the AIC Agreement to enhance transparency of the Company's governance structure and reflect Mr. Chen's established leadership role in the management and operation of the Group. Therefore, on August 15, 2025, the AIC Parties entered into an agreement, pursuant to which the AIC Parties terminated the AIC Agreement (the "**AIC Termination**"). As confirmed by the AIC Parties, and as set out in the PRC legal opinion dated August 18, 2025 issued by the Company's then PRC legal adviser in connection with the AIC & related matters (the "**AIC Termination Opinion**"), the AIC Termination did not involve any transfer of Shares, change in shareholding percentages, alteration of voting rights, change in board composition or change in management structure, and was in compliance with the applicable PRC laws, rules and regulations. Set out below is a table illustrating the total number of shares held by the AIC Parties showing the changes of their shareholdings since January 1, 2024 and up to the Latest Practicable Date:

	As at January 1, 2024		**As at January 1, 2025**		**Immediately before the AIC Termination**		**Immediately after the AIC Termination**		**Subsequent to the Share Acquisition and as at the Latest Practicable Date**	
	Number of Shares	*(%)*	*Number of Shares*	*(%)*	*Number of Shares*	*(%)*	*Number of Shares*	*(%)*	*Number of Shares*	*(%)*
Mr. Chen	48,082,549	4.88	48,082,549	4.88	48,082,549	4.75	48,082,549	4.75	53,139,426	5.11
Mr. Fan	48,082,372	4.88	48,082,372	4.88	48,082,372	4.75	48,082,372	4.75	43,025,495	4.14
The AIC Parties	96,164,921	9.76	96,164,921	9.76	96,164,921	9.51	—	—	—	—

During the AIC Period, Mr. Chen and Mr. Fan remained the two largest shareholders of the Group and acted in concert pursuant to the AIC Agreement. During the same period when Mr. Chen had already held slightly more Shares than Mr. Fan, the remaining shareholding base was highly dispersed, and the respective shareholdings of the AIC Parties as well as other shareholders were diluted over time as a natural result of market trading, with the aggregate shareholding of the top ten shareholders (excluding the AIC Parties) not exceeding approximately 15% and no other individual shareholder holding 2% or more of the Company's issued shares. Accordingly, throughout the AIC Period, the Company's ownership structure remained stable, with Mr. Chen consistently holding the largest individual stake, and the AIC Parties together constituting the group of Single Largest Shareholders prior to the AIC Termination.

Upon the AIC Termination, the AIC Parties were no longer the Single Largest Shareholder group and Mr. Chen became the Single Largest Shareholder of our Company in his own capacity. Although the AIC Termination resulted in a formal adjustment in the identification of the Single Largest Shareholder, it did not give rise to any substantive alteration in our Group's ownership, governance or decision-making structure, with Mr. Chen remaining as the Single Largest Shareholder from January 1, 2024 to the Latest Practicable Date.

Further, following the AIC Termination, Mr. Chen acquired an additional 0.5% shareholding from Mr. Fan in September 2025 through a block trade (the "**Share Acquisition**"), thereby further strengthening his position as the Single Largest Shareholder. Pursuant to the AIC Termination Opinion, Mr. Chen has also undertaken not to reduce his shareholding within the 18 months immediately following completion of the Share Acquisition. As required under the applicable rules of the Shenzhen Stock Exchange, the AIC Termination and the Share Acquisition were submitted for review and pre-vetting with no objection raised by the relevant regulatory authority, and the Share Acquisition was duly completed in September 2025. As of the Latest Practicable Date, Mr. Chen held 53,139,426 Shares, representing approximately 5.11% of our total Shares, and remained as our Single Largest Shareholder.

Our Group was also able to maintain a stable core management team (the "**Core Management Team**") and consistent operational leadership under Mr. Chen, with no changes in the actual dynamics between Mr. Chen and the Core Management Team before and after the AIC Termination. The Core Management Team comprised professionals with complementary expertise who have remained in their key positions throughout the Track Record Period. Each member had clear functional responsibilities and has continued to perform their duties under the leadership of Mr. Chen. This long-term stability has ensured the effective implementation of strategic plans, the continuity of business decisions and the consistent execution of major projects. The AIC Termination, on the other hand, did not result in any change in the reporting lines, responsibilities and work allocations, or the decision-making mechanisms between Mr. Chen and the Core Management Team members. Our management and operational decision-making framework has remained intact and effective, and there has been no material change to our Directors and senior management members before and after the AIC Termination. For details, see "Relationship with the Single Largest Shareholder" and "Directors and Senior Management" of this Document.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

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

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

REASONS FOR THE [REDACTED] ON THE STOCK EXCHANGE

We are seeking [REDACTED] of our H Shares on the Stock Exchange in order to (i) promote our public profile and visibility in both domestic and international markets so that we may expand our customer base and promote our brand recognition, (ii) further broaden our access to international capital markets so that we may raise capital more efficiently both upon and after the [REDACTED] to support our growth, and (iii) attract talent and incentivize our employees.

For further details, see "Future Plans and Use of [REDACTED]" and "Business — Our Strategies" to this Document.

COMPLIANCE WITH LAWS AND REGULATIONS

As confirmed by our PRC Legal Adviser, our Company has obtained the relevant approvals or confirmation and has registered or filed with the relevant competent authorities (where applicable) in accordance with the relevant laws and regulations in respect of its establishment and subsequent transfers of equity interests and changes in registered capital (where applicable), and the establishment of our Company and subsequent transfers of equity interests and changes in registered capital (where applicable) have been properly and legally completed and/or settled, and are effective and legally binding.

PUBLIC FLOAT AND FREE FLOAT

Satisfaction of the Public Float Requirement

Rules 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of the H Shares for which the [REDACTED] is sought that are held by the public, at the time of the [REDACTED], must (a) represent at least 10% of the Company's total number of issued Shares in the class to which H Shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK$3 billion.

Our A Shares are listed on the ChiNext Market of the Shenzhen Stock Exchange. The total number of the H Shares to be issued pursuant to the [REDACTED] represents approximately 10% of the enlarged issued share capital of the Company (assuming the [REDACTED] is not exercised). It is expected that upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised), the total number of H Shares expected to be held by the public represent approximately [REDACTED]% of the total issued capital of our Company (excluding 529,690 A Shares repurchased by our Company as treasury shares as of the Latest Practicable Date), which is higher than the prescribed percentage of H Shares required to be held in public hands as required under Rule 19A.13A(2)(a) of the Listing Rules, thereby satisfying Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules.

Satisfaction of the Free Float Requirement

Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

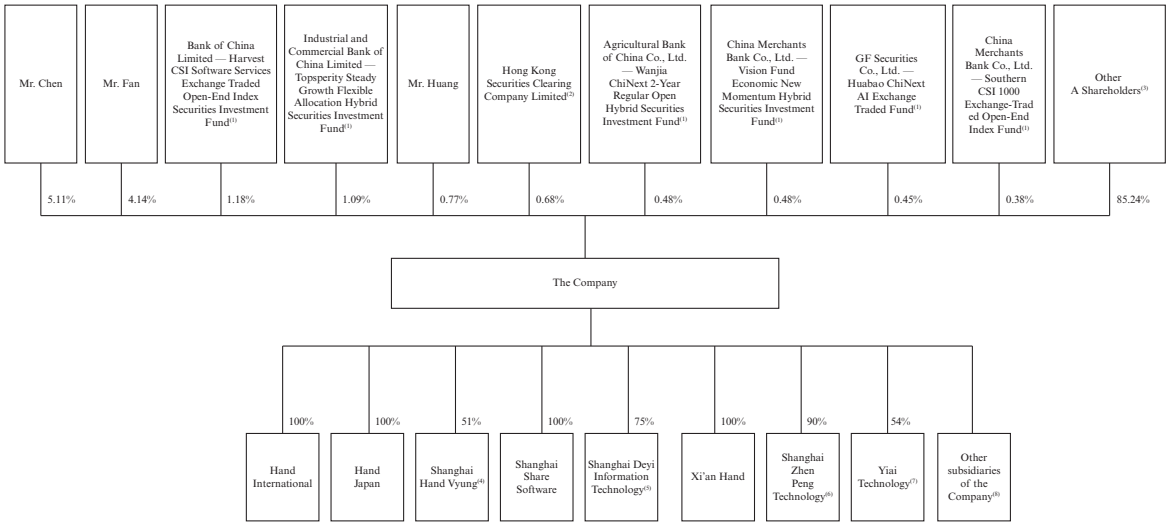
Based on an [REDACTED] of HK$[REDACTED] per H Share, being the low end of the indicative [REDACTED] range, the market value of the H shares for which the [REDACTED] is sought that are held by the public is HK$[REDACTED] million, thereby satisfying the free float requirement under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and Corporate Structure Immediately prior to the [REDACTED]

The following chart illustrates the simplified shareholding and corporate structure of our Group immediately prior to the completion of the [REDACTED]:



Notes:

(1) Each of Bank of China Limited — Harvest CSI Software Services Exchange Traded Open-End Index Securities Investment Fund (中國銀行股份有限公司 — 嘉實中證軟件服務交易型開放式指數證券投資基金), Industrial and Commercial Bank of China Limited — Topsperity Steady Growth Flexible Allocation Hybrid Securities Investment Fund (中國工商銀行股份有限公司 — 德邦穩盈增長靈活配置混合型證券投資基金), Agricultural Bank of China Co., Ltd. — Wanjia ChiNext 2-Year Regular Open Hybrid Securities Investment Fund (中國農業銀行股份有限公司 — 萬家創業板2年定期開放混合型證券投資基金), China Merchants Bank Co., Ltd. — Vision Fund Economic New Momentum Hybrid Securities Investment Fund (招商銀行股份有限公司 — 萬家經濟新動能混合型證券投資基金), GF Securities Co., Ltd. — Huabao ChiNext AI Exchange Traded Fund (廣發證券股份有限公司 — 華寶創業板人工智能交易型開放式指數證券投資基金) and China Merchants Bank Co., Ltd. — Southern CSI 1000 Exchange-Traded Open-End Index Fund (招商銀行股份有限公司 — 南方中證1000交易型開放式指數證券投資基金) represents an insurance product, publicly offered securities investment fund or asset management product established and managed by a PRC licensed financial institution. In addition, the Shares registered in the name of the relevant product fund or its manager in accordance with the PRC securities registration and settlement regime were administered by China Securities Depository and Clearing Corporation Limited, which recorded only the product or nominee holder as the corresponding registered shareholders and did not provide us with any look-through information of the underlying investors. Therefore, to the best knowledge of the Directors after having made all reasonable enquiries, we were not in a position to ascertain the identities or background of the controllers or ultimate beneficial owners of such Shares. As of the Latest Practicable Date, none of the above holders was able to exercise control or exert any material influence over the Company.

(2) The Shares registered under the name of Hong Kong Securities Clearing Company Limited ("**HKCASS**") represent shares held through the Northbound Trading Link (the "**Northbound Trading**") of the Shenzhen-Hong Kong Stock Connect (深港通) (the "**Stock Connect**") by Hong Kong and overseas investors (as the ultimate investors/beneficial owners, the "**Underlying Investors**"). Our A Shares were included in the Stock Connect on December 5, 2016. To the best knowledge of the Directors after having made all reasonable enquiries, under the Stock Connect nominee holding structure, shares acquired through Northbound Trading are registered in the name of the nominee holder. Accordingly, our shareholder register, which are maintained by reference to the records made available through the applicable PRC securities registration and settlement mechanism, can only reflect HKCASS as the registered holder of such Shares. Therefore, consistent with the indirect holding structure, we are then not provided with, or in a position to ascertain, the identities and background of the Underlying Investors or the corresponding ultimate beneficial owners of the Shares collectively held under HKCASS.

(3) As of the Latest Practicable Date, none of other A shareholders in his/her/its individual capacity, to the best knowledge of the Directors after having made all reasonable enquiries, was able to hold 1% or more of our total Shares in its individual capacity.

(4) As of the Latest Practicable Date, the remaining 49% shareholding interest in Shanghai Hand Vyung was held by Mr. Zhan Ge (展舸), the executive director and general manager of Shanghai Hand Vyung, and Shanghai Yuzhe Investment Management Partnership Enterprise (Limited Partnership) (上海禹哲投資管理合夥企業(有限合夥)), the employee incentive scheme platform of Shanghai Hand Vyung, respectively.

(5) As of the Latest Practicable Date, the remaining 25% shareholding interest in Shanghai Deyi Information Technology was held by (i) Mr. Shang Yunfang (商雲方), one of the co-founders of Shanghai Deyi Information Technology and its former executive director and general manager and an employee of our Group; (ii) Mr. Liu Yumin (劉煜民), the other co-founders of Shanghai Deyi Information Technology and a former employee of the Group; and (iii) Shanghai Yide Enterprise Management Partnership (Limited Partnership) (上海逸鍀企業管理合夥企業(有限合夥)), the employee incentive scheme platform of Shanghai Deyi Information Technology, respectively.

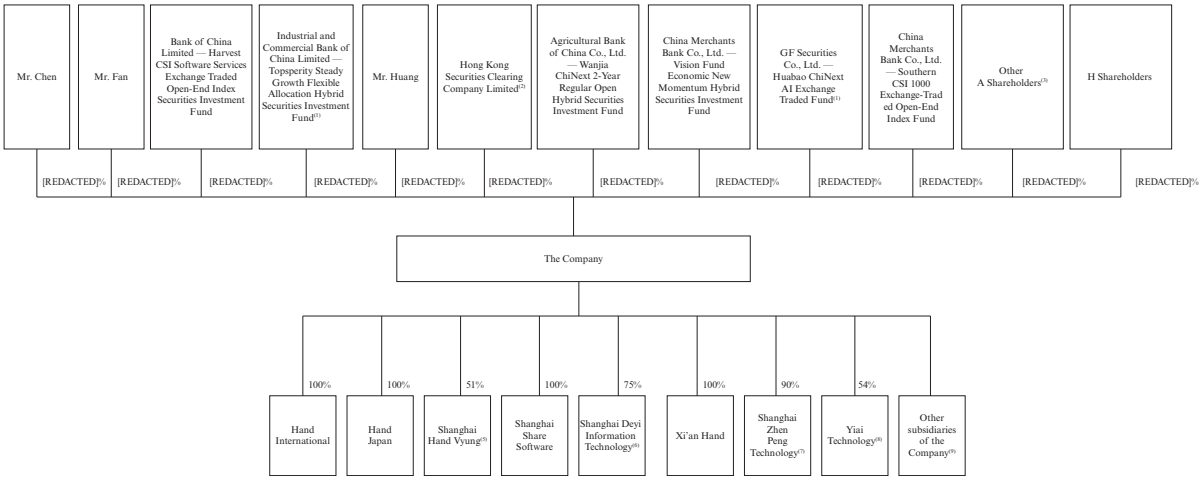
(6) As of the Latest Practicable Date, the remaining 10% shareholding interest in Shanghai Zhen Peng Technology was held by Ningbo Xiangbao Cooperation Zone Newnem Enterprise Management Consulting Partnership (Limited Partnership) (寧波象保合作區紐耐姆企業管理諮詢合夥企業(有限合夥)), which was an Independent Third Party.

(7) See "— Shareholding and Corporate Structure Immediately prior to the [REDACTED]" above for details.

(8) Other subsidiaries included 29 subsidiaries established in various jurisdictions as of the Latest Practicable Date.

Shareholding and Corporate Structure Immediately following the [REDACTED]

The following chart illustrates the simplified shareholding and corporate structure of our Group immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and no changes are made to the issued share capital of our Company except for the [REDACTED]):



Notes:

(1)-(8) See "— Shareholding and Corporate Structure Immediately prior to the [REDACTED]" above for details.

BUSINESS

OVERVIEW

Who We Are

We are a proven enterprise IT consulting and digital solution service provider in China. We provide a full range of digitalization and intelligentization solutions, which consist of a combination of IT consulting services, proprietary software products, and AI applications. Our clients primarily comprises large and top-tier enterprises. Large enterprises generally refer to companies with annual operating revenue of approximately RMB500 million or above and more complex information system requirements, while top-tier enterprises generally refer to major players in their respective sub-sectors with strong market influence and competitive positioning. According to Frost & Sullivan, in the highly competitive and fragmented enterprise IT consulting and digital solution service market in China with a market size of RMB196.20 billion in 2025, our market share of 1.7% in terms of revenue ranked fourth overall and first among domestic Chinese companies.

Our digitalization and intelligentization solutions can be broadly categorized as follows.

- ***Industry Digitalization Solutions***. They are industry-specific solutions for (i) intelligent manufacturing, (ii) digital marketing, and (iii) intelligent collaborative supply chain. These solutions consist of IT consulting services, proprietary software products, and AI applications.
- ***Finance Digitalization Solutions***. They are solutions for enterprise financial management, consisting of IT consulting services, proprietary software products, and AI applications.
- ***ERP Consulting and Implementation Services***. These services are IT consulting services primarily based on third-party software products, and may be supplemented by certain proprietary software products depending on client needs.
- ***Information Technology Outsourcing (ITO) Services***. They consist of (i) system operation and maintenance support and (ii) software outsourcing.

The following table sets forth a breakdown of our revenue by business line during the Track Record Period.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)									
							(Unaudited)			
Industry Digitalization Solutions	844,297	28.3	1,023,872	31.6	1,206,010	35.3	316,154	31.9	382,243	35.8
Finance Digitalization Solutions	682,539	22.9	749,890	23.2	799,637	23.4	235,527	23.8	250,247	23.4
ERP Consulting and Implementation Services	1,066,395	35.8	1,067,017	33.0	1,015,303	29.7	321,266	32.5	318,954	29.8
ITO Services	372,064	12.5	380,036	11.7	382,872	11.2	114,111	11.5	115,307	10.8
Others[(1)]	14,404	0.5	14,336	0.5	11,548	0.4	2,676	0.3	2,569	0.2
Total	**2,979,699**	**100.0**	**3,235,151**	**100.0**	**3,415,370**	**100.0**	**989,734**	**100.0**	**1,069,320**	**100.0**

Note:

(1) Represents interest income from our factoring arrangements, which were charged based on the amount and duration of funds advanced, office rental income, and other miscellaneous income.

Operating Metrics

The following table sets forth a breakdown of our revenue, gross profit, and gross profit margin by countries and regions for the periods indicated.

	For the Year Ended December 31,									For the Four Months Ended April 30,					
	2023			2024			2025			2025			2026		
	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin
	(in thousands, except percentages)														
										(Unaudited)					
Chinese Mainland	2,584,094	695,607	26.9	2,828,058	950,698	33.6	2,887,423	1,043,553	36.1	805,457	265,881	33.0	908,680	320,320	35.3
Japan	270,622	74,774	27.6	288,625	82,985	28.8	319,574	96,066	30.1	109,984	43,432	39.5	93,759	28,387	30.3
Hong Kong, Macao, and Taiwan	24,287	6,486	26.7	38,972	12,258	31.5	84,038	29,184	34.7	31,946	11,375	35.6	23,621	7,131	30.2
The United States	60,153	13,053	21.7	40,507	15,205	37.5	33,166	11,483	34.6	15,856	5,939	37.5	11,258	3,398	30.2
Others[2]	40,543	8,521	21.0	38,988	3,990	10.2	91,169	37,832	41.5	26,491	9,499	35.9	32,002	11,448	35.8
Total	**2,979,699**	**798,441**	**26.8**	**3,235,151**	**1,065,136**	**32.9**	**3,415,370**	**1,218,117**	**35.7**	**989,734**	**336,126**	**34.0**	**1,069,320**	**370,684**	**34.7**

Notes:

(1) Excluding changes in inventory impairment loss and tax surcharge.

(2) Includes Singapore, India, the United Kingdom, Malaysia, Thailand, and other countries or regions.

The following table sets forth a breakdown of our revenue, gross profit, and gross profit margin by industry sector of clients for the periods indicated.

	For the Year Ended December 31,									For the Four Months Ended April 30,					
	2023			2024			2025			2025			2026		
	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin	Revenue	Gross Profit[1]	Gross Profit Margin
	(in thousands, except percentages)														
										(Unaudited)					
Manufacturing	1,118,691	274,275	24.5	1,112,336	357,072	32.1	1,118,541	393,141	35.1	329,096	106,480	32.4	349,665	113,812	32.5
Internet	397,828	122,232	30.7	366,235	121,732	33.2	537,005	201,494	37.5	135,371	48,665	35.9	182,850	57,082	31.2
Consumer goods	296,778	97,068	32.7	396,769	133,799	33.7	425,947	156,222	36.7	125,912	42,016	33.4	149,512	66,012	44.2
Telecommunications	245,640	90,557	36.9	255,916	106,463	41.6	193,960	77,772	40.1	55,742	19,038	34.2	55,862	20,699	37.1
Energy	227,841	45,437	19.9	178,404	58,975	33.1	229,798	96,043	41.8	71,307	30,753	43.1	65,160	19,128	29.4
Finance	222,953	45,343	20.3	254,515	64,043	25.2	247,906	89,606	36.1	74,782	23,385	31.3	76,183	27,870	36.6
Others	469,968	123,529	26.3	670,976	223,052	33.2	662,213	203,839	30.8	197,524	65,789	33.3	190,088	66,081	34.8
Total	**2,979,699**	**798,441**	**26.8**	**3,235,151**	**1,065,136**	**32.9**	**3,415,370**	**1,218,117**	**35.7**	**989,734**	**336,126**	**34.0**	**1,069,320**	**370,684**	**34.7**

Note:

(1) Excluding changes in inventory impairment loss and tax surcharge.

The following table sets forth a breakdown of our revenue, the number of projects delivered, average contract value per project, and average spending per customer by each business line for the periods indicated.

	For the Year Ended December 31,										For the Four Months Ended April 30,							
	2023				2024				2025				2025				2026			
	Revenue	Number of Projects Delivered[1]	Average Contract Value	Average Spending Per Customer	Revenue	Number of Projects Delivered[1]	Average Contract Value	Average Spending Per Customer	Revenue	Number of Projects Delivered[1]	Average Contract Value	Average Spending Per Customer	Revenue	Number of Projects Delivered[1]	Average Contract Value	Average Spending Per Customer	Revenue	Number of Projects Delivered[1]	Average Contract Value	Average Spending Per Customer
	(RMB in thousands, except number of projects delivered)												*(Unaudited)*							
Industry Digitalization Solutions	844,297	1,516	557	1,355	1,023,872	1,845	555	1,354	1,206,010	2,410	500	1,280	316,154	954	331	588	382,243	1,187	322	591
Finance Digitalization Solutions	682,539	2,078	328	839	749,890	2,129	352	854	799,637	2,565	312	789	235,527	1,252	188	350	250,247	1,503	166	316
ERP Consulting and Implementation Services	1,066,395	2,968	359	769	1,067,017	3,057	349	761	1,015,303	2,978	341	724	321,266	1,596	201	343	318,954	1,667	191	337
ITO Services	372,064	409	910	1,512	380,036	557	682	1,234	382,872	449	853	1,334	114,111	262	436	591	115,307	292	395	531
Others	14,404	160	90	126	14,336	128	112	159	11,548	53	218	312	2,676	18	149	191	2,569	20	128	171
Total	**2,979,699**	**7,131**	**418**	**1,214**	**3,235,151**	**7,716**	**419**	**1,223**	**3,415,370**	**8,455**	**404**	**1,209**	**989,734**	**4,082**	**242**	**517**	**1,069,320**	**4,669**	**229**	**512**

Note:

(1) Refers to number of projects from which the revenue was recognized in an applicable year or period, including projects carried forward from previous years.

For projects delivered during the Track Record Period, the average project duration of our industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation services, and ITO services was approximately 309 days, 349 days, 318 days, and 318 days, respectively.

Our customer retention rate for 2023, 2024, and 2025 was 79.6%, 80.9%, and 81.6%, respectively.

Our Unified Digital Foundation

Our unified digital foundation consists of our PaaS platform for enterprise clients and AI application framework, which form the technological base underpinning and supporting our four types of digitalization and intelligentization solutions.

PaaS Platform for Enterprise Clients

H-ZERO, our PaaS platform for enterprise clients, is a common technology foundation that supports development, deployment, and management of enterprise applications.

All common core functions are uniformly developed and available on H-ZERO as reusable components. Its unified management of users, organizations, and permissions ensures data security and governance consistency across systems. It improves cost efficiency by shortening development time and reducing duplicative engineering work across projects.

H-ZERO centralizes reusable components, unifies architecture standards, and supports consistent product development and delivery. It shortens our proprietary software product iteration cycles by allowing developers to build new features based on existing reusable components, improves project delivery efficiency by enabling standardized development processes and faster system deployment, and enhances the scalability and interoperability of our solutions by allowing different systems and industry applications to be connected and expanded.

H-ZERO also is a project delivery platform. The unified architecture design, and development specifications have significantly improved delivery efficiency. Enterprise clients can use H-ZERO to efficiently support various business scenarios and easily expand and personalize their business needs. It supports both coding and simplified configuration, allowing developers, including those who are not professional coders, to efficiently assemble and customize applications.

As H-ZERO continually iterates as a dual-purpose platform for technology development and project delivery, it has gained growing recognition among enterprise clients as reflected by its continued adoption as the underlying platform for our proprietary software products integrated in our solutions delivered to clients. As H-ZERO becomes a key part of our business roadmap, we have actively commercialized H-ZERO for worldwide external enterprise deployment.

AI Application Framework

Formally launched in 2025, our AI application framework consists of four product series and one service series, which can be offered as part of our industry digitalization and finance digitalization solutions depending on specific client needs and requirements.

Applications: AI Agent Series. The AI agents are designed for various business scenarios in manufacturing, marketing, finance, supply chain, and human resources. Real-world applications include shopping guides, customer services, logistics scheduling, and financial shared services.

Tools: AI Mid-Platform Series. These tools allow enterprises to manage large models and integrate other models. They support creation of customized applications and provide a set of management and productivity tools, such as vector database management, private model fine-tuning, AI knowledge assistant, and employee work assistant.

Models: Industry-Specific Model Series. We build industry-specific models for several sectors, such as logistics, lithium batteries, and mining, and are gradually launching them for commercial use. We utilize the AI coding model with our source code to train a large code model, H-AI Coder, which is intended to assist with code-related tasks. These models are developed for different industry use cases, such as supply chain optimization and predictive maintenance, and can be introduced for commercial use.

Engine: Data Solution Series. The data engine includes four core areas: master data, data governance, data operations, and the integration of intelligent technologies. It integrates data development, assetization, and analytics and operating capabilities. Through industry-specific applications such as in intelligent manufacturing and digital marketing, we support enterprises in managing, analyzing, and applying data in different business scenarios.

Services: Supporting Services. They include AI consulting and planning, private model and personnel training, and customized AI application development.

Our Market Opportunities

China continues to steadily implement its digital economy strategy. Digital economy is widely regarded as a key driver of high-quality economic development, and digitalization has become a core force of advanced productivity. The Suggestions of the 15th Five-Year Plan expressly proposes to promote technology transformation and upgrade, facilitate the digitalization of manufacturing, improve the integration of modern service industries and advanced manufacturing, and promote the digitalization of service industries. During the 15th Five-Year Plan period, enterprise digitalization will continue to be driven by policies, and the digitalization of manufacturing and service industries will be regarded as an important path for industrial development and competitiveness enhancement. Meanwhile, the Key Points of Digital Economy Work in 2025 jointly released by the National Development and Reform Commission and the National Data Administration in 2025 expressly proposes to deeply implement the digital transformation projects and cultivate digital transformation service providers to promote the deep integration of digital technology and the real economy, and comprehensively improve the level of industry digitalization and the digitalization capabilities of enterprises.

The trend of enterprise AI application development is evident, with downstream demand emerging. The global enterprise AI application market entered a stage of nascent and rapid development starting in 2022. With breakthroughs in generative AI technology and the increasing demand for intelligent management from enterprises, embedded AI application in enterprise software has become popular. The market size grew from RMB610 million in 2022 to RMB37.72 billion in 2025, and is expected to maintain a high growth rate over the next five years, reaching RMB522.04 billion by 2030, representing a CAGR of 69.1% from 2025 to 2030. In addition, Chinese enterprises' willingness to invest in and apply digitalization and intelligentization has significantly increased since 2023. The China market size grew from RMB540 million in 2023 to RMB5.05 billion in 2025, representing a CAGR of 298.6% from 2022 to 2025, making it the fastest-growing region among major global markets. It is projected to maintain high growth over the next five years, reaching RMB82.45 billion by 2030, representing a CAGR of 74.8% from 2025 to 2030.

Our Financial Performance

Our revenue and profitability showed an upward trend during the Track Record Period. Our revenue increased by 8.7% from RMB2.98 billion in 2023 to RMB3.24 billion in 2024 and further increased by 5.6% in 2024 to RMB3.42 billion in 2025. Our revenue increased by 8.0% from RMB989.7 million for the four months ended April 30, 2025 to RMB1.07 billion for the same period in 2026. Although we recorded a loss of RMB14.9 million in 2023, we regained profitability in an amount of RMB196.4 million in 2024. Our profit further increased by 19.2% from RMB196.4 million in 2024 to RMB234.1 million in 2025. Our profit increased by 6.7% from RMB43.4 million for the four months ended April 30, 2025 to RMB46.3 million for the same period in 2026.

OUR STRENGTHS

A strong base of major clients from various industries, enabling us to form a virtuous cycle of stable operations and continued capability improvement

Since our establishment, we have served a cumulative of over 7,000 enterprise clients, covering a wide range of industries, including manufacturing, consumer goods, finance, energy, and telecommunications. Our strong client base is a crucial advantage for us in the current and future market competition, allowing us to maintain a competitive market position. According to Frost & Sullivan, we ranked fourth nationwide and first among domestic Chinese enterprises among enterprise IT consulting and digital solution service providers in China in terms of revenue.

A high-quality client base is the foundation of our stable growth. Our key enterprise clients across various industries generally have complex business scenarios and sophisticated data needs, providing us with high-quality input that drives us to continually iterate and upgrade our technological capabilities and product systems. Meanwhile, consistent delivery of high-quality products and services to key enterprise clients has created a significant benchmark effect for us, further enhancing our market influence and brand value, attracting more high-quality clients.

We have stable business partnerships with our clients. From ERP consulting and implementation to subsequent system upgrades and further digitalization, we provide long-term services. Our professional service capabilities and consistent delivery quality have earned widespread brand trust and fostered highly loyal relationships with our clients. Our PaaS platform for enterprise clients and AI application framework target client groups that largely overlap with our traditional ERP consulting and implementation services, many of whom are already long-term business partners. In 2023, 2024, and 2025, our client retention rate was approximately 80%. Our accumulated client insight supports the efficient promotion and implementation of our proprietary products.

A comprehensive system of proprietary software products leveraging our practical experience and unified digital foundation

Our comprehensive system of proprietary software products are underpinned by an organic combination of experienced personnel, cutting-edge technology, industry know-how, and proven methodologies. Built on our practical experience across enterprise digitalization and AI application scenarios, this integrated capability enables us to deliver reusable, flexible, and scenario-based solutions.

Our comprehensive system encapsulates standardized general functions, reusable components, and configurable modules, allowing clients to benefit from pre-built core functionalities without repeated deployment. Additionally, our AI application framework supports integration with multiple mainstream large models, enabling clients to select and switch models without repeated system adaptation or redevelopment.

We are among the early movers in deploying AI agents across proprietary software products and services. We continually maintain our edge by leveraging our experience in serving major enterprise clients across multiple sectors, addressing our clients' specific application needs across different business scenarios.

Strong capabilities in consulting and implementation services for complex business scenarios

We possess strong capabilities in consulting and implementation services for complex business scenarios, which appeals to large enterprise clients, and in turn facilitates the market expansion and maintenance of our proprietary software products and provides ample resources for continued product iteration and optimization.

Based on our proprietary software products, we have built highly efficient service capabilities. By increasing centralized delivery efforts, we have improved the level of project management across all work stages, and by allocating personnel according to professional specialization, we have achieved standardized and automated delivery, improving delivery efficiency and quality while reducing overall service labor costs.

Our global service capabilities

We have delivered projects across various countries and regions worldwide, covering a wide range of industries, including manufacturing, consumer goods, finance, energy, and telecommunication.

We have proven overseas implementation experience. Global clients were among our earliest clients, and with the rise of Chinese brands and their increased global expansion, the demand for overseas implementation has been significantly driven. As a service provider with rich overseas implementation experience and a solid understanding of Chinese enterprises, we are well positioned to help Chinese clients expanding overseas. Our proprietary software products are gradually being implemented in various business areas, gradually realizing the transformation from service-going-global to product-going-global.

We have unique advantages in global services. First, we have developed localized solution packages for various countries, complying with local tax, compliance, and legal requirements. In addition, the characteristics and advantages of different regions further solidify our unified allocation and management of resources. Furthermore, we adopt a combined on-site and off-site implementation approach, with experienced consultants familiar with local business and remote delivery centers, balancing implementation quality and delivery cost advantages.

Seasoned and business-savvy management team

We have a management team with strategic foresight and business acumen, possessing experience in enterprise digitalization and intelligentization solutions. We have accurately identified the growing demand for digitalization in industries such as intelligent manufacturing and digital marketing, and the financial digitalization needs of large corporations. This has enabled us to continually optimize and iterate our products and services to meet market and client needs. Furthermore, our early foresight of AI-driven industry trends has allowed us to commence technology exploration and practical experience accumulation at an early stage, laying the foundation for the official launch and ongoing refinement of our AI application framework in 2025.

Our chairman, Mr. Chen, holds a bachelor of science degree in electronic engineering from Fudan University and a master of science degree from Louisiana Tech University. Mr. Chen previously served on various managerial positions with severed multinational IT enterprises in China.

Under the leadership of our chairman, Mr. Chen, we have defined "respecting clients and being grateful to clients" as our core culture, adhered to a client-centric value orientation.

OUR STRATEGIES

Further explore and enhance the commercialization of our AI application framework, and optimize our proprietary software products and enrich our solutions thereunder

We plan to continue to integrate AI capabilities into our proprietary software products, enhance research and development, expand our existing product portfolio, and enrich our solutions, aiming to provide more comprehensive and higher-quality products and services.

We will also continue to strengthen our capabilities as a comprehensive enterprise AI application provider by developing and optimizing enterprise AI application. In addition, leveraging our accumulated industry experience in manufacturing, consumer goods, finance, energy, and telecommunications, we will deepen collaboration with our long-term enterprise clients to further optimize our AI application framework and help clients continually enhance their digitalization and intelligent capabilities.

Strengthen enterprise digital solution capabilities through continued development of our proprietary software products and ERP consulting and implementation capabilities

We will continue to strengthen our digital solution capabilities by further developing and optimizing our proprietary software products and ERP consulting and implementation capabilities. Particularly, we will leverage our project experience and understanding of business application models across different industrial sectors to meet the diverse ERP consulting and implementation needs of our enterprise clients across different industries.

Continue to expand into overseas markets and improve our global market layout

We will continue to expand our presence in overseas enterprise markets and actively explore opportunities for our new AI application framework and PaaS platform for enterprise clients internationally. Going forward, we intend to progressively shift from a delivery model primarily based on manpower output to one centered on the deployment of our proprietary software products. Through integration of resources across multiple regions, we aim to enhance operating efficiency in various business areas and provide high-quality products and digital solutions to support our clients.

Strengthen branding to drive sustainable growth

We aim to evolve from a solutions provider into a long-term partner for enterprise digital transformation by building a professional, reliable, and forward-looking brand with strong technological capabilities. Through strengthening brand recognition and client trust, we seek to enhance client stickiness to our products and platforms, expand our client base, and further increase our brand influence within the industry, thereby supporting the sustainable growth of our business.

Continually seek potential strategic cooperation opportunities and actively explore new fields

We plan to continually seek potential strategic cooperation, investment, and acquisition opportunities to enter new industries, strengthen our technology and research and development capabilities, and invest in other digital fields that are complementary to our existing businesses, thereby broadening our business boundaries.

Continue to attract and retain top-tier talents

We consider talent to be one of our most valuable assets and place talent development at the core of our corporate strategy. To attract top-tier professionals, we have built a multi-channel recruitment system. Additionally, we have a comprehensive talent growth framework to enhance overall capabilities across key functions, including research and development, pre-sales and sales, implementation, and customer support.

BUSINESS

OUR BUSINESS MODEL

Our industry digitalization solutions, finance digitalization solutions, and ERP consulting and implementation services all include an IT consulting component. They are separate and focus on different areas with different software products and different scopes of services. Our industry digitalization solutions and finance digitalization solutions are delivered primarily based on our proprietary software products. Our ERP consulting and implementation services are delivered primarily based on third-party enterprise software packages. Our industry digitalization solutions focus on business operations in specific industries, while our finance digitalization solutions focus on enterprise financial management.

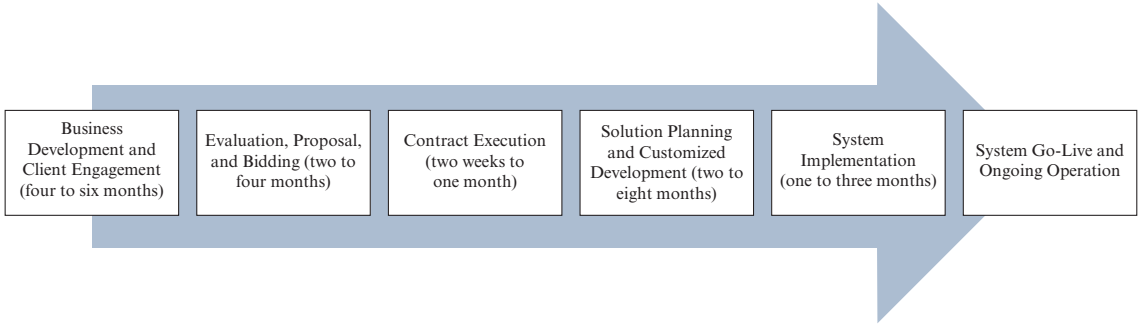
The following table sets forth an overview of our business lines.

	Key Features	Scope of Services	Application Scenario	Targeted Customers	Type of Deployment	Technologies Adopted
Industry Digitalization	IT consultants with specific industry experience serving business and operation needs in diverse industries	IT consulting primarily with proprietary software products	(i) Intelligent Manufacturing (ii) Digital Marketing (iii) Intelligent Collaborative Supply Chain	(i) Large manufacturers, such as new energy, high-technology manufacturing, and equipment manufacturing (ii) Large enterprises with complex organizational structures and diverse distribution channels (iii) Large logistics enterprises	Primarily on-premises deployment, with optional partial cloud deployment	Third-party large models and AI development tools Proprietary IT technology supported by AI application framework and PaaS platform
Finance Digitalization	IT consultants with financial experience serving enterprise financial management needs	IT consulting primarily with proprietary software products	(i) Integrated Financial Management (ii) Financial Operations Management (iii) Risk and Compliance Management (iv) Financial Data Analytics	Large enterprise groups with centralized financial management needs	Primarily on-premises deployment, with optional partial cloud deployment	Third-party large models and AI development tools Proprietary IT technology supported by AI application framework and PaaS platform
ERP Consulting and Implementation	IT consultants serving the traditional ERP implementation needs	IT consulting primarily with third-party enterprise software packages	(i) Enterprise Resource Planning (ii) Customer Relationship Management (iii) Human Resource Management Systems	Large enterprises	Primarily on-premises deployment, with optional partial cloud deployment	N/A
ITO	IT support	(i) System operation and maintenance support (ii) Software outsourcing	(i) Enterprise IT system operation and maintenance (ii) Flexible IT personnel deployment	Large enterprises	Primarily on-premises deployment, with optional partial cloud deployment	N/A

The following table sets forth the revenue and pricing models of our business lines.

	Revenue Model and Components	Pricing Model and Charging Basis	Revenue Recognition Policies	Range of Service Fee
Industry Digitalization	(i) IT Consulting — service fees, and	(i) IT Consulting — service fees are (a) fixed amount determined based on the scope of services on a project basis or (b) time-based amount determined based on the man-days incurred. (ii) Proprietary Software Products — (a) license fees are determined based on functions and features, or (b) annual maintenance fees are determined as a percentage of license fees	See note 4 to the Accountants' Report in Appendix I to this Document.	Man-Day Rate: RMB1,100 to RMB13,500 Software License Fee: RMB1.0 million to RMB10.0 million Maintenance Fee: RMB120,000 to RMB1.2 million per year
Finance Digitalization	(ii) Proprietary Software Products — (a) license fees and (b) annual maintenance fees			
ERP Consulting and Implementation				
ITO	Service fees for software development and operation and maintenance	Time-based service fees are determined based on the man-days incurred	See note 4 to the Accountants' Report in Appendix I to this Document.	Man-Day Rate: RMB1,000 to RMB7,500

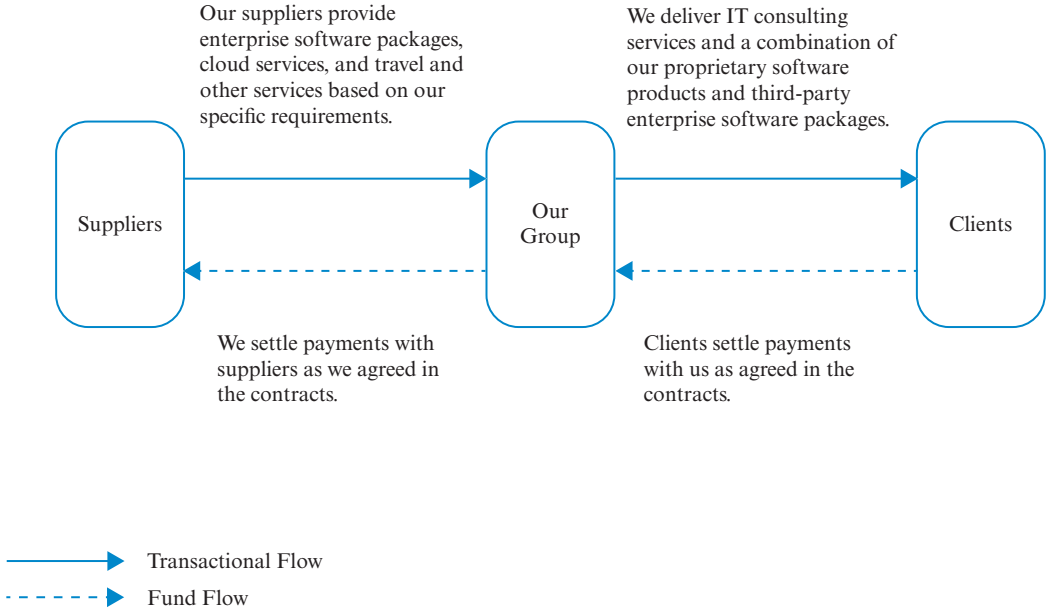
The following flow chart sets forth our step-by-step service and operation workflow.



- ***Business Development and Client Engagement.*** We identify potential clients through referrals, marketing activities, and ecosystem partnerships. Our team engages prospective clients to understand their operational needs and conducts preliminary internal assessments to evaluate potential cooperation.
- ***Evaluation, Proposal, and Bidding.*** Based on the client's requirements, we prepare preliminary quotations or commercial proposals. Where applicable, we participate in formal tender processes and submit bidding documents. During the Track Record Period, revenue generated from projects obtained through tender processes was RMB2.97 billion, RMB3.22 billion, RMB3.40 billion, RMB987.1 million, and RMB1.07 billion, respectively. We submitted 8,490, 8,678, 9,232, 3,042, and 3,146 tenders in 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, respectively, of which 4,327, 4,429, 4,595, 1,531, and 1,581 were awarded, representing tender success rates of 51.0%, 51.0%, 50.0%, 50.3%, and 50.3%, respectively.
- ***Contract Execution.*** Upon commercial alignment, both parties enter into formal agreements specifying the scope of services, deliverables, pricing terms, and implementation arrangements.
- ***Solution Planning and Customized Development.*** Following contract execution, we conduct detailed requirement confirmation and formulate an implementation plan tailored to the client's business processes and system landscape. This stage typically involves solution architecture design, functional configuration, and, where necessary, customized development to address client-specific operational requirements. We also perform system integration and testing to ensure compatibility with the client's existing IT environment and operating processes.
- ***System Implementation.*** Upon completion of testing and client confirmation, we proceed with system installation and deployment. In most cases, the system is deployed on the client's premises, while in certain cases it is deployed through cloud-based infrastructure, depending on the client's requirements and system architecture. This stage typically includes environment configuration, data initialization, and coordination with the client's internal teams to ensure smooth system rollout within the client's operating framework.
- ***System Go-Live and Ongoing Operation.*** After deployment and client acceptance, the system is put into use. We provide operating support, maintenance services, and continued optimization to ensure system stability and alignment with evolving business needs.

BUSINESS

The following flow chart sets forth the transactional and fund flows of our business processes.



Our suppliers and partners primarily comprise software, hardware, and services providers. These suppliers and partners provide underlying software products, hardware infrastructure, cloud service products, and other supporting services that may be used in the delivery of our projects. By comparison, our role is to help clients, particularly large enterprise clients with large operating scale, complex business processes, and multiple departments and business units, address their digitalization needs in specific business scenarios. We do so by understanding their business needs and pain points, providing digital consulting and overall solution design, and delivering full-lifecycle project services. These services include project planning, implementation, secondary development, testing, launch, training, and subsequent operation and maintenance.

For example, in one ERP project for a manufacturing client, the upstream ERP product suppliers provided the relevant ERP software products and cloud service products. The client did not merely need the ERP products themselves. It needed a new system to replace its existing ERP system and support the daily operations of its group companies, including finance, procurement, production, inventory management, warehouse management, sales, reporting, and overseas management. Based on the client's business needs, we analyzed how its research and development, production, procurement, sales, warehouse, finance, and other teams recorded data, processed approvals, and shared information. We then applied the ERP products to these business processes through project planning, implementation, secondary development, testing, launch, training, and subsequent operation and maintenance. The project was designed to give the client a more integrated operating platform. Under this platform, business records could be linked with financial records, master data and business processes could be more consistently managed across group companies, inventory movements and warehouse operations could be better tracked, and reconciliation, reporting, and consolidated financial reporting could be carried out with less manual work.

This example illustrates the different roles played by upstream suppliers and us. Upstream software providers mainly focus on supplying software products or cloud service products, which serve as underlying tools in project delivery. They generally do not undertake the overall delivery of projects involving complex business scenarios, multiple business links, implementation, and subsequent operation and maintenance. Hardware providers and services providers providing business support or operating services do not have the capability to provide enterprise IT consulting

and digital solution services, and therefore have no competitive relationship with us. As a result, customers primarily value our end-to-end solution capabilities and full-process delivery capabilities, and generally engage us, rather than upstream suppliers, to deliver their overall digital projects.

OUR OFFERINGS

During the Track Record Period, we primarily operated in four major business lines: (i) industry digitalization solutions, (ii) finance digitalization solutions, (iii) ERP consulting and implementation services, and (iv) ITO services. While we have maintained a strong position in our traditional, long-standing ERP consulting and implementation services, we have actively developed proprietary software products to be integrated or coordinated with third-party technologies to enrich our industry digitalization solutions and finance digitalization solutions, which differentiate us from pure software product companies and pure ERP consulting companies.

Industry Digitalization Solutions

Leveraging our AI-driven technologies and industry-specific expertise, we help enterprises digitalize and intelligentize their manufacturing, marketing, and supply chain operations, enabling efficiency improvement and cost optimization in different industry use cases. In 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, our industry digitalization solution revenue was RMB844.3 million, RMB1.02 billion, RMB1.21 billion, RMB316.2 million, and RMB382.2 million, respectively, accounting for 28.3%, 31.6%, 35.3%, 31.9%, and 35.7% of our total revenue, respectively.

Industry digitalization solutions encompass (i) intelligent manufacturing, (ii) digital marketing, and (iii) intelligent collaborative supply chain.

We primarily provide IT consulting services covering solution planning, customized development, system implementation, and operation and maintenance services. In connection with our IT consulting services, we primarily deliver our proprietary software products and certain third-party hardware required for system installation and deployment. We deploy our software on clients' servers and, where required, develop interfaces to connect our solutions with clients' existing systems for data transmission.

The following table sets forth a summary of our industry digitalization solutions.

Solution Sector	Deliverables	Application of AI Technologies	Value to Clients
Intelligent Manufacturing	***Services:*** — IT consulting o business needs assessment and process review o solution design o system development and testing o system configuration, deployment, and launch o launch support and operation and maintenance ***Proprietary Software Products:*** — Hand Collaborative Manufacturing: for planning, production, logistics, and quality management of manufacturers o *Planning:* preparing monthly, weekly, daily, and shift-based production plans based on product sales and market forecasts, generating material procurement plans based on production plans, and supporting rolling review and updates o *Production and Logistics:* coordinating in-plant material delivery, workforce scheduling, production order execution, and finished goods warehousing based on production plans o *Quality:* recording quality inspection results based on product-specific process requirements, releasing qualified products, and returning non-qualified products for correction or scrap according to the client's quality control requirements	We apply AI technologies to help manufacturing clients improve planning, production scheduling, and quality control. For example, data from different functional departments, such as sales, production, inventory, and finance may be analyzed by AI to help clients compare different production and delivery plans, balance sales demand with production capacity and inventory levels, and reduce manual coordination among departments. In high-tech manufacturing scenarios, such as photovoltaic wafer slicing, AI may also be used to analyze production data, identify key parameters affecting product quality, and generate alerts when production parameters deviate from normal ranges, helping clients improve yield and reduce quality losses.	• Optimize manufacture planning and scheduling, strengthen quality control, improve resource utilization, and enable data-driven decision-making. — *Representative Case:* we help a global powersport equipment manufacturer with geographically dispersed factories achieve unified online management of manufacturing, supply, and sales planning, improving capacity allocation, shortening material replenishment cycles, and enhancing order fulfillment predictability.

Solution Sector	Deliverables	Application of AI Technologies	Value to Clients
Digital Marketing	***Services:*** — IT consulting o business needs assessment and process review o solution design o system development and testing o system configuration, deployment, and launch o launch support and operation and maintenance ***Proprietary Software Products:*** — LinkCRM: o *Private Domain Operations:* collecting sales and product data from online and offline channels, building consumer profiles and target consumer groups, analyzing consumer features, and supporting targeted promotion activities o *Channel Digitalization:* managing promotion plans and marketing budgets across brand owners, distributors, and partners, and supporting more standardized marketing execution o *Omnichannel E-Commerce:* consolidating orders from different sales channels, including e-commerce platforms and offline stores, supporting unified order fulfillment, and allocating inventory across warehouses o *Smart Store Management:* direct consumer interaction across enterprise WeChat, mobile applications, and in-store systems	We apply AI technologies to support sales training and consumer engagement. For example, for consumer goods clients with large numbers of store sales staff and frequent staff turnover, our solutions may use speech recognition, product knowledge bases, and AI-powered digital avatars to simulate customer conversations and sales scenarios. During the training process, the system recognizes sales staff's spoken responses, retrieves relevant product information and sales requirements from the knowledge base, evaluates their product knowledge and sales responses, and provides real-time feedback and scoring. This helps clients standardize sales training, improve training efficiency, and provide more consistent consumer engagement.	• Establish integrated digital marketing for enterprises with complex organizational and channel structures — *Representative Case:* we help a large Chinese liquor enterprise to migrate its previously fragmented and offline channel operations onto a unified cloud-based digital platform that integrates distributors, terminal stores, sales teams, and consumer data into a centralized system, thereby improving channel visibility, standardizing marketing execution, and enhancing data-driven consumer operations

Solution Sector	Deliverables	Application of AI Technologies	Value to Clients
Intelligent Collaborative Supply Chain	***Services:*** — ***IT consulting*** o business needs assessment and process review o solution design o system development and testing o system configuration, deployment, and launch o launch support and operation and maintenance ***Proprietary Software Products:*** — *SRM:* supplier access and qualification management, request-for-quotation processes, and procurement collaboration and coordination management functions o *Supplier Management:* identifying and onboarding qualified suppliers, maintaining qualified supplier lists, and conducting supplier assessment o *Sourcing and Pricing:* managing tendering, quotation, and pricing processes o *Procurement Collaboration:* coordinating purchase order placement, supplier delivery, and settlement with suppliers — *EI-SCM:* order management, transportation management, warehouse management, billing management, and logistics control tower, with reusable tools for tracking and traceability, load optimization, and route planning o *Order and Delivery Management:* managing sales orders, delivery orders, and settlement documents o *Transportation Management:* coordinating logistics delivery and tracking transportation status o *Warehouse Management:* managing warehouse inventory and supporting inventory tracking across the logistics process	We apply AI technologies to support delivery scheduling, route planning, vehicle allocation, and delivery sequencing. For example, where a client delivers goods from multiple regional warehouses to nearly one thousand stores, AI may consider store delivery time windows, temperature control requirements, vehicle costs, driver working hours, and route conditions to automatically generate delivery plans. This reduced the planning time from half a day by three dispatchers to approximately 15 minutes, reduced the number of vehicles used and total delivery distance, and helped reduce abnormal cargo loss caused by temperature deviations.	• SRM: enhance procurement collaboration between enterprises and upstream suppliers, reduce procurement costs, and improve operational efficiency • EI-SCM: improve inventory turnover, reduce transportation costs, and enable transparent logistics management — *Representative Case:* we help a large smart-hardware manufacturer replace fragmented and offline supplier onboarding and sourcing processes with a centralized digital platform, thereby improving supplier visibility, strengthening coordination among procurement, research and development, and quality teams, reducing manual processes, and enhancing procurement efficiency across multiple manufacturing bases

Finance Digitalization Solutions

Our finance digitalization solutions are developed to address the complex enterprise financial management needs. Most of our clients are major players in their respective industries.

In 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, our finance digitalization solution revenue was RMB682.5 million, RMB749.9 million, RMB799.6 million, RMB235.5 million, and RMB250.2 million, respectively, accounting for 22.9%, 23.2%, 23.4%, 23.8%, and 23.4% of our total revenue for the respective period.

We primarily provide IT consulting services covering solution planning, customized development, system implementation, and operation and maintenance services. In connection with our IT consulting services, we primarily deliver our proprietary software products and certain third-party hardware required for system installation and deployment. Currently, the proprietary software product that we deliver is a financial intelligence management suite, including functions such as budgeting management, expense control, consolidated financial reporting, clearing and settlement, compliance management, financial shared services, and data analytics. In particular, in centralized financial management scenarios, our finance digitalization solutions may apply AI agents to assist enterprise clients in automating document review and embedding review controls into their business workflows. For example, in a document review project for a large state-owned enterprise, we built a financial policy knowledge base covering the client's internal rules and review requirements, and configured scenario-based review plans, review checklists, and flexible review rules. At the front end, the AI document review assistant recognized information from submitted documents, images, and spoken inputs, and supported user interaction in natural language. Based on the identified information, the system retrieved relevant requirements from the financial policy knowledge base, used large language models to compare the documents against these requirements, and generated review comments for reference. This addressed the client's pain points, including heavy manual review workload, varied attachment formats, insufficient front-end checks, and reliance on individual reviewer experience. According to the client's project assessment, after the adoption of the AI document review assistant, 95% of document reviews were processed with AI assistance, the average review time per document was reduced to two minutes, and document review efficiency improved by 80%.

Our finance digitalization solutions enhance the quality of business-finance integration, improve accounting efficiency, strengthen cost and risk control, and enable resource consolidation and sharing across organizations. For example, we help a global OLED manufacturer centralize and standardize its financial shared services to address the increasing complexity of its financial operations arising from business expansion. We reviewed the client's existing finance responsibilities and daily finance processes, and configured a unified financial shared service platform covering document submission and review, accounting processing, account reconciliation, and routine approvals. We migrated the client's previously scattered accounting, reconciliation, document processing, and approval work onto the platform. In daily operations, business teams submit documents and approval requests through the platform, while finance personnel process accounting documents, perform reconciliations, and monitor approval status on the same platform. We also set standardized workflows, approval steps, and control points on the platform, reducing manual hand-offs, duplicated processing, and inconsistent practices across different entities. As a result, the client improved processing efficiency, workflow transparency, internal control, and financial traceability, and its finance personnel can focus more on budgeting, analysis, and risk management rather than routine transactional tasks.

ERP Consulting and Implementation Services

Our ERP consulting and implementation services are the longest-standing business line. We provide IT consulting services covering solution planning, customized development, system implementation, and operation and maintenance services. These services are based on domestic and international third-party enterprise software packages, including ERP (enterprise resource planning), CRM (customer relationship management), and HRMS (human resource management systems). We primarily collaborate with mainstream software suppliers. Under these arrangements, the software suppliers are typically responsible for providing standard software packages and corresponding software updates, and we are responsible for distributing these services to end users in accordance with the agreed terms and applicable requirements. Our proprietary software products can be integrated with mainstream third-party ERP systems through our PaaS platform for enterprise clients. In addition, we deliver certain third-party hardware required for system installation and deployment.

We help enterprises optimize core business processes and achieve standardized, efficient, and expandable operations. In addition, our proprietary software products complement ERP systems by providing supplemental digital modules and functionalities.

In a typical project, we use our PaaS platform to connect the client's business systems with the mainstream third-party ERP system. The client's business systems record day-to-day business activities, while the ERP system records the corresponding financial and accounting information. Through system interfaces on our PaaS platform, business data can flow between these systems. For example, supplier information and assessment results generated in the client's procurement system can be synchronized to the ERP system for supplier record management. Purchase orders issued in the ERP system can be synchronized to the supplier portal for order fulfilment. Goods receipt and invoice information recorded in the procurement system can also be synchronized back to the ERP system for accounts payable and payment processing. We also use our PaaS platform to develop customized functions not covered by standard ERP packages or the client's existing business systems, such as supplier assessment, invoice, purchase order and goods receipt matching, customized queries and reports, and AI agents that automatically retrieve relevant business data and match invoices against purchase orders.

We also customize our ERP consulting and implementation services based on clients' industry practices and daily operating processes. For manufacturing clients, we may connect sales orders, production plans, inventory levels, and financial data, so that sales, production, warehouse, and finance teams can work from the same set of operating information when making production and delivery plans, thereby improving production planning and delivery coordination. For consumer goods clients, we may develop training and sales support functions for sales personnel, so that they can better understand product features and respond to customer inquiries, thereby improving staff training and sales execution. For high-tech clients with precision production processes, such as photovoltaic manufacturers, we may develop data analysis and monitoring functions based on their production data. For example, where product quality is affected by multiple production parameters, we help clients identify key parameters that affect production quality, build monitoring models, and generate alerts when production data falls outside the expected range, thereby supporting process control, product yield, and operating efficiency. These industry-specific customizations enable our ERP consulting and implementation services to address clients' actual operating scenarios and management needs, helping clients optimize core business processes and achieve standardized, efficient, and expandable operations.

Our ERP consulting and implementation services also play a critical role in supporting our expanding global service footprint. We serve a diverse base of multinational and regional enterprises, many of which operate across multiple jurisdictions. To address the complexities of cross-border deployment, we have established global service capabilities. During the Track Record Period, we successfully completed multiple overseas ERP deployments industries such as consumer goods, manufacturing, and high-tech sectors, in over 30 countries and regions, including Chinese mainland,

Japan, Hong Kong, Singapore, the United States, Taiwan, India, and the United Kingdom. Our overseas ERP implementation work covers the full implementation process. We first review the client's existing business process and management needs in the relevant overseas market, then design the implementation plan, develop and test client-specific functions, configure and deploy the ERP system, conduct testing with the client's business systems, support system launch, and provide post-launch operation and maintenance. Through these projects, we help clients apply their domestic management standards to overseas operations, align overseas business data with headquarters' financial records, and manage sales, procurement, inventory, finance, and reporting processes across different jurisdictions on a more consistent basis. These overseas ERP deployments were primarily carried out by our own employees, with certain deployments undertaken by clients' IT personnel or local partners. As of December 31, 2023, 2024, and 2025 and April 30, 2026, we had 243, 350, 312, and 313 overseas employees, respectively.

Our value lies in providing ERP consulting and implementation services that go beyond standard software delivery and routine system deployment. By combining our proprietary PaaS platform, industry know-how, and experience in serving large enterprise clients, we help clients integrate ERP systems with their actual business processes, develop customized functions, and apply technologies such as AI to improve management efficiency. This allows us to better address clients' actual operating needs and create value beyond standard ERP implementation.

ITO Services

Our ITO services primarily comprise (i) system operation and maintenance support, under which we provide ongoing infrastructure, system, and application maintenance, monitoring, troubleshooting, upgrades, and technical support to ensure continued and stable operation of clients' IT environments and (ii) software outsourcing, under which we provide development and testing personnel and teams to undertake software development, enhancement, and testing work in accordance with the specific requirements of clients.

Through these service offerings, we provide clients with expandable, reliable, and cost-effective IT support, enabling them to focus on their core business operations while ensuring the stable and secure operation of their IT systems.

OUR TECHNOLOGIES

Over years of continued investment, we have built an integrated enterprise technology system centered around AI technologies, cloud-native technology framework, and big data analytics. These technology foundations form the backbone of our product innovation and service delivery, supporting expandable, secure, and intelligent enterprise digitalization across industries.

AI Technologies

Building on our experience in enterprise applications, we have developed an AI application framework that integrates large models, model coordination tools, and domain-focused deployment capabilities.

Our AI application framework ranges from model access and model coordination to application-layer implementation. The architecture includes a modular AI platform, a series of proprietary domain-specific large models, and advisory and customization services, supporting AI-related functions in different business workflow.

Our multi-model coordination framework supports connection and simplified configuration of multiple large language models, allowing enterprises to combine different AI models. Through this architecture, business users can configure and apply AI-related functions in different industries such as manufacturing, finance, supply chain, and client service. The visual configuration and reusable component design also help reduce the volume of development work and support application deployment.

In our AI technologies, we incorporate both open-source foundation models and mainstream large models, primarily supporting language, speech, and vision capabilities. We incorporate these open-source foundation models from publicly available open-source communities and repositories, pursuant to open-source licenses, and incorporate these mainstream large models from third-party commercial model providers, pursuant to commercial arrangements. The intellectual property rights in these models are owned by their respective developers or providers. We generally do not pay license or subscription fees for open-source foundation models, while fees may apply to the mainstream large models. We have developed proprietary modules within our proprietary H-ZERO platform, which may request capabilities of these open-source foundation models and mainstream large models through their respective APIs for specific applications to both iterate our technology infrastructure and integrate within our various solutions.

Our PRC Legal Advisor has advised us that, our use and integration of open-source foundation models and mainstream large models do not violate applicable laws and regulations, primarily because we have obtained explicit authorization to use these models, either through open-source license or commercial contracts.

In addition, we develop industry-specific model and industry-specific AI agents. We have developed AI applications optimized for consumer and manufacturing industries, as well as proprietary tools supporting automated code generation and intelligent workflow optimization.

In 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, our revenue generated through our AI-related services was RMB22.1 million, RMB78.1 million, RMB310.2 million, RMB55.2 million, and RMB120.5 million, respectively.

Cloud-Native Technology Framework

The cloud-native technology framework serves as the digital foundation for application development and deployment for enterprise clients. Anchored by our proprietary H-ZERO platform, we adopt a service component-based, containerized architecture that allows different functions to be developed, deployed, and scaled separately, while continually working together within the overall system, thereby improving flexibility and scalability for complex enterprise systems.

The cloud-native technology framework supports agile DevOps, continued integration and delivery, and deployment by functional components across hybrid cloud environments. It enables enterprises to manage complex systems with greater flexibility and reliability. Its decoupled service component design also enhances fault isolation, maintainability, and upgrade efficiency, ensuring that enterprise applications remain adaptive to evolving business demands.

As a result, the cloud-native technology framework not only accelerates internal product development but also helps clients build, extend, and manage their own digital ecosystems efficiently. We believe that this technology foundation represents a key enabler of our sustainable product innovation and delivery excellence.

Big Data Analytics

We apply big data analytics technology to help enterprises unlock the value of data by providing unified, full-lifecycle data capabilities. We integrate master data management, governance, development, and analytics into a single data infrastructure that supports secure, standardized, and expandable enterprise data operations.

We enable enterprises to consolidate diverse data sources and manage them through consistent governance and control mechanisms. This ensures data quality, lineage, and compliance across complex environments while supporting multi-domain data analysis and visualization. By integrating foundational data services with intelligent data processing capabilities, we facilitate real-time insight generation and decision automation.

In addition, our application of the big data analytics technology features a functional component engine for scenario-based data computing and integration, enabling flexible coordination of data processing modules and seamless connectivity between business systems. It supports automated data pipelines, distributed data storage, and large-scale analytics computation, meeting industrial-grade data processing requirements. Enterprises can use the solution to support key application scenarios such as operational intelligence, financial analytics, supply chain optimization, and clients insight management.

As enterprises increasingly seek to build intelligent and data-driven operations, the big data analytics technology serves as an important enabler of digital transformation. By providing a expandable and intelligent data backbone, we help clients enhance data utilization efficiency, reduce operating complexity, and achieve measurable performance improvements.

RESEARCH AND DEVELOPMENT

We believe that our research and development is the cornerstone of our growth strategy and a key driver of our competitive advantage. We intend to maintain our competitiveness in enterprise digitalization and intelligent transformation through continued technological innovation and systematic capability building.

Our Capability

We have made sustained and strategic investments in research and development since our inception, which have supported our rapid growth and enabled us to enhance our product portfolio, improve technical efficiency, and strengthen innovation capacity. Our research and development expenses amounted to RMB231.7 million, RMB248.0 million, RMB244.0 million, RMB95.1 million, and RMB81.0 million in 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, respectively, accounting for 7.8%, 7.7%, 7.1%, 9.6%, and 7.6% of our total revenue for the same periods, respectively. Our research and development spending primarily focuses on our PaaS platform for enterprise clients and our AI capabilities. During the Track Record Period, the research and development expenses devoted to AI-related activities, including capitalized expenditures, were RMB262.2 million, RMB281.6 million, RMB300.3 million, RMB98.1 million, and RMB96.8 million in 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, respectively. We also invest in recruiting, training, and retaining high-caliber technology professionals and experienced solution architects to continuously enrich our knowledge base and technical depth.

As of April 30, 2026, we had a dedicated research and development team of 1,236 members, representing 13.2% of our total employees. Our core product development personnel possess experience in areas such as AI and data intelligentization technologies, engineering of PaaS platform for enterprise clients, and enterprise digital management. This diverse expertise enables us to provide comprehensive and agile digitalization support to clients across industries. All our proprietary software products are developed in-house and are provided together with IT consulting services.

During the Track Record Period, we conducted all our research and development projects independently. We have developed H-ZERO, our PaaS platform for enterprise clients built on cloud-native technology framework, as the foundation for our product and solution innovation. H-ZERO integrates reusable technology components and supports both coding and simplified configuration, allowing rapid delivery of complex enterprise digitalization projects and significantly improving product innovation and delivery efficiency.

The following table sets forth a breakdown of our major research and development projects and relevant achievements.

Research and Development Project	Research Achievement	Development Period
Enterprise Information Platform Based on an Integrated Middleware Platform	This research and development project relates to an enterprise information platform built on an integrated middleware architecture to support enterprise digitalization. Key technological achievements include an open platform for enterprise application development and deployment, standardized and reusable business components, and application products that support multiple business scenarios and rapid deployment.	January 2023 to December 2023
Hand AIGC Application Platform	This research and development project relates to an AIGC application platform developed for external sale and for use as a base platform for AIGC-related projects. Key technological achievements include a ready-to-use AI toolkit built on our platform-based capabilities to support the rapid deployment of AIGC applications.	March 2023 to December 2024
Hand Enterprise-grade Large Model Training and Digital Intelligence Management Platform	This research and development relates to an platform for model training and management, covering dataset management for enterprise clients, fine-tuning, inference deployment, and evaluation. Key technological achievements include a centralized platform that improves model governance, version control, traceability, and deployment efficiency.	January 2025 to December 2025

Our Process

Our research and development process is market-driven and closely aligned with client needs and business scenarios. Leveraging implementation experience and accumulated platform capabilities, we have established a research and development mechanism that combines centralized platform development and decentralized business-unit-level innovation. This mechanism ensures architectural consistency, while helping business units respond swiftly to specific market and client requirements.

Our research and development process generally consists of the following stages:

- ***Technology and Product Planning.*** We adopt a client needs review and prioritization process, which collects client development requirements and organizes them based on application scenarios, records them in a unified product backlog, and prioritizes them through demand review meetings to determine our research and development priorities. Based on these prioritized needs, as well as technological trends and business strategies,

our research and development center focuses on strengthening our foundational PaaS platform for enterprise clients and AI application framework. Our client-facing business units, in turn, develop application-level solutions across areas such as industry digitalization and finance digitalization.

- ***Feature Definition and Iteration Planning.*** Following prioritization, we prepare an minimum viable product-based feature list and develop iteration plans. Product managers and technical leads jointly break down features into user stories, define acceptance criteria, and allocate tasks to different business units. Iteration plans are finalized through sprint planning meetings, ensuring transparent workload distribution, delivery milestones, and alignment across product, development, and testing teams.

- ***Client-Driven Solution Development and Optimization.*** Platform capabilities are engineered, functional component-based, and continually enhanced by the research and development center. Before development begins, all new features undergo product design review and technical design review to ensure feasibility, consistency, and architectural integrity. During the development phase, engineers conduct testing and cross-team integration testing, followed by product manager acceptance checks. Test engineers perform structured functional and performance testing and track defects through standardized quality procedures. Business units build, test, and iterate scenario-based applications together with clients. Our developers frequently participate in frontline project delivery to collect feedback in real time and improve usability, functionality, and performance based on actual business use cases.

- ***Iteration Review, Release, and Continued Iteration.*** General platform components and shared modules undergo standardized testing procedures. Each development cycle concludes with iteration review and retrospective meetings, during which teams evaluate completed deliverables, identify gaps, and compile optimization backlogs. Product lines follow structured release cycles, with major updates and incremental enhancements deployed regularly. Once validated in client projects, new features are rolled out company-wide, forming a continually compounding pool of technologies, expertise, and best practices.

Through this iterative process, we have established a virtuous cycle between technology accumulation, productization, and commercial deployment, which reinforces our overall innovation capability and market responsiveness.

SALES AND MARKETING

Our sales and marketing strategy aims to strengthen our brand influence, expand market reach, and enhance client relationships through a broad sales network, proactive client engagement, and integrated marketing initiatives. We believe that a client-centric sales model and long-term relationship management are key to sustaining our business growth and industry position.

Sales Network and Client Outreach

We have established a broad sales network. We have served enterprise clients across countries and regions worldwide, covering a wide range of industries, including manufacturing, consumer goods, finance, energy, and telecommunications.

We have earned strong brand trust and loyalty among our existing clients through consistent delivery quality, professional service, and long-term cooperation. Our teams maintain close contact with clients by proactively identifying business needs and providing tailored solutions that align with their digital transformation strategies. In addition to direct sales, we also leverage strategic alliances and ecosystem partners to broaden our market access and jointly serve clients in complex cross-border or industry-specific projects.

We engage new clients through multiple channels, including regular outreach by regional sales teams, participation in industry forums and exhibitions, annual user conferences, co-branded events with ecosystem partners, and digital marketing campaigns. These initiatives help us continually strengthen our client acquisition pipeline and deepen market penetration in targeted industries and geographies.

Marketing and Branding Efforts

Our marketing and branding efforts focus on industry engagement, ecosystem collaboration, and digital outreach.

Industry Engagement

We actively participate in major industry events and trade shows, where we showcase our latest technologies, product innovations, and service capabilities to engage with potential clients and business partners. We also organize our own seminars, workshops, and user conferences to share product updates, demonstrate solution value, and gather client feedback.

For instance, we held a user conference in March 2026 to strengthen client engagement and enhance our market visibility. The event provided an opportunity to introduce our latest AI product series and demonstrate the practical value of our solutions to a broad base of existing and potential clients. Through keynote sessions and client-sharing panels, we showcased how our technologies support digital transformation and operational improvement across different industries. The conference helped reinforce relationships with existing clients while expanding our pipeline by attracting new prospects and strengthening ecosystem collaboration. Overall, the event further enhanced our brand influence and supported client acquisition and retention.

These efforts allow us to continually align our offerings with evolving market and technological trends. Through continued participation in regional and global exhibitions, we have enhanced our brand visibility in key markets and strengthened relationships with strategic clients, technology partners, and industry institutions.

Ecosystem Collaboration

Leveraging our strong client base and industry-focused solution capabilities, we actively collaborate with mainstream consulting firms, cloud service providers, and enterprise-software vendors to jointly promote integrated enterprise digital solutions in the market. These collaborations not only enhance the technical maturity of our offerings but also significantly strengthen our brand visibility through co-branded events, joint solution releases, and coordinated go-to-market initiatives. By combining partners' global reach and technology influence with our experience and localized industry expertise, we are able to showcase comprehensive and credible digital transformation capabilities to a broader client audience. Through joint marketing campaigns, and industry forums, we expand market touchpoints, reinforce our brand positioning in enterprise digitalization, and improve client acquisition efficiency. These ecosystem-driven marketing efforts further elevate our industry recognition and support long-term brand development.

Digital Outreach

We maintain robust digital outreach, including corporate publications, case studies, webinars, and regular updates on our website, WeChat public account, and other social media platforms. These channels are used to share insights on industry trends, product innovations, and client success stories, helping us communicate and strengthen engagement with existing and potential clients.

By combining traditional marketing channels with digital outreach and thought leadership initiatives, we have built a comprehensive marketing approach that supports both brand positioning and business development.

Pricing

Our solutions are generally priced on a case-by-case basis through commercial negotiations with our clients. Typically, we take into account a number of factors, including, among others, (i) prevailing market prices of comparable products and services, (ii) competitive landscape and our competitive strategies, (iii) business development and client acquisition strategies, (iv) client type and profile, (v) scope and complexity of client requirements, (vi) target profit margins, and (vii) cost structure and resource commitments.

CUSTOMERS AND SUPPLIERS

Our Customers

Our customers primarily consist of major enterprises across a broad range of industries, including but not limited to manufacturing, consumer goods, finance, energy, and telecommunications. In 2023, 2024, and 2025 and for the four months ended April 30, 2026, revenue generated from our top five customers in each applicable period during the Track Record Period accounted for 19.0%, 17.0%, 17.1%, and 18.6% of our total revenue, respectively, and revenue generated from our largest customer in each applicable period during the Track Record Period accounted for 8.6%, 8.2%, 5.9%, and 5.7% of our total revenue, respectively.

The following table sets forth certain information regarding our top five customers in each applicable period during the Track Record Period.

Customer	Transaction Amount *(RMB in thousands)*	Percentage of Total Revenue *(%)*	Year of Commencement of Business Relationship	Customer Background	Products or Services Purchased	Credit Terms
For the Year Ended December 31, 2023						
Customer A	255,774	8.6	2003	A large Beijing-based state-owned information and communications technology company, established in 1997, recording revenue of RMB1.05 billion and net profit of RMB137.1 million in 2025, with a total workforce reaching 460,000 as of December 31, 2025, listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Customer B	114,942	3.9	2004	A multinational group headquartered in Japan, with presence in China, active in various industries such as digital system, manufacturing, and electronics, with a global workforce of approximately 283,000 and a total market capitalization of approximately JPY22.2 trillion as of April 2026, listed on the Tokyo Stock Exchange	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Customer C	78,036	2.6	2016	A wholly foreign-owned enterprise with operations across multiple international markets, established in Japan in 1963, mainly engaged in apparel and accessories retail, with 59,522 full-time employees as of the end of 2025 and a total market capitalization of approximately JPY23.74 trillion as of April 2026, listed on the Hiroshima Stock Exchange, the Tokyo Stock Exchange, and the Hong Kong Stock Exchange	Industry digitalization solutions, ERP consulting and implementation service	Within 60 days
Customer D	61,121	2.1	2019	A large Changzhou-based power battery manufacturer established in 2015, with a workforce of 14,323 and a market capitalization of approximately RMB28.8 billion as of April 2026, listed on the Hong Kong Stock Exchange	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Customer E	54,500	1.8	2006	A non-listed Chinese state-owned conglomerate that owns a variety of listed companies in both Chinese Mainland and Hong Kong, with total assets exceeding RMB2.7 trillion and a total workforce of 392,000	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Total	564,373	19.0				

Customer	Transaction Amount *(RMB in thousands)*	Percentage of Total Revenue *(%)*	Year of Commencement of Business Relationship	Customer Background	Products or Services Purchased	Credit Terms
For the Year Ended December 31, 2024						
Customer A	265,628	8.2	2003	A large Beijing-based state-owned information and communications technology company, established in 1997, recording revenue of RMB1.05 billion and net profit of RMB137.1 million in 2025, with a total workforce reaching 460,000 as of December 31, 2025, listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Customer B	125,322	3.9	2004	A multinational group headquartered in Japan, with presence in China, active in various industries such as digital system, manufacturing, and electronics, with a global workforce of approximately 283,000 and a total market capitalization of approximately JPY22.2 trillion as of April 2026, listed on the Tokyo Stock Exchange	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Customer C	74,865	2.3	2016	A wholly foreign-owned enterprise with operations across multiple international markets, established in Japan in 1963, mainly engaged in apparel and accessories retail, with 59,522 full-time employees as of the end of 2025 and a total market capitalization of approximately JPY23.74 trillion as of April 2026, listed on the Hiroshima Stock Exchange, the Tokyo Stock Exchange, and the Hong Kong Stock Exchange	Industry digitalization solutions, ERP consulting and implementation service	Within 60 days
Customer F	43,481	1.3	2014	A large Fujian-based power battery and energy storage technology company established in 2011, with total assets of RMB974.8 billion and a workforce of approximately 180,000 as of the end of 2025, listed on the Shenzhen Stock Exchange and Hong Kong Stock Exchange	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Customer G	42,471	1.3	2002	A non-listed Shenzhen-based large global information and communications technology company established in 1987, recording revenue of RMB880.9 billion in 2025, with a total workforce of approximately 212,000	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service	Within 60 days
Total	551,767	17.0				

Customer	Transaction Amount *(RMB in thousands)*	Percentage of Total Revenue *(%)*	Year of Commencement of Business Relationship	Customer Background	Products or Services Purchased	Credit Terms
For the Year Ended December 31, 2025						
Customer A	202,711	5.9	2003	A large Beijing-based state-owned information and communications technology company, established in 1997, recording revenue of RMB1.05 billion and net profit of RMB137.1 million in 2025, with a total workforce reaching 460,000 as of December 31, 2025, listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service	Within 60 days
Customer B	128,955	3.8	2004	A multinational group headquartered in Japan, with presence in China, active in various industries such as digital system, manufacturing, and electronics, with a global workforce of approximately 283,000 and a total market capitalization of approximately JPY22.2 trillion as of April 2026, listed on the Tokyo Stock Exchange	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Customer H	96,753	2.8	2016	A non-listed large state-owned enterprise principally engaged in nuclear power development, established in Beijing in 1999, with total assets exceeding RMB1.60 trillion and a total workforce of approximately 180,000 as of February 2026	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Customer C	82,151	2.4	2016	A wholly foreign-owned enterprise with operations across multiple international markets, established in Japan in 1963, mainly engaged in apparel and accessories retail, with 59,522 full-time employees as of the end of 2025 and a total market capitalization of approximately JPY23.74 trillion as of April 2026, listed on the Hiroshima Stock Exchange, the Tokyo Stock Exchange, and the Hong Kong Stock Exchange	Industry digitalization solutions, ERP consulting and implementation service	Within 60 days
Customer I	75,980	2.2	2012	A non-listed large Beijing-based state-owned power utility enterprise, mainly engaged in power generation, new energy development, and related investment businesses, with total assets reaching RMB1.98 trillion and a workforce of approximately 130,000 as of the end of 2025	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Total	586,550	17.1				

Customer	Transaction Amount *(RMB in thousands)*	Percentage of Total Revenue *(%)*	Year of Commencement of Business Relationship	Customer Background	Products or Services Purchased	Credit Terms
For the Four Months Ended April 30, 2026						
Customer A	60,325	5.7	2003	A large Beijing-based state-owned information and communications technology company, established in 1997, recording revenue of RMB1.05 billion and net profit of RMB137.1 million in 2025, with a total workforce reaching 460,000 as of December 31, 2025, listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service	Within 60 days
Customer H	44,087	4.1	2016	A non-listed large state-owned enterprise principally engaged in nuclear power development, established in Beijing in 1999, with total assets exceeding RMB1.60 trillion and a total workforce of approximately 180,000 as of February 2026	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implemetation service, information technology outsourcing	Within 60 days
Customer B	42,328	4.0	2004	A multinational group headquartered in Japan, with presence in China, active in various industries such as digital system, manufacturing, and electronics, with a global workforce of approximately 283,000 and a total market capitalization of approximately JPY22.2 trillion as of April 2026, listed on the Tokyo Stock Exchange	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Customer J	27,081	2.5	2018	A SZSE-listed Sichuan-based state-owned enterprise, mainly engaged in production and sales of alcohol, with registered capital of RMB1.47 billion and approximately 4,000 employees in 2025	Industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation service, information technology outsourcing	Within 60 days
Customer C	24,898	2.3	2016	A wholly foreign-owned enterprise with operations across multiple international markets, established in Japan in 1963, mainly engaged in apparel and accessories retail, with 59,522 full-time employees as of the end of 2025 and a total market capitalization of approximately JPY23.74 trillion as of April 2026, listed on the Hiroshima Stock Exchange, the Tokyo Stock Exchange, and the Hong Kong Stock Exchange	Industry digitalization solutions, ERP consulting and implementation service	Within 60 days
Total	198,719	18.6				

The following sets forth the salient terms of our sales and services agreements with our customers:

- ***Product and Services.*** We provide customers with either (i) proprietary products developed in accordance with agreed technical and functional specifications, or (ii) ERP consulting and implementation services delivered based on the project scope, specifications, and work schedule set out in the contract.
- ***Rights and Obligations.*** For contracts involving proprietary products, we are obliged to deliver the software that meets the customer's requirements, together with installation, configuration, warranty, and related support services. We are entitled to receive payment as stipulated in the contract. For service contracts, we are obliged to assign appropriately qualified and experienced consultants and technical personnel to provide on-site implementation and technical services, and we are entitled to charge service fees based on the agreed per diem rates.
- ***Contract Term.*** For proprietary products development contracts, the contractual term corresponds to the agreed development and delivery period, which varies depending on the complexity of the software. For service contracts, the term is generally around one year.
- ***Intellectual Property***. For proprietary products contracts, intellectual property rights to the delivered software are generally assigned to the customer. For service contracts, intellectual property generated in the course of providing services typically belongs to the customer.
- ***Payment Terms.*** For proprietary products contracts, payment is typically made in installments, including an upfront payment, a payment upon system go-live, and a final payment after acceptance. For service contracts, fees are calculated based on the agreed per diem rates and the actual number of personnel and service days, and are settled on a periodic basis.
- ***Confidentiality.*** We are required to maintain the confidentiality of all commercial and technical information obtained during the course of providing products or services to customers.
- ***Termination.*** The agreements typically terminate upon expiry and may be terminated prior to expiry upon a material breach by either party, by mutual agreement, or in other circumstances as provided by applicable laws.

All of our top five customers in each applicable period during the Track Record Period and up to the Latest Practicable Date were Independent Third Parties. As of the Latest Practicable Date, none of our Directors, their close associates, or any Shareholders that, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our top five customers in each applicable period during the Track Record Period and up to the Latest Practicable Date.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material disputes with, nor did we receive any material complaints from, our customers.

Our Suppliers

Our suppliers primarily comprise software, hardware, and services providers. The software that we procure mainly includes ERP (enterprise resource planning), CRM (customer relationship management), and HRMS (human resource management systems). The hardware that we procure mainly includes computing infrastructure, such as CPU servers and GPU servers. The services that we procure primarily include business support and operating services, such as travel services. Our suppliers are mainly located in China.

In 2023, 2024, and 2025 and for the four months ended April 30, 2026, purchase from our top five suppliers in each applicable period during the Track Record Period accounted for 24.8%, 23.6%, 21.8%, and 27.4% of our total purchase, respectively, and purchase from our largest supplier in each applicable period during the Track Record Period accounted for 6.4%, 6.1%, 6.2%, and 9.4% of our total purchase, respectively.

We do not rely on any third-party suppliers for the provision of our core services and products. In particular, our industry digitalization solutions and finance digitalization solutions are primarily delivered based on our proprietary products and technologies. While our ERP consulting and implementation services involve the integration of third-party ERP software, we collaborate with multiple ERP software providers and maintain stable business relationships with them.

The following table sets forth certain information regarding our top five suppliers in each applicable period during the Track Record Period.

Supplier	Transaction Amount *(RMB in thousands)*	Percentage of Total Purchases *(%)*	Year of Commencement of Business Relationship	Supplier Background	Products or Services Procured	Credit Terms
For the Year Ended December 31, 2023						
Supplier A	59,011	6.4	2020	A non-listed Shanghai-based private residential leasing company, established in 2020, with registered capital of RMB10.0 million and a paid-in capital of RMB10.0 million, operating as a small enterprise	Leasing services	7 days
Supplier B	57,317	6.3	2016	A non-listed Shanghai-based tourism company established in 2015, with registered capital of RMB50.0 million, recording revenue of RMB1.53 billion in 2024, serving over 5,000 large and medium-sized enterprises, with a total workforce of 516 and 8 branch offices nationwide	Corporate travel booking services	25 days
Supplier C	42,730	4.7	2020	A non-listed Jiangsu-based non-residential property leasing company established in 2020, with registered capital of RMB10.0 million, deregistered on December 23, 2024	Leasing services	7 days
Supplier D	36,326	4.0	2016	A non-listed Guangzhou-based software development company established in 1997, with registered capital of RMB120.0 million, primarily engaged in information system integration, with a workforce ranging from 800 to 1,000 employees and 4 branch offices nationwide	Human resource	Within 30 days
Supplier E	30,806	3.4	2023	A NEEQ-listed Beijing-based technology service company established in 2000, with registered capital of RMB87.1 million, recording revenue of RMB433.0 million and total assets of RMB1.96 billion for the first half of 2025, specializing in integrated network and information security solutions	Hardware	Within 30 days
Total	226,190	24.8				

Supplier	Transaction Amount *(RMB in thousands)*	Percentage of Total Purchases *(%)*	Year of Commencement of Business Relationship	Supplier Background	Products or Services Procured	Credit Terms
For the Year Ended December 31, 2024						
Supplier A	54,238	6.1	2020	A non-listed Shanghai-based private residential leasing company, established in 2020, with registered capital of RMB10.0 million and a paid-in capital of RMB10.0 million, operating as a small enterprise	Leasing services	7 days
Supplier B	51,999	5.9	2016	A non-listed Shanghai-based tourism company established in 2015, with registered capital of RMB50.0 million, recording revenue of RMB1.53 billion in 2024, serving over 5,000 large and medium-sized enterprises, with a total workforce of 516 and 8 branch offices nationwide	Corporate travel booking services	25 days
Supplier D	49,536	5.6	2016	A non-listed Guangzhou-based software development company established in 1997, with registered capital of RMB120.0 million, primarily engaged in information system integration, with a workforce ranging from 800 to 1,000 employees and 4 branch offices nationwide	Human resource	Within 30 days
Supplier F	27,229	3.1	2021	A non-listed Shanghai-based technology service company established in 2021, with registered capital of RMB5.0 million and a paid-in capital of RMB100,000, operating as a micro-enterprise	Human resource	Within 45 days
Supplier G	25,878	2.9	2024	A non-listed Shanghai-based property leasing company established in 2023, with registered capital of RMB1.0 million, operating as a micro-enterprise	Leasing services	7 days
Total	208,880	23.6				

Supplier	Transaction Amount *(RMB in thousands)*	Percentage of Total Purchases *(%)*	Year of Commencement of Business Relationship	Supplier Background	Products or Services Procured	Credit Terms
For the Year Ended December 31, 2025						
Supplier D	52,009	6.2	2016	A non-listed Guangzhou-based software development company established in 1997, with registered capital of RMB120.0 million, primarily engaged in information system integration, with a workforce ranging from 800 to 1,000 employees and 4 branch offices nationwide	Human resource	Within 30 days
Supplier B	44,984	5.4	2016	A non-listed Shanghai-based tourism company established in 2015, with registered capital of RMB50.0 million, recording revenue of RMB1.53 billion in 2024, serving over 5,000 large and medium-sized enterprises, with a total workforce of 516 and 8 branch offices nationwide	Corporate travel booking services	25 days
Supplier F	33,369	4.0	2021	A non-listed Shanghai-based technology service company established in 2021, with registered capital of RMB5.0 million and a paid-in capital of RMB100,000, operating as a micro-enterprise	Human resource	Within 45 days
Supplier G	30,774	3.7	2024	A non-listed Shanghai-based property leasing company established in 2023, with registered capital of RMB1.0 million, operating as a micro-enterprise	Leasing services	Within 45 days
Supplier H	21,182	2.5	2023	A non-listed Shanghai-based enterprise management company established in 2020, with registered capital of RMB1.0 million, operating as a micro-enterprise	Leasing services	7 days
Total	182,318	21.8				

Supplier	Transaction Amount *(RMB in thousands)*	Percentage of Total Purchases *(%)*	Year of Commencement of Business Relationship	Supplier Background	Products or Services Procured	Credit Terms
For the Four Months Ended April 30, 2026						
Supplier D	28,182	9.4	2016	A non-listed Guangzhou-based software development company established in 1997, with registered capital of RMB120.0 million, primarily engaged in information system integration, with a workforce ranging from 800 to 1,000 employees and 4 branch offices nationwide	Human resources	Within 30 days
Supplier F	17,808	5.9	2021	A non-listed Shanghai-based technology service company established in 2021, with registered capital of RMB5.0 million and a paid-in capital of RMB100,000, operating as a micro-enterprise	Human resources	Within 45 days
Supplier B	16,533	5.5	2016	A non-listed Shanghai-based tourism company established in 2015, with registered capital of RMB50.0 million, recording revenue of RMB1.53 billion in 2024, serving over 5,000 large and medium-sized enterprises, with a total workforce of 516 and 8 branch offices nationwide	Corporate travel booking services	25 days
Supplier H	11,879	4.0	2023	A non-listed Shanghai-based enterprise management company established in 2020, with registered capital of RMB1.0 million, operating as a micro-enterprise	Leasing services	Within 45 days
Supplier I	7,940	2.6	2024	A non-listed Shanghai-based company established in 2023, mainly engaged in commercial property leasing, with registered capital of RMB1.0 million	Leasing services	Within 45 days
Total	82,342	27.4				

The following summary sets forth the key terms of our agreements with each type of supplier:

- ***Software.*** Our agreements with software suppliers generally set out the scope of software products, licenses, installation, maintenance, updates, technical support, payment terms, and usage restrictions. These agreements cover software products and services, including ERP, CRM, HRMS, operating systems, and other business or productivity software. The suppliers are generally responsible for providing the agreed software products, licenses, and related support, while we are responsible for using the software within the agreed scope and paying the license fees or service fees. The term is generally determined by the applicable license period, service period, subscription period, or order. These agreements may be terminated upon expiry, completion of the relevant order, mutual agreement, or material breach, subject to the terms of the agreement.

- ***Hardware.*** Our agreements with hardware suppliers generally set out product specifications, quantity, delivery and acceptance arrangements, payment terms, warranty, after-sales services, and liability for breach. These agreements cover the procurement or leasing of hardware products and equipment, including CPU servers, GPU servers, computers, monitors, and related accessories. The suppliers are generally responsible for delivery, installation or handover, warranty or repair services, and after-sales support, while we are responsible for confirming orders, conducting acceptance inspection, and making payments according to the agreed payment schedule. Hardware procurement is generally conducted on an order-by-order basis, while hardware leasing arrangements may specify the applicable leasing period or the validity period of the agreed quotation. These agreements generally expire upon completion of delivery, acceptance, payment, and after-sales obligations, while leasing arrangements are generally terminated in accordance with the relevant leasing agreement or supplemental agreement.

- ***Services.*** Our agreements with service providers generally set out the scope of services, service standards, order and confirmation procedures, fee calculation, payment and settlement arrangements, confidentiality obligations, liability for breach, term, and termination. The service providers are generally responsible for providing business support services, including business travel services and human resources services, and other operating support services, based on our service requests or orders, while we are responsible for providing necessary information, confirming service orders or fee statements, and paying the agreed service fees and reimbursable amounts. These agreements generally have a fixed term and may be renewed or extended by supplemental agreement. During the contract term, either party generally may not terminate the agreement unilaterally without mutual agreement, unless otherwise provided in the relevant agreement.

All of our top five suppliers in each applicable period during the Track Record Period and up to the Latest Practicable Date were Independent Third Parties. As of the Latest Practicable Date, none of our Directors, their close associates, or any Shareholders that, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our top five suppliers in each applicable period during the Track Record Period and up to the Latest Practicable Date.

During the Track Record Period and up to the Latest Practicable Date, we did not experience quality issues with our suppliers that materially affect our operations, nor did we encounter any material disruptions in our product manufacturing due to shortages of major components.

PROJECT BACKLOG AND EXECUTION PERFORMANCE

We provide solutions to our clients on a project basis. For projects under our business lines, the initial project implementation phase, including solution planning, customized development, system implementation, and launch, is generally one-off in nature and ends upon project delivery or acceptance. After system launch, we may provide operation and maintenance services on a recurring basis during the agreed service period if required by the client.

The following table sets forth the number of projects in our backlog during the Track Record Period.

	For the Year Ended December 31,			For the Four Months Ended April 30,	
	2023	2024	2025	2025	2026
Projects brought forward from the previous year	2,816	3,024	3,652	3,652	4,417
Add: number of new projects secured during the year/period	4,540	5,367	5,575	1,919	2,134
Less: number of projects completed during the year/period	(4,332)	(4,739)	(4,810)	(1,512)	(1,212)
Projects carried forward to the following year/period	3,024	3,652	4,417	4,059	5,339

The following table sets forth our project backlog movement in terms of contract value during the Track Record Period.

	For the Year Ended December 31,			For the Four Months Ended April 30,	
	2023	2024	2025	2025	2026
	RMB	*RMB*	*RMB* *(in thousands)*	*RMB*	*RMB*
Opening balance of contract value (excluding VAT) at the beginning of the year/period	1,605,283	1,765,503	1,987,276	1,987,276	2,091,207
Add: Contract value (excluding VAT) secured during the year/period	3,139,919	3,456,924	3,519,301	1,047,341	1,155,461
Less: Revenue recognized during the year/period	(2,979,699)	(3,235,151)	(3,415,370)	(989,734)	(1,069,320)
Closing balance of contract value (excluding VAT) at the end of the year/period	1,765,503	1,987,276	2,091,207	2,044,883	2,177,348

In addition, for the two months from May 1 to June 30, 2026, we secured 1,009 projects with an aggregate contract value of RMB402.0 million.

The following table sets forth our major projects. We selected these projects from the top three projects in terms of aggregate revenue contribution under each of our four business lines during the Track Record Period. For each business line, we then selected one project that best represents the business characteristics of that business line.

Project Name	Services Provided	Nature and Scope of Work	Client Background	Revenue Generated				
				For the Year Ended December 31,			For the Four Months Ended April 30,	
				2023	2024	2025	2025	2026
				(RMB in thousands)				
Project A	Industry digitalization solutions for an e-commerce sales and marketing platform	We helped the client upgrade its online sales and marketing platform. Our work included improving the design of online pages and customer journeys, adding online marketing functions, connecting online campaigns across the client's website, mobile application, and mini-programs, and improving the platform's performance during periods of high user traffic.	The client is a wholly foreign-owned PRC subsidiary of a Germany-headquartered sportswear and equipment manufacturing group, with its China headquarters located in Shanghai. It is mainly engaged in sports product design and development, wholesale and retail of sporting goods, and import and export services.	10,778	9,017	4	4	—
Project B	Finance digitalization solutions for reimbursement and tax management systems	We helped the client improve its internal finance management systems. Our work included reviewing finance operation processes, developing and upgrading system functions, and providing maintenance support for systems used for employee reimbursement, approval, finance processing, and tax management.	The client is a communications and information services enterprise group headquartered in Beijing. It is mainly engaged in the provision of communications and information services.	—	13,095	1,592	—	—
Project C	ERP consulting and implementation services for ERP migration	We helped the client migrate its integrated management platform from one type of ERP system to another. Our work included system planning, configuration, development, testing, and implementation, so that the client could better connect its finance, logistics, business operation, information management, and production management processes on one platform.	The client is an integrated energy group located in Hunan Province. It is mainly engaged in hydropower, thermal power, wind power, and photovoltaic power generation.	—	220	20,883	7,588	—
Project D	ITO services for technical staffing support	We provided outsourced technical personnel to support the client's internal system development and maintenance needs. These personnel supported systems used in the client's finance, marketing, logistics, data, and other business operations.	The client is a large enterprise headquartered in Beijing. It is mainly engaged in the research, development, manufacture, and sale of its own branded computer systems and related products, and has diverse operations in the information technology industry.	9,154	15,056	8,533	8,533	—

During the Track Record Period, there were 400 loss-making projects. The total losses resulting from these projects were RMB132.7 million during the Track Record Period. The revenue generated from these projects represented 4.0% of our aggregate revenue for the Track Record Period. Among these loss-making projects, 106, 128, 122, 42, and two projects were attributable to industry digitalization solutions, finance digitalization solutions, ERP consulting and implementation services, ITO services, and other businesses, respectively. The gross losses attributable to these businesses were RMB29.1 million, RMB48.3 million, RMB41.0 million, RMB14.0 million, and RMB0.3 million, representing 22.0%, 36.4%, 30.9%, 10.5%, and 0.2% of the total losses from loss-making projects during the Track Record Period, respectively.

We incurred losses from these projects primarily because (i) we priced certain projects competitively to secure strategic clients, enter into new client industries, establish benchmark cases, or promote new products, and (ii) certain projects required more man-days or more senior personnel than originally budgeted due to higher-than-expected implementation complexity. Majority of the clients of the loss-making projects during the Track Record Period subsequently entered into new contracts with us.

The revenue and gross loss attributable to loss-making projects during the Track Record Period were generally insignificant relative to our total revenue and gross profit. In addition, these projects helped us secure strategic clients, build project references, and improve our project budgeting and execution management. Therefore, the occurrence of these loss-making projects did not have a material adverse effect on our overall business operations.

INTRA-GROUP TRANSACTIONS

During the Track Record Period and up to the Latest Practicable Date, we carried out our operations in various jurisdictions through our subsidiaries. Our subsidiaries mainly provide software and related services.

The following summary sets forth our major intra-group transactions during the Track Record Period:

- ***Transaction 1***: domestic PRC group companies provided software services, including implementation and maintenance services, to other domestic PRC group companies.
- ***Transaction 2***: domestic PRC group companies provided software services, including implementation and maintenance services, to overseas group companies.
- ***Transaction 3***: we and overseas group companies retained commission income from distributing software products and services.

The following table sets forth a summary of our major intra-group transactions:

Transaction	Service Provider	Service Recipient	For the Year Ended December 31, 2023	2024	2025	For the Four Months Ended April 30, 2026
			RMB in thousands			
Transaction 1	Domestic group companies	Domestic group companies	641,305	681,525	691,782	224,464
Transaction 2	Domestic group companies	Overseas group companies	247,127	223,547	235,756	77,230

Note: Transaction 3 represents the same underlying transactions as Transactions 1 and 2, viewed from a different perspective. To avoid double counting or confusion, the amounts under Transaction 3 have been included in Transactions 1 and 2, respectively.

Transfer pricing arrangements for such intra-group transactions should be on an arm's length basis according to the transfer pricing guidelines for multinational enterprises and tax administrations promulgated by the Organization for Economic Cooperation and Development, which we refer to as the OECD Transfer Pricing Guidelines. In this regard, we have engaged the Transfer Pricing Adviser to review and assess whether our intra-group transactions are conducted on an arm's length basis in accordance with the OECD Transfer Pricing Guidelines and the transfer pricing laws and regulations in the applicable jurisdictions.

We have appointed BDO Tax Limited as our independent Transfer Pricing Adviser. Based on its desktop research and review of our transfer pricing practices, our independent Transfer Pricing Adviser is of the view that our transfer pricing arrangements generally complied with the arm's length principle during the Track Record Period. In particular, our independent Transfer Pricing Adviser noted that the profit levels of certain group companies derived from the intra-group transactions fell within the interquartile range established by the benchmarking analysis from the OECD, Chinese Mainland, and Hong Kong transfer pricing perspectives. For those group companies whose profit levels fell above the interquartile range, our independent Transfer Pricing Adviser considered that such deviations could be supported by commercial rationale. Our independent Transfer Pricing Adviser has also assessed our compliance with the relevant transfer pricing laws and guidance in the applicable jurisdictions. Transfer pricing documentation for certain group companies is being prepared, where required, for 2023, 2024, and 2025, and our corporate income tax and profits tax returns, together with related party transaction disclosures that had fallen due for filing, had been duly filed for 2023, 2024, and 2025, respectively. Our Directors confirm that the 2025 filings for certain overseas companies, where such filings are not yet due, will be completed on a timely basis. Based on the above, our independent Transfer Pricing Adviser is of the view that we generally complied with the relevant transfer pricing laws and regulations in the applicable jurisdictions for 2023, 2024, and 2025.

During the Track Record Period and up to the Latest Practicable Date, we were not aware of any inquiry, audit, investigation, or challenge by any relevant tax authorities in the jurisdictions where we operate in relation to our intra-group transactions.

DATA SECURITY

Our Data Practices

In the course of our operations, we primarily collect and process client business data for service delivery and, to a limited extent, employee personal information for human resources administration. Client business data mainly comprises operational and business data within clients' manufacturing, marketing, finance, supply chain, and ERP systems, which we process at our clients' request and with their authorization strictly for service delivery purposes. Ownership of these data generally remains with our clients. We also collect and process limited employee personal information and may share these information to the extent necessary and with our employees' consent for payroll and statutory benefits administration in accordance with applicable laws and regulations.

The data we process is generally collected or obtained from data subjects or other lawful sources in the course of our business operations, including for contract performance or compliance purposes. We store these data with appropriate security measures, including encryption, access controls, and audit logs, and transfer such data through secure means, such as encrypted transmission, identity authentication, and permission controls. We use and process these data only on a need-to-know and authorized basis and, where external sharing or entrustment to third-party service providers is necessary, we conduct appropriate assessments and enter into agreements setting out the relevant data, security, and confidentiality obligations.

Our cross-border data transfer scenarios primarily arise where (i) at the request and with the authorization of our clients, our overseas service teams may access internal project management data, such as project plans and implementation timelines, stored in China in the course of providing services to multinational clients, (ii) certain internal technical support records, such as bug-fixing and development records, may be transferred overseas in the course of our software development and technical support, and (iii) certain internal cloud resource administration data, such as account administration records, may be transferred overseas in the course of our commercial cooperation with overseas cloud service providers. During the Track Record Period and up to the Latest Practicable Date, none of these cross-border data transfer scenarios involved the cross-border transfer of personal information or important data.

For overseas projects involving overseas clients, including clients located in Japan, Singapore, Indonesia, and other jurisdictions, we process client data within such clients' business systems based on their requirements and authorization. As confirmed by our Directors, client data generated from these overseas projects is not stored or processed in China, and we do not transfer client data into China or remotely access client data from China. The data storage location and data localization arrangements for these projects are generally determined by the relevant client, taking into account applicable local laws and regulations, the client's internal data governance policies, system deployment model, and service delivery needs.

Our Internal Control Measures

We have developed and implemented a set of institutional policies and procedures governing data protection, cybersecurity, and employee conduct in handling data. These include our information security manual, information security incident management and control procedures, data security management measures, and user management and access control procedures. These documents form a consistent and auditable management framework that guides our day-to-day operations in data processing, transmission, and storage.

We have formulated a clear organization structure for information security management. We have established an information security working group under the information technology department. The group is composed of key representatives from major business units and support departments and is responsible for formulating and implementing our security management framework, developing information security policies and standards, conducting regular security audits and risk assessments, reviewing security incidents, and promoting security awareness and training throughout the organization. Within the working group, an information security committee chairperson has been appointed, who oversees the working group's operations, organizes periodic reviews, and ensures that corrective and preventive actions are properly implemented. In addition, we have designated a management representative for our information security management system — currently our senior vice president — who is responsible for ensuring that the system is fully aligned with the latest international standards. The management representative supervises the establishment, implementation, maintenance, and continued improvement of our information security management system, reports system performance and improvement needs to senior management, and serves as the primary liaison with external audit and certification bodies.

Our employee management and training practices form an integral part of our data protection framework. We provide regular data protection and information security training for all employees, emphasizing compliance awareness, confidentiality obligations, and incident response procedures. Employee behavior regarding information and data security is regulated through the employee information security management regulations and relevant confidentiality clauses incorporated into employment contracts, and project-specific non-disclosure agreements. Employees who violate our personal information protection requirements and cause leakage incidents are subject to accountability in accordance with our internal policies. These measures ensure that all personnel involved in data processing understand and comply with our security standards.

In addition, we employ a comprehensive suite of technical safeguards to protect our information systems and client data from unauthorized access, misuse, disclosure, alteration, or destruction. Our technical defense system adopts a multi-layered protection architecture that includes firewalls, data masking, encryption, intrusion detection and prevention systems, and network isolation. Sensitive data — especially personal information — is encrypted both in transit and at rest using industry-standard encryption protocols. Access to data and systems is governed by a role-based access control mechanism, ensuring that employees and partners can only access data necessary for their job responsibilities. Network and application security tools are regularly updated to detect and prevent vulnerabilities, ensuring that both internal and client-related information remain secure and confidential. System logs and monitoring mechanisms are also in place to track data access and record abnormal activities for timely response.

We have implemented a series of control measures to ensure compliance with the applicable laws and regulations relating to cross-border data transfer. Where required, we will enter into the contractual arrangements with the overseas recipient and complete the applicable filing or other compliance procedures with the competent authorities. For overseas client data, we adopt client- and project-based segregation measures and manage access on a need-to-know and authorized basis. Employees are required to access relevant systems through our unified identity authentication system, and client data transmission is protected through encrypted transmission channels, including client-designated VPNs or dedicated lines where required by clients. We also maintain access logs and operation records and cooperate with clients in security assessments, testing designed to identify potential security vulnerabilities, and audit reviews upon request. These measures help us protect, segregate, and manage overseas client data throughout service delivery. In addition, we have established internal control policies governing the use of open-source software. These policies primarily cover pre-use review and approval, classification of usage scenarios based on applicable license requirements, the use of technical tools to identify and monitor open-source software components, and ongoing compliance monitoring to ensure compliance with applicable open-source license terms.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material data leakage, loss or infringement of data or personal information, or information security incident. During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material litigation or dispute related to data protection and personal information protection, nor had we been subject to or involved in any material investigation or penalty by relevant competent regulatory authorities in this regard. However, we may still face risks in handling data and the security of such data. See "Risk Factors — Risks Relating to Our Business and Industry — 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. If we fail to comply with privacy and data protection laws and regulations, our business, financial condition, and results of operations may be adversely affected."

As advised by our PRC Legal Adviser, we had complied with the applicable PRC laws and regulations relating to data protection and privacy, cybersecurity, and cross-border data transfer during the Track Record Period and up to the Latest Practicable Date, because based on the information we provided and as confirmed by our PRC Legal Adviser, we had, in all material respects, satisfied the principal PRC legal and regulatory requirements in relation to data collection, storage, use, provision, and deletion, as well as personal rights protection, had adopted the necessary organizational, policy, personnel, technical, and protection measures to discharge our data compliance obligations, and had not been involved in any material data compliance incident, regulatory penalty, investigation, dispute, or serious unlawful data processing or cross-border data transfer.

As advised by our Singapore legal counsel, we had complied with the applicable Singapore laws and regulations relating to data protection and privacy, cybersecurity, and cross-border data transfer during the Track Record Period and up to the Latest Practicable Date, because the Singapore legal counsel has reviewed the relevant company documents and information made available to them and has not identified any material non-compliance.

As advised by our Japanese legal counsel, we had complied with the applicable Japanese laws and regulations relating to data protection and privacy, cybersecurity, and cross-border data transfer during the Track Record Period and up to the Latest Practicable Date, because the Japanese legal counsel has reviewed the relevant company documents and has not identified any material risk of non-compliance.

OVERSEAS OPERATION

We conduct most of our business in China, and our overseas operations are primarily carried out through our principal subsidiaries in Japan and Singapore.

Outbound Investment Regulation

On October 28, 2024, the U.S. Department of the Treasury issued a final rule on outbound investment to implement the executive order of August 9, 2023, which we refer to as the Final Rule. The Final Rule became effective on January 2, 2025. The Final Rule imposes investment prohibition and notification requirements on U.S. persons that are subject to the Final Rule for a range of investments in entities associated with China (including Hong Kong and Macao) that are engaged in activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems. U.S. persons subject to Final Rule are prohibited from making, or required to notify, certain investments in these entities associated with China, as these transactions will be deemed as covered transactions under the Final Rule. The Final Rule is aimed at exerting greater U.S. government oversight over U.S. direct and indirect investments involving China and may introduce new hurdles and uncertainties for cross-border collaborations, investments, and funding opportunities of China-based issuers including us. Notably, Donald Trump issued the America First Investment Policy Memorandum on February 21, 2025, which proposes to further expand the set of technologies and investment types of concern. However, as of the Latest Practicable Date, no such expansion has occurred.

For AI systems, the Final Rule covers companies that develop specified types of AI systems or have a specified type of relationship with another company that develops these types of specified AI systems. As advised by our international sanctions counsel, the Final Rule does not restrict companies that are merely users of AI systems developed by other unrelated companies. Our services and solutions incorporate AI systems provided by independent third parties to develop and support AI-enabled application functionalities. We do not independently develop the specified types of AI systems covered by the Final Rule, nor do we have the specified type of relationship with any company that develops such systems. Accordingly, our solutions do not constitute covered transactions under the outbound investment rules.

As advised by our international sanctions counsel, we were not engaged in any activities relating to integrated circuits, advanced computers, quantum technology, or AI system development that would give rise to any U.S. outbound investment prohibitions or notification requirements during the Track Record Period and up to the Latest Practicable Date. We also did not have any relationship with any person engaged in such activities that would cause such U.S. outbound investment rules to apply to us. Accordingly, U.S. outbound investment rules were not applicable to us during the Track Record Period and up to the Latest Practicable Date.

Export Control and International Sanctions

We do not manufacture, sell, or deliver hardware products or technical data for engineering, design, or manufacturing of products. In our ERP consulting and implementation services, we generally rely upon our clients to procure such software themselves through normal commercial channels. In our industry digitalization and finance digitalization solutions, we only provide software to domestic clients in compliance with applicable sanctions and export control rules.

As advised by our international sanctions counsel, after reviewing our business, our use of U.S., EU, and UK software and hardware, and our suppliers, customers, shareholders, Directors, senior management, lenders, and subsidiaries, we had complied in all material respects with applicable U.S., EU, and UK export control and sanctions laws and regulations during the Track Record Period and up to the Latest Practicable Date.

In particular, we did not directly or indirectly export any goods, software, or technology from the U.S., EU, or UK, and did not re-export or transfer any hardware or technology originating from the U.S., EU, or UK to other parties. We maintained screening procedures for our suppliers and customers. Our business with a major ICT client and any other companies on the Entity List, the CMIC list, or the CMC list was conducted lawfully because we did not provide any software or other items with U.S. content or otherwise subject to the U.S. Export Administration Regulations to such companies, and none of our U.S. subsidiaries or U.S. personnel was involved in such business. Where we provided software with U.S. content to other customers in China that were not on U.S. restricted lists, we provided only software classified as EAR99. The U.S. restrictions relating to certain integrated circuits did not affect us because we did not transfer any hardware to any other parties in China or elsewhere.

In addition, neither we nor our subsidiaries, shareholders, Directors, senior management, or lenders were included on any sanctions lists maintained by the U.S., EU, UK, or the United Nations, and we did not conduct business with any sanctioned parties. Although we had certain business in Myanmar, we did not provide any items with U.S., EU, or UK content to those customers, none of our U.S., EU, or UK subsidiaries or personnel was involved in such business, and no U.S. dollars, euros, or pounds sterling were used in connection with such business. We did not have business in any other countries or regions subject to economic sanctions imposed by the U.S., EU, UK, or the United Nations, including Russia, Iran, or North Korea.

Tariff Risk

As advised by our international sanctions counsel, neither we nor our subsidiaries imported directly or indirectly any items, other than business documents, into the U.S., EU, or UK during the Track Record Period and up to the Latest Practicable Date.

As we are a service provider and did not supply items to our customers for incorporation into products sold to the U.S., EU, or UK, we did not face any material risk arising from U.S., EU, or UK tariffs. In addition, as we did not source hardware from the U.S. for sale in China, we also did not face any material risk arising from Chinese tariffs on U.S. imports. Accordingly, we had complied in all material respects with applicable tariff laws and regulations during the Track Record Period and up to the Latest Practicable Date.

COMPETITION

The markets in which we operate are highly competitive and rapidly evolving. Currently, our competitors mainly include domestic and international enterprise IT consulting and digital solution providers. We anticipate that the enterprise IT consulting and digital solution service industry will continually evolve and experience changes in technology, industry standards and client preferences. Our core competencies include:

- ***Strong and Long-Standing Relationships with Major Enterprise Clients.*** We have served a cumulative of over 7,000 enterprise clients since our establishment, covering a wide range of industries, including manufacturing, consumer goods, finance, energy, and telecommunication. Our clients include over 300 China Top 500 enterprises and more than 100 Fortune Global 500 enterprises. Approximately 80% of our revenue was generated from existing clients. We believe we have stronger client stickiness and deeper industry experience than many of our competitors, enabling us to effectively capture repeat and cross-selling demand from our clients.

- ***Proprietary Products Matrix and Integrated Delivery Capabilities.*** We have established a suite of proprietary software products supported by experienced talent, advanced technologies, industry know-how, and mature methodologies, enabling us to provide reusable, flexible, and industry-specific solutions and respond efficiently to diverse and evolving client demand.

- ***Enterprise Implementation and Solution Delivery Capabilities.*** Serving large enterprise clients with complex business scenarios and data requirements provides valuable feedback that drives the continued iteration and upgrade of our technologies and product system, enhancing our ability to address evolving market demand.
- ***Global Delivery and Localization Capabilities.*** We have delivered projects across different countries and regions, and are able to support enterprise clients' digital transformation with global delivery and localization capabilities, which enables us to capture demand arising from clients' cross-border deployment needs.
- ***Talent and Organizational Capability Advantage.*** Our experienced professionals, technological capabilities, industry experience, and established methodologies support the continued development and enhancement of our products and solutions, enabling us to respond to changing customer needs and capture market opportunities.

We believe that these strengths collectively position us well to compete effectively in our target markets and capture growth opportunities in the accelerating digital transformation of enterprises. However, competition remains intense. 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. We intend to maintain and strengthen our competitive position through continued investment in research and development, enhancement of client service capabilities, and expansion of strategic partnerships and ecosystem collaborations. For more details on our competitive strengths, see "— Our Strengths." For more information about the risks we face related to competition, see "Risk Factors — Risks Relating to Our Business and Industry — We operate in a competitive market and may not be able to compete successfully against our existing and future competitors."

INTELLECTUAL PROPERTY

We regard our proprietary products' software copyrights, trademarks, patents, domain names, trade secrets, and other intellectual property rights as critical to our business operations, technological innovation, and market competitiveness. Our intellectual property portfolio reflects the results of our continued investment in research and development, as well as our commitment to innovation and product differentiation.

As of the Latest Practicable Date, we had registered an aggregate of 766 software copyrights, 107 trademarks, four patents, and 15 domain names in China, and held two trademarks in other countries and regions. Our intellectual property portfolio covers our core technologies, software products, and solution platforms, as well as our company and product brands. These intellectual property rights provide legal protection for our proprietary products and support the continued enhancement of our product offerings and service capabilities.

We rely on a combination of intellectual property laws and internal control measures to protect our intellectual property. Specifically, we protect our software products and core algorithms through software copyright registration, and access control mechanisms; we safeguard our proprietary products through patent applications and technical documentation controls; and we protect our brand and product identity through the registration of trademarks and maintenance of related domain names. We adopt comprehensive policies and procedures to prevent unauthorized disclosure or use of our intellectual property rights. These include confidentiality agreements and intellectual property clauses with employees, consultants, suppliers, and business partners, as well as regular internal training and audits to reinforce awareness of intellectual property protection and compliance requirements.

During the Track Record Period and up to the Latest Practicable Date, we had not identified any breaches or infringements of our intellectual property rights which, whether individually or in the aggregate, had a material adverse impact on our business, financial condition, or results of operations. We were not involved in any material dispute or legal proceeding concerning intellectual property rights with any third party. We believe that maintaining and protecting our intellectual property rights is essential to sustaining our technology capabilities and competitive advantages. For information regarding risks related to our intellectual property, please see "Risk Factors — Risks Relating to Our Business and Industry — Our intellectual property rights are critical to our success and infringement of our intellectual property rights by any third party may materially and adversely affect our business, reputation, financial condition, and results of operations."

EMPLOYEES

As of April 30, 2026, we had 9,374 full-time employees, substantially all of whom were based in China. The following table sets forth a breakdown of our full-time employees by functional departments as of April 30, 2026.

	As of April 30, 2026	
Function	**Number of Employees**	**Percentage of Total Employees**
Deployment	4851	51.8
Sales	248	2.6
Technical	2,953	31.5
Research and Development	1,236	13.2
Finance	31	0.3
Administration	55	0.6
Total	**9,374**	**100.0%**

We execute project delivery through deployment and technical teams. The deployment team consists of business consultants for industry digitalization solutions, finance digitalization solutions, ERP implementation and consulting services, and ITO services. The technical team consists of IT specialists for industry digitalization solutions, finance digitalization solutions, ERP implementation and consulting services, and ITO services. The research and development team carries out our back-office functions to develop proprietary software solutions in-house.

Our success depends on our ability to attract, motivate, train, and retain qualified personnel. We recruit our employees through different channels, including campus job fairs, referrals, online recruitment, and recruitment agencies, which enable us to build and cultivate our own pool of skilled professionals. Our employee compensation consists of a base salary plus performance-based bonus. We believe that we offer our employees competitive compensation packages and an environment that encourages development and, as a result, have generally been able to attract and retain qualified personnel. We believe that we maintain a good working relationship with our employees. We had not experienced any material labor dispute or any difficulty in recruiting staff for our operations during the Track Record Period and up to the Latest Practicable Date. For details on the risks associated with our contribution to employee benefit plans, see "Risk Factors — Risks Relating to Doing Business in Jurisdictions Where We Operate — 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."

In accordance with PRC labor laws, we enter into individual employment contracts with our employees. These contracts cover matters such as salaries, employee benefits, workplace safety, confidentiality obligations, work product assignment clause and grounds for termination. In addition, we enter into standard confidentiality with our key employees.

Social Insurance

During the Track Record Period, we did not make full contributions of social insurance for certain employees. The aggregate shortfall in our social insurance contributions during the Track Record Period was approximately RMB37.4 million, RMB59.8 million, RMB43.0 million, and RMB15.1 million, respectively, in 2023, 2024, and 2025 and for the four months ended April 30, 2026. As advised by our PRC Legal Advisor, the maximum penalty that could be imposed on us relating to our contribution of social insurance would be up to three times the aggregate amount of such unpaid social insurance contributions.

Our PRC Legal Advisor, on behalf of us, has conducted telephone consultations with the competent social insurance authorities in the domicile of our Company and relevant subsidiaries in December 2025 and July 2026. These government authorities have jurisdiction over our social insurance contribution matters. These government authorities confirm that they currently usually order enterprises to make individual supplementary social insurance payments only upon receiving employee complaints or reports demanding retroactive contributions. They generally do not conduct blanket retroactive collection against enterprises. No penalties apply if enterprises proactively cooperate with rectification.

We have adopted the rectification plan for the insufficient payment of social insurance and housing funds, and will actively cooperate with the competent authorities to complete the supplementary payments upon their request. We have established regular review and monitoring procedures to track the reporting and contribution status of social insurance and housing fund, and timely monitor the regulatory developments. Our employee handbook has explicitly stipulated the requirements for making statutory contributions to social insurance and housing funds. We will strengthen legal and compliance training for the management team and enhance internal control policies to better manage such contributions, maintain ongoing communication with the authorities to understand their requirements and interpretations of applicable laws and regulations, and make timely contributions in accordance with their specific guidance.

As of the Latest Practicable Date, based on (i) the credit reports of our Group companies, and (ii) the public search results showing that we have not been subject to any penalties from the authorities on the relevant websites of competent government authorities, (iii) that the Ministry of Human Resources and Social Security and the State Administration of Taxation have strictly prohibited the centralized collection of historical shortfalls for social insurance, (iv) that we had not received any administrative penalties, claims, or notices from government authorities regarding inadequate contributions, and (v) that we have confirmed to comply promptly with any requirement from the competent authorities to make outstanding contributions and late payments in the future, if any, our PRC Legal Advisor is therefore of the view that under the premise that there are no significant changes to current PRC policies and regulations or to the enforcement and supervision requirements of local governments and that there are no material employee complaints, litigations, or arbitration proceedings, the likelihood that we would be subject to material administrative penalties or centralized collection due to our failure to provide full social insurance contributions is remote.

Based on the foregoing, our Directors and PRC Legal Advisor are of the view that, the non-compliance would not have a material adverse impact on our business, financial conditions, and results of operations.

PROPERTIES

Owned Properties

As of the Latest Practicable Date, we owned the land use rights to one parcel of land in China, with a total site area over 100 square meters. This parcel of land is used as our industrial land. As advised by our PRC Legal Adviser, we have obtained the land use certificate for this parcel of land and legally owned the land use rights to the parcel of land.

As of the Latest Practicable Date, in China, we owned 57 properties in China, with a total gross floor area over 63,300 square meters, primarily used for office and business purposes. As advised by our PRC Legal Adviser, we have obtained the ownership certificates for these properties. In addition, we own one property in Japan, which is used as an employee welfare and recuperation facility, and three properties in Singapore, which are our business offices. The acquisitions and ownership of these properties complies with applicable local laws and regulations.

Leased Properties

As of the Latest Practicable Date, we operated our businesses primarily through 22 leased properties in China with a total gross floor area over 19,674 square meters, and also operated our businesses through one leased property overseas with a total gross floor area over 302 square meters. These properties are primarily used for office and business purposes.

13 of the leasing agreements of our principal leased properties had not been filed with the relevant government authorities as of the Latest Practicable Date. Under the relevant PRC laws and regulations, we may be required to file with the relevant government authority executed leases. As advised by our PRC Legal Adviser, the failure to file the lease agreements for our leased properties will not affect the validity of these lease agreements, but 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. The aggregate maximum penalty for the non-compliance relating to the filing of lease agreements would be between RMB13,000 and RMB130,000 based on agreements in force as of the Latest Practicable Date. If we were ordered to make such payment, we will do so promptly and within the prescribed time period.

As of the Latest Practicable Date, three of our leased properties with a gross floor area of 909 square meters had not obtained a property ownership certificate or other supporting documents evidencing the lessor's right to lease out this property. We believe that the lessor's failure to provide the relevant documentation was due to reasons beyond our control. As advised by our PRC Legal Adviser, the absence of these documents is not expected to have a material adverse effect on our business operations, as the leased property is readily replaceable and we are able to secure alternative premises if necessary. Accordingly, we believe that this title defect would not have any material adverse effect on our business, financial condition, or results of operations.

As of April 30, 2026, each of our property interests had a carrying amount less than 15% of our consolidated total assets. Therefore, according to Chapter 5 of the Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong), this Document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which require a valuation report with respect to all our interests in land or buildings.

INSURANCE

We consider our insurance coverage to be adequate and in accordance with the commercial practices in the industries in which we operate. Our assets and employees are covered by mandatory and commercial insurance including social insurance and supplemental commercial insurance, among others. We will continue to review and assess our risk portfolio and make necessary and appropriate adjustment to our insurance plans to align with our needs and with industry practice. During the Track Record Period and up to the Latest Practicable Date, we did not make any material insurance claims in relation to our business. However, we cannot assure you that we will not incur losses or suffer claims beyond the limits, or outside the relevant coverage, of our insurance policies. See "Risk Factors — Risks Relating to Our Business and Industry — 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."

LICENSES, PERMITS, AND APPROVALS

During the Track Record Period and up to the Latest Practicable Date, we had obtained all licenses, approvals, permits, and certificates necessary for our business operations in all material respects from relevant government authorities in China and other jurisdictions where we operate, and such licenses, permits, approvals and certificates remained in full effect.

The following table sets out a list of material licenses, permits, and approvals currently held by us.

License/Permit/ Approval	Holder	Granting Authority	Grant Date	Expiry Date
High and New Technology Enterprise Certificate	the Company	Shanghai Municipal Science and Technology Commission, Shanghai Municipal Bureau of Finance, Shanghai Municipal Tax Service, State Taxation Administration	November 15, 2023	November 14, 2026
Human Resources Service License	the Company	Human Resources Service Agency of Qingpu District Human Resources and Social Security Bureau, Shanghai	November 10, 2023	November 10, 2028
Business License	the Company	Shanghai Municipal Administration for Market Regulation	June 10, 2026	N/A

ENVIRONMENTAL, SOCIAL, AND CORPORATE GOVERNANCE

ESG Governance

We have established a three-tier ESG governance structure to ensure clear oversight and effective execution of our sustainability initiatives. The Board assumes ultimate responsibility for ESG matters, including oversight of material ESG-related risks and opportunities as part of the our long-term development strategy. An ESG working group under the Strategy and Sustainable Development Comittee, serving as the standing execution body, coordinates ESG-related initiatives across the Group, manages data consolidation, and oversees internal and external communication, with support from professional third-party advisers where appropriate. Departments and subsidiaries are responsible for implementing ESG measures within their respective functions and reporting relevant performance data.

We have established a set of ESG management policies covering key areas across the value chain, including green office and resource management, employee development and workplace safety, responsible supply chain practices, and anti-fraud and compliance controls.

We maintain regular communication with stakeholders through investor meetings, results briefings, and online disclosure channels to enhance transparency. ESG-related progress and performance will be disclosed in accordance with applicable regulatory requirements and our internal governance arrangements.

ESG Risk Management and Strategy

We regard ESG management as an integral part of our long-term development and conduct periodic assessments to identify and prioritize material ESG-related risks and opportunities. By monitoring industry trends, regulatory developments, and stakeholder expectations, and through internal reviews and expert assessments, we maintain a structured mechanism to evaluate potential impacts on our operations and strategy. This process helps us allocate resources effectively and ensure that material issues receive appropriate management attention.

Set forth below is a summary of our key ESG-related risks and corresponding responses:

Material Risks	Potential Impacts	Our Responses
Information Disclosure	Non-compliance may lead to regulatory scrutiny and undermine investor confidence	Establish multi-level disclosure controls; strengthen compliance review; enhance disclosure quality
Risk Management and Internal Control	Internal control weaknesses may lead to operational or financial risks	Improve risk management systems; enhance internal controls; establish risk monitoring and alert mechanisms
Intellectual Property Protection	IP disputes may weaken the Company's core competitiveness	Implement full-lifecycle IP management; strengthen protection of innovation outputs
Business Ethics	Misconduct may cause reputational damage and legal exposure	Enhance ethics management systems; promote integrity culture; improve whistleblowing and investigation mechanisms
Information Security	Security incidents may result in data leakage and disrupt business continuity	Strengthen cybersecurity framework; conduct regular security assessments; enhance emergency response capabilities
Client Service	Service quality issues may affect client satisfaction and brand perception	Optimize service processes; strengthen client feedback and rapid-response mechanisms
Supply Chain Management	Disruptions in technical service supply chain may delay project delivery and create associated risks	Develop multi-tier supplier management; deepen collaboration with core technical partners to ensure supply stability
Green Operations	Resource waste may increase operating costs and affect environmental performance	Promote paperless operations; adopt energy-efficient equipment; cultivate resource-saving workplace practices
Energy Efficiency and Emissions Reduction	High energy consumption may increase carbon-reduction pressure and affect sustainable development	Implement energy-saving upgrades; promote clean energy use; strengthen energy management systems
Talent Management	Loss of key technical talent or slow skill upgrading may affect long-term competitiveness	Strengthen career development and incentive mechanisms; enhance talent pipeline and capability building

ESG Policy

We incorporate ESG considerations into our long-term development and daily management and have established a group-level ESG policy supported by dedicated systems and procedures. We aim to strengthen risk management, improve transparency, and align our operations with stakeholder expectations through continuous enhancement of ESG practices.

Environment Policy

Environmental Management

We recognize the link between our operations and environmental protection and seek to embed sustainability into daily management. As an information technology services provider, our environmental impact mainly arises from office energy and resource use. We therefore focus on green practices and environmental risk management to balance business development with environmental responsibility.

Climate Change Response

We recognize the challenges and opportunities arising from global climate change and seek to manage the environmental impacts of our operations while enabling low-carbon transformation for our clients. Our principal business activities do not fall under high-emission industries, and our operations do not involve material direct emissions from industrial combustion or production processes. Our greenhouse gas emissions primarily consist of direct Scope 1 energy emissions from vehicle fuel consumption and indirect Scope 2 energy emissions from purchased electricity used in offices and daily operations.

We have completed the accounting of our Scope 1 and Scope 2 emissions. For Scope 3 greenhouse gas emissions, we have begun identifying emission sources across our value chain. In the first phase, we plan to account for emissions from employee business travel, with other categories to be gradually incorporated in subsequent phases. We are currently establishing data collection channels and developing emission ledgers, and expect to disclose our Scope 3 emissions data starting from 2027.

We have begun assessing the potential operational impacts of climate-related physical risks, including extreme weather events and fire hazards, and have established emergency response procedures to safeguard employee safety and maintain business continuity. We continue to enhance our understanding of emissions sources and plan to develop a more comprehensive GHG accounting system to support future target setting and reduction measures. The following table sets forth our GHG emissions performance:

	For the Year Ended December 31,			For the Four Months Ended April 30,
	2023	2024	2025	2026
Scope 1 emissions (tCO_2e)	12.20	6.71	6.10	1.83
Scope 2 emissions (tCO_2e)	2,703.02	2,259.97	2,180.76	569.98
Total emissions (tCO_2e)	2,715.22	2,266.68	2,186.86	571.81
Emissions intensity (tCO_2e/ RMB10,000 revenue)	0.009112	0.007006	0.006403	0.005347

Our emission reduction measures remain effective, with overall emissions trending downward. During the Track Record Period, our total Scope 1 and Scope 2 carbon emissions were 2,186.86 tCO_2e, below the industry average of 58,793.77 tCO_2e. The carbon emission intensity was 0.006403 tCO_2e per RMB10,000 revenue, lower than the industry average of 0.2226 tCO_2e per RMB10,000

revenue. A slight increase in 2023 was primarily due to resumed business activities and higher direct energy use from operations such as testing and debugging. Since then, through management optimization and efficiency improvements, emissions have been effectively controlled and substantially reduced from 2024 onward.

Our goal is to achieve 15% reduction in carbon intensity per revenue unit by 2027 from a 2024 baseline, supporting the 2030 carbon peaking and neutrality goals. This assumes revenue growth driven by low-carbon businesses like digital services, greater green energy availability at reasonable cost, and wider adoption of digital and remote collaboration models. To this end, we will progressively increase the use of green energy and promote the wider adoption of digital and remote collaboration models. These measures will create a measurable framework for long-term climate progress.

Green Office and Waste Management

We promote green office practices by reducing waste at source, using environmentally friendly products, and encouraging paperless workflows. Waste generated from office operations is strictly sorted in accordance with our internal guidelines, while hazardous waste such as used electronics and light tubes is handled by licensed service providers to ensure compliant and environmentally responsible disposal.

Energy Efficiency and Resource Use

We seek to improve energy and resource efficiency across our operations, with electricity and limited fuel use being our primary energy sources. We adopt energy-efficient lighting and equipment, encourage routine conservation practices, and promote green commuting to reduce fuel consumption. Water use is managed through water-saving fixtures, routine maintenance, and employee awareness initiatives. We continue to monitor major resource consumption and identify opportunities to reduce associated emissions and operating costs. The table below sets forth our resource consumption metrics:

	For the Year Ended December 31,			For the Four Months Ended April 30,
	2023	2024	2025	2026
Water consumption (tons)	74,205	52,727	52,215	14,528
Electricity intensity (MWh/ RMB10,000 revenue)	0.01691	0.01302	0.01190	0.00993

We prioritize water resource management. By consistently optimizing water usage and enhancing conservation efforts, water consumption demonstrates a steady annual decrease. Electricity intensity serves as a core energy efficiency metric and continues to improve. The 2023 rise resulted from resumed business activity and higher electricity use. In late 2024, we began constructing a distributed photovoltaic system, gradually increasing clean energy self-sufficiency, further lowering electricity consumption per unit of revenue.

Social Policy

Employment and Labor Practices

We uphold principles of equal opportunity, diversity, and inclusiveness across recruitment, compensation, promotion, and benefits, and strictly prohibit child labor and any form of forced labor. We respect and protect employee rights and have been building a healthy, safe, and respectful

working environment. To safeguard occupational health and safety, we have established an internal occupational health and safety management framework, conduct regular fire drills and emergency response training, and equip workplaces with AED devices to reduce safety risks.

The table below sets forth our workspace injury statistics during the Track Record Period:

	For the Year Ended December 31,			For the Four Months Ended April 30,
	2023	2024	2025	2026
Workspace injury statistics:				
Cases	—	1	1	—
Workdays	—	85	4	—

We actively invest in talent development through structured training systems that support professional growth and long-term career development. Our training programs include new-hire onboarding, professional skills development, and management training. These programs are supported by a performance evaluation system built on responsibility and merit, as well as competitive remuneration and equity-based incentives designed to retain and motivate core talent. For the four months ended April 30, 2026, we conducted 418 training sessions. As of April 30, 2026, we had 9,374 employees, including 16 employees with disabilities, and recorded a staff turnover rate of 4.6%.

The following table sets forth our workforce distribution by gender and education level as of April 30, 2026:

	Number of Employees	Percentage of Total Workforce
By Gender		
Male	5,900	62.9%
Female	3,474	37.1%
By Education Level		
Bachelor and Above	8,110	86.5%
Others	1,264	13.5%

Supply Chain Management

We maintain a structured supplier management framework to ensure supply chain quality, compliance, and ESG performance. We have established supplier management policies and require all suppliers to adhere to our Supplier Code of Conduct, which sets out our expectations on labor practices, health and safety, and business ethics.

Product Quality and Safety

We have been delivering reliable and secure digital products and services, supported by robust quality management and client-focused service mechanisms. We conduct regular client satisfaction surveys and maintain standardized complaint-handling procedures to ensure timely resolution of service issues. To manage information-security risks, we operate under ISO27001 and related internal control procedures covering data protection, incident management, and business continuity. As of April 30, 2026, we did not experience any product recall incidents.

Business Ethics

We attach great importance to ethical conduct and anti-corruption as part of our corporate governance. We have established a Code of Business Ethics setting out standards on anti-bribery, professional conduct, and disciplinary actions to ensure integrity in all business activities. To strengthen risk management, we maintain internal whistleblowing channels and a disciplinary committee to handle reports of misconduct, with strict confidentiality measures to protect whistleblowers. During the Track Record Period and up to the Latest Practicable Date, we had no material legal proceedings relating to bribery, corruption, or fraud.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time be subject to various legal or administrative claims and proceedings arising in the ordinary course of business. During the Track Record Period and up to the Latest Practicable Date, there were no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on our business, financial condition, and results of operations. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management's time and attention. See "Risk Factors — Risks Relating to Our Business and Industry — 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."

Compliance

We are of the view that we have complied, in all material respects, with all relevant laws and regulations in the jurisdictions where we operate during the Track Record Period and up to the Latest Practicable Date. As confirmed by our PRC Legal Adviser, during the Track Record Period and up to the Latest Practicable Date, our business operated in China have complied with PRC laws and regulations in all material respects, and no material administrative penalties imposed on us have been found that may have a material adverse effect on our business operations. As advised by our legal advisors of Japan and Singapore, where our principal overseas operating subsidiaries are located, we had complied with all applicable laws and regulations in Japan and Singapore during the Track Record Period and up to the Latest Practicable Date.

AI-related Services

As advised by our PRC Legal Adviser, under the China's Provisional Measures for the Administration of Generative Artificial Intelligence Services, a provider of generative AI services with attributes of public opinion or the ability to mobilize society is required to conduct security assessment and complete algorithm filing procedures in accordance with applicable PRC laws and regulations. Our AI-related services are primarily provided to enterprise clients in business application scenarios. Our AI large model products are not offered to the public in China and do not have attributes of public opinion or the ability to mobilize society. Accordingly, as advised by our PRC Legal Adviser, we are not required to make any filing or registration, or obtain any approval from the PRC authorities, for our AI-related services.

Although we are not subject to the above filing, registration, or approval requirements, we are subject to compliance obligations applicable to AI-related services in China, including using data and foundation models from legitimate sources, protecting intellectual property rights, privacy, and personal information, preventing the generation of illegal or discriminatory content, and identifying AI-generated or synthesized content where required. We have established compliance review

procedures for our AI-related research and development projects, including reviews of data sources, model use, content safety, privacy protection, output identification, and information security arrangements at key project stages.

As advised by our PRC Legal Adviser, we had complied with the compliance obligations applicable to our AI-related services in China in all material respects during the Track Record Period and up to the Latest Practicable Date. These compliance obligations may require us to maintain internal review procedures, update AI-related product functions, and incur costs for data governance, content identification, security assessment, ongoing monitoring, and IT controls. However, they did not have any material adverse effect on our business operations during the Track Record Period and up to the Latest Practicable Date.

INTERNAL CONTROL AND RISK MANAGEMENT

We have formed a culture of compliance by implementing various measures and processes to ensure that the behavior of our employees meets compliance requirements, and our compliance culture is embedded into our everyday workflow.

Compliance Oversight and Training

We have designated responsible personnel in our Company to monitor the ongoing compliance by our Company with the relevant PRC laws and regulations that govern our business operations and oversee the implementation of necessary measures. In addition, we plan to provide our Directors, senior management, and relevant employees with continuing training programs and updates regarding the relevant PRC laws and regulations on a regular basis with a view to proactively identify any concern and issue relating to any potential non-compliance.

Internal Control Framework

We have adopted internal rules and policies governing various aspects of our business operations and management, including information system, physical assets, procurement, customer credit management, financial reporting, and human resources. For example, we have designed and implemented a series of internal control policies and procedures relating to our information management system, such as the establishment of a dedicated team responsible for cybersecurity and data protection, the formulation of data protection policies and measures, and the provision of training to employees involved in data control and management. In addition, we have established internal control policies covering various aspects of human resource management such as recruiting, training, work ethics, and legal compliance. Furthermore, we have adopted a set of policies and procedures in connection with our financial reporting management, such as financial and accounting policies, budget management procedures, and financial statement preparation procedures.

Audit Committee Experience and Qualification and Board Oversight

We have established an audit committee to monitor the implementation of our risk management policies across our Group on an ongoing basis to ensure that our internal control system is effective in identifying, managing, and mitigating risks involved in our business operations.

The audit committee consists of three members, namely Mr. Cao Huimin, Mr. Liu Wei, and Mr. Tsang Kwai Keung. Mr. Cao Huimin is the chairperson of the audit committee. For the professional qualifications and experiences of the members of our audit committee, see "Directors and Senior Management."

Our internal audit department is responsible for reviewing the effectiveness of internal controls and reporting to the audit committee on any issues identified. The internal audit department reports to the Board of Directors or the audit committee at least on a quarterly basis, covering, among other matters, the implementation of the internal audit plan and any issues identified during the internal audit process.

During the Track Record Period and up to the Latest Practicable Date, our Directors did not identify any material internal control weakness or failure. We have engaged an independent internal control consultant to evaluate our internal control system in connection with the [REDACTED]. The internal control consultant has conducted two-phase review procedures on our internal control system in certain aspects, including, among others, the overall governance, financial management and reporting controls, and operational and administrative controls. In the first phase, our internal consultant identified certain findings, in response to which the Company implemented remedial measures and enhanced internal control procedures. In the follow-up review, our internal control consultant examined the remedial measures implemented by the Company and did not identify any further deficiencies or make any further recommendations.

AWARDS AND RECOGNITION

We have established strong brand and reputation with our technological capabilities and trustworthy products and services. The following table sets forth certain significant awards and recognition we have received.

Awarding Year	Award/Recognition	Issuing Organization
2025	Certificate of Software Enterprise (軟件企業證書)	China Software Industry Association (中國軟件行業協會)
2024	Information Technology Application Innovation Product Evaluation Certificate (信創產品評估證書)	SSIA Information Technology Application Innovation Working Committee (上海市軟件行業協會信息技術應用創新工作委員會)
2024	Filing Certificate for Level III Classified Protection of Information System Security (H-One) (信息系統安全等級保護備案證明第三級(H-One漢得數據中台))	Shanghai Public Security Bureau (上海市公安局)
2024	Filing Certificate for Level III Classified Protection of Information System Security (HZERO) (信息系統安全等級保護備案證明第三級(HZERO企業級PaaS平台))	Shanghai Public Security Bureau (上海市公安局)
2023	High and New Technology Enterprise (高新技術企業)	Shanghai Municipal Science and Technology Commission (上海市科學技術委員會), Shanghai Municipal Bureau of Finance (上海市財政局), and Shanghai Municipal Bureau of Tax Service, State Taxation Administration (國家税務總局上海市税務局)
2023	Certificate of Accomplishment of CMMI®-DEV V2.0 MATURITY LEVEL 5 (軟體能力成熟度模型集成5級證書)	CMMI Institute (軟體能力成熟度模型集成協會)

Awarding Year	Award/Recognition	Issuing Organization
2023	Information Security Management System Certificate of Conformity (信息安全管理體系認證證書)	Shanghai Audit Center of Quality System (上海質量體系審核中心)
2023	Information Technology Service Standards Compliance Certificate (Level 3) (信息技術服務標準符合性證書(三級))	China Electronics Standardization Association (中國電子工業標準化技術協會)

SEASONALITY

Our business experienced certain seasonality during the Track Record Period, primarily in terms of cash collections. Due to the project cycle, as a relatively larger number of projects generally commenced at the beginning of the year and were completed towards the end of the year, and taking into account the payment practices of certain major customers, our cash collections were generally higher in the second half of the year, especially in the fourth quarter. In 2023, 2024, and 2025, cash collections for our product and service provisions in the fourth quarter accounted for 35.9%, 38.9%, and 36.5% of our annual cash collections, respectively. Our Directors confirm that such seasonality did not result in any material adverse effect on our operations or financial performance during the Track Record Period and up to the Latest Practicable Date.

IMPACT OF COVID-19 PANDEMIC ON OUR FINANCIAL PERFORMANCE

The COVID-19 pandemic did not have a material adverse effect on our financial conditions and results of operations during the Track Record Period and up to the Latest Practicable Date.

RELATIONSHIP WITH THE SINGLE LARGEST SHAREHOLDER

THE SINGLE LARGEST SHAREHOLDER

Immediately prior to the [REDACTED], Mr. Chen, the Chairman of our Group, held 53,139,426 shares of the Company, representing approximately 5.11% of the total issued shares of the Company, and therefore constituted the single largest shareholder of the Group (the "**Single Largest Shareholder**"). Immediately following the completion the [REDACTED], the Single Largest Shareholder will be entitled to control the exercise of approximately [REDACTED]% of the voting rights (assuming the [REDACTED] is not exercised) or approximately [REDACTED]% of the voting rights (assuming the [REDACTED] is exercised in full) and thus remain as the Single Largest Shareholder.

THE AIC TERMINATION

On March 21, 2019, Mr. Chen Diqing ("**Mr. Chen**") and Mr. Fan Jianzhen ("**Mr. Fan**") entered into the AIC Agreement, pursuant to which, among others, Mr. Chen and Mr. Fan agreed to consult and act in concert in respect of shareholders' resolutions and, in the event of disagreement, Mr. Fan's voting should be bound to align with Mr. Chen's view. The AIC Agreement was terminated in August 2025, resulting in a formal adjustment in the identification of the Single Largest Shareholder from the AIC Parties as a group to Mr. Chen in his own capacity without any change in the actual dynamics between Mr. Chen and the Core Management Team.

Notwithstanding the AIC Termination, the Directors were of the view that, as concurred by the Sole Sponsor, the Company satisfied the ownership and control requirements under Rule 8.05 of the Listing Rules, for the following reasons, among others:

- There has been no material change in our underlying ownership influence or control structure since January 1, 2024, with Mr. Chen has been remaining as the individual Single Largest Shareholder both before and after the AIC Termination. The AIC Termination resulted only in a formal adjustment in the identification of the Single Largest Shareholder — from the AIC Parties as a group to Mr. Chen in his own capacity — without any substantive change to our ownership or control structure. The AIC Agreement mainly functioned as voting alignment mechanism following Mr. Fan's cessation of involvement in the business operations and daily management, rather than an arrangement establishing joint control of our Group. For details, see "History, Development and Corporate Structure — The Acting in Concert Agreement"; and

- We have maintained a stable Core Management Team and consistent operational leadership under Mr. Chen throughout the Track Record Period. The Core Management Team comprises professionals with complementary expertise who have remained in their key positions throughout the Track Record Period. Each member has clear functional responsibilities and has continued to perform their duties under the leadership of Mr. Chen. This long-term stability has ensured the effective implementation of strategic plans, the continuity of business decisions and the consistent execution of major projects. The AIC Termination did not result in any change to the reporting lines, responsibilities, work allocations, the decision-making mechanisms between Mr. Chen and the Core Management Team. Instead, our management and operational framework have remained intact and effective, with no material change to any Directors or senior management members before or after the AIC Termination. For details of the background of the Core Management Team, see "Directors and Senior Management".

RELATIONSHIP WITH THE SINGLE LARGEST SHAREHOLDER

INDEPENDENCE FROM THE SINGLE LARGEST SHAREHOLDER

Our Directors consider that we are capable of carrying on our business independently from the Single Largest Shareholder and his close associates after the [REDACTED], taking into consideration the factors below.

Management Independence

We are able to carry on our business independently from the Single Largest Shareholder from a management perspective. Our Board consists of nine Directors, including five executive Directors and four Independent Non-executive Directors. Our executive Directors and senior management team are responsible for the day-to-day management of our operations. Notwithstanding Mr. Chen's role in our Board, our Directors are of the view that our Company is able to function independently from the Single Largest Shareholder for the following reasons:

(a) save for Mr. Chen, all the other executive Directors and other members of the senior management are our full-time employees and are independent from the Single Largest Shareholder and his close associates;

(b) our daily management and operations are carried out by our senior management team, all of whom have substantial experience in the industry in which our Company is engaged and will therefore be able to make business decisions that are in the best interests of our Company. For details of the industry experience of our senior management team, please refer to the section headed "Directors and Senior Management" in this Document;

(c) each Director is aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests;

(d) we have four Independent Non-executive Directors and certain matters of our Company must always be referred to the Independent Non-executive Directors for review;

(e) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Company and a Director and/or his/her associate, he/she shall abstain from voting and shall not be counted towards the quorum for the voting; and

(f) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Company and the Single Largest Shareholder which would support our independent management. For details, see" — Corporate Governance" in this section.

Based on the above, our Directors believe that our Board as a whole and together with our senior management are able to perform the managerial role in our Company independently from the Single Largest Shareholder and his close associates after the [REDACTED].

Operational Independence

We do not rely on the Single Largest Shareholder and his close associates for our business development, staffing, logistics, administration, finance, internal audit, information technology, sales and marketing, or company secretarial functions. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from the Single Largest Shareholder and his close associates. In addition, we have our own headcount of employees for our operations and management for human resources.

We have independent access to suppliers and customers. We are in possession of all relevant licenses, certificates, facilities and intellectual property rights necessary to carry on and operate our principal businesses and we have sufficient operational capacity in terms of capital and employees to operate independently.

Based on the above, our Directors believe that we are able to operate independently of the Single Largest Shareholder and his close associates.

Financial Independence

We have an independent financial system and make financial decisions according to our Company's own business needs. We have our own internal control and accounting systems and an independent finance department for discharging the treasury function and independent access to third party financing. We do not expect to rely on the Single Largest Shareholder and his close associates for financing after the [REDACTED] as we expect that our working capital will be funded by cash flows generated from operating activities, the cash and cash equivalent on hand and internally generated funds as well as the [REDACTED] from the [REDACTED].

In addition, we are capable of obtaining financing from Independent Third Parties, if necessary, without relying on any guarantee or security provided by our Single Largest Shareholder or his close associates. As of the Latest Practicable Date, there were no outstanding loans or guarantee provided by or granted to our Single Largest Shareholder or his close associates to facilitate our financings.

Based on the above, our Directors believe that we are capable of carrying on our business independently of, and do not place undue reliance on the Single Largest Shareholder and his close associates after the [REDACTED].

CORPORATE GOVERNANCE

Our Company will comply with the provisions of the Corporate Governance Code in Part 2 of Appendix C1 to the Listing Rules (the "**Corporate Governance Code**"), which sets out principles of good corporate governance.

Our Directors recognize the importance of good corporate governance in protection of our Shareholders' interests. We would adopt the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Company and the Single Largest Shareholder:

(a) where a Board meeting is held for the matters in which any Director has a material interest, such Director(s) shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;

(b) where a Shareholders' meeting is to be held for considering proposed transactions in which the Single Largest Shareholder or any of his associates have a material interest, the Single Largest Shareholder will not vote on the resolutions and shall not be counted in the quorum in the voting;

(c) our Company has established internal control mechanisms to identify connected transactions. Upon the [REDACTED], if our Company enters into connected transactions with the Single Largest Shareholder or any of his associates, our Company will comply with the applicable Listing Rules;

(d) we are committed that our Board shall include a balanced composition of executive Directors and non-executive Directors (including Independent Non-executive Directors). We have appointed four Independent Non-executive Directors, and we believe our Independent Non-executive Directors (i) possess sufficient experiences, (ii) are free of any business or other relationship which could interfere in any material manner with the exercise of his independent judgment, and (iii) will be able to provide an impartial and external opinion to protect the interests of our Shareholders as a whole. For details of the Independent Non-executive Directors, see "Directors and Senior Management";

(e) where our Directors reasonably request the advice of independent professionals, such as financial advisers, the appointment of such independent professionals will be made at our Company's expenses; and

(f) we have appointed Guotai Junan Capital Limited as our Compliance Adviser to provide advice and guidance to us in respect of compliance with the Listing Rules, including various requirements relating to corporate governance.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Company and the Single Largest Shareholder, and to protect minority Shareholders' interests after the [REDACTED].

INTERESTS OF THE SINGLE LARGEST SHAREHOLDER IN OTHER BUSINESSES

The Single Largest Shareholder and the Directors confirm that, which is concurred by the Sole Sponsor based on the due diligence work performed, as of the Latest Practicable Date, he did not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

OVERVIEW

Our Board consists of nine Directors, comprising five executive Directors and four Independent Non-executive Directors. All Directors are elected by the general meeting for a term of three years which is renewable upon re-election. The major powers and functions of the Board include, but are not limited to, convening the general meetings, presenting reports to the general meetings, implementing the resolutions passed at the general meetings, determining the operational plans and investment plans of the Company, determining the annual financial budgets and final accounts of the Company, determining the fundamental management systems of the Company, formulating profit distribution plans and loss recovery plans of the Company, and exercising other powers and functions as conferred by our Articles of Association.

Our senior management is responsible for the management of day-to-day operations of the Company.

DIRECTORS AND SENIOR MANAGEMENT

The following table sets forth certain information of our Directors:

Name	Age	Position(s)	Principal roles and responsibilities	Date of joining our Group	Date of appointment as Senior Management Member	Date of appointment as Director	Relationship with other Directors and senior management
Mr. Chen Diqing (陳迪清)	63	Chairman of the Board and Executive Director	Responsible for the overall development strategies, business and investment plans and major decision-making of our Group	July 2002	July 2002	July 2002	None
Mr. Huang Yiquan (黃益全)	48	Executive Director and General Manager	Responsible for assisting the Chairman in overseeing the strategic development and overall management of our Group	July 2002	January 2015	May 2018	None
Mr. Liu Fudong (劉福東)	44	Executive Director and Joint Company Secretary	Responsible for overseeing general corporate governance matters and ensuring compliance with the applicable laws, rules and regulations and related affairs of our Group	July 2017	July 2017	August 2025	None
Mr. Wu Bin (吳濱)	54	Executive Director and Chief Technology Officer	Responsible for participating in the formulation of technological directions and strategies of our Group	July 2002	January 2013	August 2025	None
Ms. Wang Xinyi (王辛夷)	50	Executive Director and Chief Financial Officer	Responsible for the overall accounting and financial management of our Group	June 2012	June 2012[Note (1)] *May 2024*[Note (1)]	December 2025	None
Mr. Cao Huimin (曹惠民)	72	Independent Non-executive Director	Supervising and providing independent judgment to the Board	March 2010[Note (2)]	NA	August 2022	None
Mr. Chen Jingfeng (陳靖豐)	58	Independent Non-executive Director	Supervising and providing independent judgment to the Board	March 2010[Note (3)]	NA	May 2024	None
Mr. Liu Wei (劉維)	56	Independent Non-executive Director	Supervising and providing independent judgment to the Board	September 2010[Note (4)]	NA	August 2025	None
Mr. Tsang Kwai Keung (曾貴強)	62	Independent Non-executive Director	Supervising and providing independent judgment to the Board	March 2010[Note (5)]	NA	December 2025	None

Notes:

1. Ms. Wang Xinyi joined our Company in June 2012 and served as the chief financial officer of the Company until her departure from our Company in June 2017. Ms. Wang Xinyi rejoined our Group as the chief financial officer in May 2024.

2. Mr. Cao Huimin first joined the Group in March 2010 as independent non-executive Director and retired from his position upon the completion of the term in August 2016. He then re-joined the Group as an Independent Non-executive Director in August 2022.

3. Mr. Chen Jingfeng first joined the Group in March 2010 as independent non-executive Director and retired from his position upon the completion of the term in August 2016. He then re-joined the Group as an Independent Non-executive Director in May 2024.

4. Mr. Liu Wei first joined the Group in September 2010 as an Independent Non-executive Director and retired from his position upon the completion of the term in August 2016 and rejoined the Group as Independent Non-executive Directors in August 2025.

5. Mr. Tsang Kwai Keung joined the Group as a vice manager responsible for project delivery and management & related affairs for a short period between March 2010 and February 2012. He re-joined the Group as an Independent Non-executive Director in December 2025.

DIRECTORS

Executive Directors

Mr. Chen Diqing (陳迪清), aged 63, is an executive Director and the chairman of the Board. Mr. Chen Diqing joined our Group in July 2002 and has served as a director of the Board since July 2002. Since January 2016, he has been the chairman of the Board. He is primarily responsible for the overall development strategies, business and investment plans and major decision-making of our Group. Mr. Chen has also been serving as the chairman of our Strategy and Sustainable Development Committee.

Mr. Chen has over 23 years of experience in the information technology industry, with extensive expertise in corporate management, marketing and business operations.

Since September 2012, Mr. Chen has also served as a director and the chairman of ZeroWire Technology (Shanghai) Co., Ltd. (隨身科技(上海)有限公司), a non-wholly-owned subsidiary of our Company. Since March 2015, he has served as a director and the chairman of Shanghai Hand Vyung, a non-wholly-owned subsidiary of our Company. Mr. Chen has also served as a director of HAND Enterprise Solutions USA, Inc., a wholly-owned subsidiary of our Company, since March 2016. Mr. Chen also served as a director of Hand Japan and Hand International, both of which were our wholly-owned subsidiaries, since August 2007 and December 2011, respectively.

Mr. Chen Diqing obtained his bachelor's degree in electronic engineering from Fudan University (復旦大學) in the PRC in July 1985. He also obtained his master's degree in science from Louisiana Tech University in the United States in November 1991.

Mr. Chen Diqing was a director of the following companies incorporated in the PRC and HK, and dissolved by way of deregistration, details of which are set out below:

Name of company	Principal business activity prior to dissolution	Date of dissolution	Company Status
Hong Kong Fanchen Holdings Limited ("**Hong Kong Fanchen**")	Inactive	July 3, 2015	Deregistered
Shanghai Dazhong Hand Computer Systems Co. Ltd.* (上海大眾漢得計算機系統有限公司) ("**Shanghai Dazhong**")	Inactive	In or around 2002	Deregistered
Shanghai Dixun Technology Co., Ltd.* (上海荻尋科技有限公司) (the "**Dixun Technology**")	Inactive	July 4, 2023	Deregistered

As confirmed by the Directors, there was no real business activities since the registration in the case of each of Hong Kong Fanchen, and Dixun Technology, and no real business activities immediately before deregistration in the case of Shanghai Dazhong, and there was no judgment or findings of fraud, dishonesty, any misconduct or wrongful act on the part of Mr. Chen Diqing involved in the dissolution of each of Hong Kong Fanchen, Shanghai Dazhong and Dixun Technology, and as of the Latest Practicable Date, there was no outstanding liability or ongoing claim or litigation against Mr. Chen Diqing in his capacity as a director prior to the abovementioned companies' dissolution. Mr. Chen Diqing also confirmed that each of Hong Kong Fanchen, Shanghai Dazhong and Dixun Technology was solvent at the time of its dissolution.

Regulatory Letter Issued by the Shenzhen Stock Exchange in 2017

On 23 February 2017, a regulatory letter (the "**2017 Regulatory Letter**") was issued by the ChiNext Market Company Management Department of the Shenzhen Stock Exchange (the "**SZSE**") to Mr. Chen in relation to certain trading activities in the Company's A shares.

In January 2017, Mr. Chen intended to increase his shareholding in the Company by purchasing A Shares from the open market pursuant to a public announcement. Due to an inadvertent oversight, he mistakenly sold 100,000 A Shares before subsequently acquiring 1,077,700 A shares as originally planned. The SZSE regarded the transactions as short-term trading and issued the 2017 Regulatory Letter. The profit derived from the relevant short-term trading amounted to approximately RMB74,196.30, which was fully returned to the Company by Mr. Chen. He also undertook rectification measures, including subjecting himself to an extended lock-up period. The 2017 Regulatory Letter did not contain any finding of dishonesty or fraud, and no administrative penalty was imposed under PRC laws. According to the RPC Legal Adviser, the 2017 Regulatory Letter constituted a regulatory measure and did not amount to an administrative penalty under applicable PRC laws and regulations. Since February 2017, there has been no further regulatory letter, administrative penalty or enforcement action taking against Mr. Chen by the SZSE, the CSRC or any other regulatory authority in relation to this matter.

Having considered (i) the nature of the 2017 Regulatory Letter as a regulatory measure, (ii) the absence of any finding of dishonesty or fraud, (iii) the voluntary return of the profits derived from the short-term trading, (iv) the rectification measures undertaken, and (v) the absence of any subsequent enforcement action since 2017, the Directors were of the view that the 2017 Incident does not affect Mr. Chen's integrity or suitability to act as a Director under Rules 3.08 and 3.09 of the Listing Rules. Based on the independent due diligence conducted by the Sole Sponsor, nothing has come to the Sole Sponsor's attention that would cause them to disagree with our Directors' view above.

Mr. Huang Yiquan (黃益全), aged 48, is an executive Director of the Board and the general manager of our Company. Mr. Huang joined our Group in July 2002 and has been serving as the enterprise resource planning consultant since then. He has been serving as the general manager of our Company since January 2016 and an executive Director of the Board since May 2018. Mr. Huang Yiquan is primarily responsible for assisting the Chairman in overseeing the strategic development and overall management of our Group. Mr. Huang has also been serving as a member of our Strategy and Sustainable Development Committee.

Mr. Huang Yiquan has over 23 years of experience in the information technology industry, with extensive experience in corporate management and operations within the Group. From August 2006 to August 2007, he served as the general manager of the northern China region of the Company. From August 2007 to December 2014, he served as the general manager of the eastern China region the Company. From January 2015 to January 2016, Mr. Huang also served as the chief operation director of the Company. He has also been serving as a director of Shanghai Hand Vyung, a non-wholly-owned subsidiary of the Company since March 2015, and an executive director of Yangzhou Damei Investment Management Co., Ltd. (揚州達美投資管理有限公司), a wholly-owned-subsidiary of the Company, since December 2015, respectively. Since December

2015, he has also served as the chairman of Shanghai Damei Information Technology Co., Ltd. (上海達美信息技術有限公司), where he has also served as the general manager since January 2021. Since January 2016, he has also served as the chairman of Shanghai Hand Ou Jun Information Technology Co., Ltd. (上海漢得歐俊信息技術有限公司), a non-wholly-owned subsidiary of our Company.

Since August 2018, Mr. Huang has served as an executive director and the general manager of Shanghai Zhenheng Information Technology Co., Ltd. (上海甄恒信息科技有限公司). Since February 2019, he has served as an executive director of Shanghai Huiyi Information Technology Co., Ltd. (上海匯羿信息技術有限公司). Since October 2020, he has served as an executive director and the general manager of Shanghai Zhenzi Information Technology Co., Ltd. (上海甄自信息科技有限公司). In addition, since May 2017, he has served as a director of Shared Intelligent Foundry Industry Innovation Center Co., Ltd. (共享智能鑄造產業創新中心有限公司).

Mr. Huang Yiquan obtained his bachelor's degree of management in information systems (管理信息系统) from Fudan University (復旦大學) in the PRC in July 2000.

Mr. Huang was a director of the following company incorporated in the PRC, and dissolved by way of deregistration, details of which are set out below:

Name of company	Principal business activity prior to dissolution	Date of dissolution	Company Status
Shanghai Detuo Investment Management Co., Ltd.* (上海得拓投資管理有限公司) ("**Shanghai Detuo**")	Inactive	July 11, 2012	Deregistered

As confirmed by the Directors, there was no real business activities since the registration of Shanghai Detuo, and there was no judgment or findings of fraud, dishonesty, any misconduct or wrongful act on the part of Mr. Huang Yiquan involved in the dissolution of Shanghai Detuo, and as of the Latest Practicable Date, there was no outstanding liability or ongoing claim or litigation against Mr. Huang Yiquan in his capacity as a director prior to the abovementioned companies' dissolution. Mr. Huang Yiquan also confirmed that Shanghai Detuo was solvent at the time of its dissolution.

Mr. Liu Fudong (劉福東), aged 44, is an executive Director and joint company secretary of our Company. Mr. Liu joined our Group in July 2017 and has served as an executive Director since August 2025. He is primarily responsible for overseeing general corporate governance matters and ensuring compliance with the applicable laws, rules and regulations and related affairs of our Group.

Mr. Liu has over 10 years of experience in the information technology industry. From July 2007 to August 2012, Mr. Liu served as a consultant at our Company's Oracle supply chain & business department and a senior manager of our business department. From August 2012 to January 2015, he served as a system analyst at Xi'an AVIC Hamilton Sundstrand Aviation Electric Company, Ltd. (西安中航漢勝電力有限公司). From February 2015 to June 2017, he served at various positions at Huawei Xi'an Research Institute & Chengdu Research Institute of Huawei Technologies Co., Ltd. (華為技術有限公司西安研究所／成都研究所) as a chief information officer or infrastructure architect. Since joining the Company in July 2017, Mr. Liu has held various management positions, including senior manager of the business division, deputy general manager of the business division and general manager of the product line division. He also served as the director of investor relations of the Company from September 2023 to August 2025.

Mr. Liu obtained his bachelor's degree in management of business administration from the Shanxi University of Science & Technology (陝西科技大學) in the PRC in July 2004. He then obtained his master's degree in management from Xi'an Jiaotong University (西安交通大學) in the PRC in April 2007.

Mr. Wu Bin (吳濱), aged 54, is an executive Director of the Board and the chief technology officer of our Company. He joined our Group in July 2002 and has since been involved in our Group's operations. He has also been serving as an executive Director of the Board since August 2025. Mr. Wu Bin is primarily responsible for participating in the formulation of technological directions and strategies of our Group. Mr. Wu has also been serving as a member of our Remuneration and Appraisal Committee and our Strategy and Sustainable Development Committee.

Mr. Wu has over 23 years of experience in the information technology industry. From December 1998 to June 2002, Mr. Wu served as a technical consultant at our Predecessor's Oracle business department. From July 2002 to December 2012, he served as a senior technical consultant at our Company's Oracle business department, a technical director of our MAS product department and a director of the Advanced Development Center of our Company. From July 2009 to July 2012, he served as the chairman of Defan Investment. Since September 2012, he has served as a director of ZeroWire Technology (Shanghai) Co., Ltd. (隨身科技(上海)有限公司), a non-wholly-owned subsidiary of the Company. He subsequently served as a supervisor of our Company from August 2013 to August 2025.

Mr. Wu obtained his bachelor's degree in solid state electronics (固體電子學) from Huazhong University of Science and Technology (華中科技大學) in the PRC in July 1993. Mr. Wu also obtained his master's degree in physics from Fudan University (復旦大學) in the PRC in July 1996.

Mr. Wu was a director of the following company incorporated in the PRC, and dissolved by way of deregistration, details of which are set out below:

Name of company	Principal business activity prior to dissolution	Date of dissolution	Company Status
Defan Investment	Inactive	July 11, 2012	Deregistered

As confirmed by the Directors, there was no real business activities since the registration of Shanghai Defan, and there was no judgment or findings of fraud, dishonesty, any misconduct or wrongful act on the part of Mr. Wu Bin involved in the dissolution of Shanghai Defan, and as of the Latest Practicable Date, there was no outstanding liability or ongoing claim or litigation against Mr. Wu Bin in his capacity as a director prior to the abovementioned companies' dissolution. Mr. Wu Bin also confirmed that Shanghai Defan was solvent at the time of its dissolution.

Ms. Wang Xinyi (王辛夷), aged 50, is an executive Director and the chief financial officer of our Company. Ms. Wang joined our Group in June 2012 and served as the chief financial officer of our Company from June 2012 to June 2017. She was re-appointed as the chief financial officer of the Company in May 2024. She has served as an executive Director of the Board since December 2025. Ms. Wang is primarily responsible for the overall accounting and financial management of our Group. Ms. Wang has also been serving as a member of our Nomination Committee.

Ms. Wang has over 26 years of experience in audit and accounting business, with extensive experience in financial management and corporate operations. From July 1998 to July 2005, Ms. Wang served as an audit manager at PricewaterhouseCoopers Zhong Tian Certified Public Accountants Limited Company (普華永道中天會計師事務所). From August 2005 to March 2012, she served as a senior manager of Klynveld Peat Marwick Goerdeler (KPMG) (畢馬威會計師事務所). She joined our Company in June 2012 and served as the chief financial officer of the Company

until her departure from our Company in June 2017. She rejoined the Group in May 2024 as the chief financial officer of the Company and a director of Hand Japan (漢得日本株式會社), as well as a director of Hand International, both of which were our wholly-owned-subsidiaries, since June 2024.

Ms. Wang obtained her bachelor's degree in international finance (國際金融專業) from Shanghai Jiao Tong University (上海交通大學) in the PRC in July 1998. Ms. Wang has also been a qualified accountant in the PRC since June 2000.

Independent Non-executive Directors

Mr. Cao Huimin (曹惠民), aged 72, is an Independent Non-executive Director of our Company. Mr. Cao Huimin joined our Group in March 2010 and served as our Independent Non-executive Director from March 2010 to August 2016. He was re-appointed as an Independent Non-executive Director in August 2022 and is primarily responsible for supervising and providing independent judgment to the Board. Mr. Cao Huimin has also been serving as the chairman of our Audit Committee and a member of our Nomination Committee.

Mr. Cao Huimin has over 30 years of experience in the audit and accounting profession. He served as an associate professor since June 1995 and was subsequently promoted as a professor at the School of Accounting of Shanghai Lixin University of Accounting and Finance (上海立信會計金融學院) in June 2003, a position he held until July 2014. Mr. Cao Huimin also served as independent directors at various public companies, and was engaged in reviewing financial statements, overseeing audit processes and internal control systems, as well as supervising financial reporting matters of these companies. Therefore, the Directors were of the view that Mr. Cao Huimin has gained substantial practicable knowledge and experience in supervising financial reporting and other accounting-related matters, and has acquired the accounting or related financial management expertise required under Rule 3.10(2) of the Listing Rules. From September 2016 to June 2022, he served as an independent director of Zhejiang Meorient Business Exhibition Co., Ltd. (浙江米奧蘭特商務會展股份有限公司) (stock code: SZ 300795). From January 2017 to December 2022, he served as an independent director of Shanghai Hansin Information Technology Co., Ltd. (上海瀚訊信息技術股份有限公司) (stock code: SZ 300762). From December 2020, he served as an independent director of Shanghai Pushi Medical Equipment Co., Ltd. (上海普實醫療器械股份有限公司). From June 2022 to June 2025, Mr. Cao Huimin served as an independent director of Shanghai Sanmao Enterprise (Group) Co., Ltd. (上海三毛企業(集團)股份有限公司) (stock code: SH 600689). From November 2021 to November 2024, he served as an independent director of Ningbo Henghe Precision Industry Co., Ltd. (寧波橫河精密工業股份有限公司) (stock code: SZ 300539).

Mr. Cao Huimin obtained his bachelor's degree in economics (major in accounting) from Shanghai University of Finance and Economics (上海財經大學) in the PRC in January 1983. He also obtained his master's degree in economics (major in accounting) from the same university in January 1988.

Mr. Chen Jingfeng (陳靖豐), aged 58, is an Independent Non-executive Director of our Company. Mr. Chen Jingfeng joined our Group in March 2010 and served as our Independent Non-executive Director from March 2010 to August 2016. He was re-appointed as an Independent Non-executive Director in May 2024 and is primarily responsible for supervising and providing independent judgment to the Board. Mr. Chen Jingfeng has also been serving as the chairman of our Nomination Committee and a member of our Remuneration and Appraisal Committee.

Mr. Chen Jingfeng has over 23 years of experience in enterprise operations and management. From May 2002 to June 2015, he held various positions at Shanghai Dazhong Public Utilities (Group) Co., Ltd. (上海大眾公用事業(集團)股份有限公司), including serving as an executive director and the general manager.

During overlapping periods, Mr. Chen Jingfeng served in several directorship roles. From May 2003 to August 2015, he served as a director of Shanghai Dazhong Environment Industry Co., Ltd. (上海大眾環境產業有限公司), until August 2015, he served as a director of Shanghai Xiangyin Road

Tunnel Construction Development Co., Ltd. (上海翔殷路隧道建設發展有限公司). From March 2006 to July 2015, he served as a director of Shenzhen Capital Group Co., Ltd. (深圳市創新投資集團有限公司). Until November 2015, he served as a director of Shanghai Xingye Venture Capital Co., Ltd. (上海興燁創業投資有限公司). From November 2012 to June 2015, he served as a supervisor of Shenzhen Sinovatio Technology Co., Ltd. (深圳市中新賽克科技股份有限公司). Subsequently, from July 2016 to March 2017, Mr. Chen served as an executive director and the general manager of Dali Yisutang Tourism Culture Development Co., Ltd. (大理一粟堂旅遊文化發展有限公司). From April 2022 to March 2024, he served as an executive director of Yancheng Zhihe Dazhong Pharmaceutical Chain Co., Ltd. (鹽城致和大眾醫藥連鎖有限公司).

Mr. Chen Jingfeng also served as an executive director of Jiangsu Dazhong Pharmaceutical Chain Co., Ltd. (江蘇大眾醫藥連鎖有限公司) and a director of Suzhou Watch Workshop Culture and Art Co., Ltd (蘇州表坊文化藝術有限公司). He also held various directorship and senior management positions at Shanghai Zhongyun Investment Co., Ltd. (上海中贇投資有限公司) ("**Shanghai Zhongyun**", together with its subsidiaries, the "**Shanghai Zhongyun Group**") and its subsidiaries. These positions primarily include: (i) an executive director of Shanghai Zhongyun; (ii) an executive director of Jiangsu Zhihetang Pharmaceutical Group Co., Ltd. (江蘇致和堂醫藥集團有限公司), a wholly owned subsidiary of Shanghai Zhongyun; (iii) the chairman of Jiangsu Yingke Property Management Co., Ltd. (江蘇盈科物業管理有限公司) ("**Jiangsu Yingke**"), a non-wholly owned subsidiary of Shanghai Zhongyun; (iv) the chairman of Jiangsu Dazhong Pharmaceutical Commercial Management Co., Ltd. (江蘇大眾醫藥商業管理股份有限公司), a non-wholly owned subsidiary of Jiangsu Yingke and an indirect subsidiary of Shanghai Zhongyun; and (v) the executive director and general manager of Shanghai Zhongyun Cultural Development Co., Ltd. (上海中贇文化發展有限公司), a wholly owned subsidiary of Shanghai Zhongyun.

As confirmed by the Directors, each of the subsidiaries of the Shanghai Zhongyun Group mentioned above were operated under unified strategic direction and centralized management. The relevant appointments of Mr. Chen Jingfeng arose from the internal corporate structure of the Shanghai Zhongyun Group and were primarily attributable to intra-group governance and management arrangements. Mr. Chen Jingfeng also confirmed that his time commitment required for these roles was manageable and would not affect his ability to devote sufficient time and attention to the affairs of the Company. Having considered (i) the fact that these companies were part of Shanghai Zhongyun Group; and (ii) the integrated management structure of the Shanghai Zhongyun Group, the Directors were of the view, as concurred by the Sole Sponsor, that Mr. Chen Jingfeng was able to allocate sufficient time and attention to the affairs of the Company, and fulfill his fiduciary duty as a Director.

Mr. Chen Jingfeng obtained his bachelor's degree in history and master's degree in history from Fudan University (復旦大學) in the PRC in July 1989 and July 1995 respectively. He also obtained his executive master of business administration from China Europe International Business School (中歐國際工商學院) in the PRC in September 2008.

Mr. Chen Jingfeng was a director of the following companies incorporated in the PRC, and dissolved by way of deregistration, details of which are set out below:

Name of company	Principal business activity prior to dissolution	Date of dissolution	Company Status
Shanghai Dazhong Century Digital System Analysis Co., Limited* 上海大眾世紀數字分析系統有限公司 ("**Dazhong Shiji Digital**")	Inactive	June 23, 2018	License revoked

Name of company	Principal business activity prior to dissolution	Date of dissolution	Company Status
Shanghai Yuan Cha Hui Brand Management Co., Limited* 上海緣茶薈品牌管理有限公司 ("**Shanghai Yuan Cha Hui**")	Inactive	January 6, 2025	Deregistered
Shanghai Yuanqi Real Estate Co., Ltd.*上海緣起置業有限公司 ("**Shanghai Yuanqi**")	Inactive	June 26, 2012	Deregistered
Jiangsu Dazhong Century Medical Equipment Co., Ltd.* (江蘇大眾世紀醫療器械有限公司) ("**Jiangsu Dazhong Century Medical Equipment**")	Inactive	March 24, 2020	Deregistered
Shanghai Zhongda Transportation Co., Ltd.* (上海眾大運輸有限公司) ("**Shanghai Zhongda Transportation**")	Inactive	July 26, 2001	Deregistered
Shanghai Shuangfa Investment Co., Ltd.* (上海雙發投資有限公司) ("**Shanghai Shuangfa**")	Inactive	July 25, 2008	Deregistered
Changsha Dazhong Muyun Water Industry Co., Ltd.* (長沙大眾暮雲水業有限公司) ("**Changsha Dazhong**")	Inactive	March 31, 2016	Deregistered

As confirmed by the Directors, there was no real business activities since the registration of each of Dazhong Shiji Digital Shanghai, Yuan Cha Hui, Shanghai Yuanqi, Jiangsu Dazhong Century Medical Equipment, Shanghai Zhongda Transportation, Shanghai Shuangfa and Changsha Dazhong, and there was no judgment or findings of fraud, dishonesty, any misconduct or wrongful act on the part of Mr. Chen Jingfeng involved in the dissolution of each of Dazhong Shiji Digital Shanghai, Yuan Cha Hui, Shanghai Yuanqi, Jiangsu Dazhong Century Medical Equipment, Shanghai Zhongda Transportation, Shanghai Shuangfa and Changsha Dazhong, and as of the Latest Practicable Date, there was no outstanding liability or ongoing claim or litigation against Mr. Chen Jingfeng in his capacity as a director prior to the abovementioned companies' dissolution. Mr. Chen Jingfeng also confirmed that each of Dazhong Shiji Digital Shanghai, Yuan Cha Hui, Shanghai Yuanqi, Jiangsu Dazhong Century Medical Equipment, Shanghai Zhongda Transportation, Shanghai Shuangfa and Changsha Dazhong each of Dazhong Shiji Digital Shanghai, Yuan Cha Hui, Shanghai Yuanqi, Jiangsu Dazhong Century Medical Equipment, Shanghai Zhongda Transportation, Shanghai Shuangfa and Changsha Dazhong was solvent at the time of its dissolution.

Mr. Liu Wei (劉維), aged 56, is an Independent Non-executive Director of our Company. Mr. Liu Wei joined our Group in September 2010 and served as an Independent Non-executive Director of our Company from September 2010 to August 2016. He was re-appointed as an Independent Non-executive Director in August 2025. Mr. Liu has also been serving as the chairman of our Remuneration and Appraisal Committee and a member of our Audit Committee.

Mr. Liu has been a practicing lawyer for over 30 years specialising in corporate, securities, and financial matters. He has been working as a lawyer and then a partner at Grandall Law Firm (Shanghai) (國浩律師(上海)事務所) since October 1993. Mr. Liu has served as a member of the Mergers and Acquisitions Restructuring Committee of the China Securities Regulatory Commission (the "**CSRC**"). In addition, he has been serving as an independent director of Jinxi Axle Company Limited since March 2022 (晉西車軸股份有限公司).

Mr. Liu Wei obtained his bachelor's degree in economic law from East China University of Political Science and Law, formerly known as East China Institute of Political Science and Law (華東政法大學) in the PRC in July 1992. He also obtained his master's degree in laws from Shanghai Jiao Tong University (上海交通大學) in the PRC in June 2009.

Mr. Tsang Kwai Keung (曾貴強), aged 62, is an Independent Non-executive Director of our Company. Mr. Tsang joined the Group as a vice manager responsible for project delivery and management & related affairs for a short period between March 2010 and February 2012. He has been appointed as an Independent Non-executive Director of our Company since December 2025. Mr. Tsang has also been serving as a member of our Audit Committee.

Mr. Tsang has over 15 years of experience specializing in business management, foreign trade and corporate operations. Prior joining our Group, Mr. Tsang started his career as a business officer at the Shanghai Branch of China Electronics Import & Export Corporation (中國電子進出口公司上海分公司) from September 1985 to July 1987. From July 1991 to December 2009, Mr. Tsang served as deputy general manager of TARZAN International Trading Company (香港泰山國際貿易公司). During the period between his departure of our Group in February 2012 and his reappointment as an Independent Non-executive Director of our Company in 2025, he held various management positions, including among others, the manager of the information department of JA Securities Limited (金奧證券有限公司) from February 2022 to August 2022.

Mr. Tsang obtained his master's degree in economics from Peking University (北京大學) and master of business administration from Fordham University in the United States in May 2004.

SENIOR MANAGEMENT

Our executive Directors and senior management are responsible for the day-to-day management and operation of our business. All of our senior management members are also the executive Directors of the Company.

For details of the biographies of our executive Directors, being Mr. Chen Diqing (陳迪清), Mr. Huang Yiquan (黃益全), Mr. Liu Fudong (劉福東), Mr. Wu Bin (吳濱), and Ms. Wang Xinyi (王辛夷), see "— Directors — Executive Directors."

INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT

Save as disclosed above, none of our Directors and senior management have been a director of any public company the securities of which were listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this Document.

As of the Latest Practicable Date, none of our Directors or senior management were related to other Directors or senior management of our Company.

JOINT COMPANY SECRETARIES

Mr. Liu Fudong, is one of the joint company secretaries of the Company. For the biographical details of Mr. Liu Fudong, please refer to "— Directors — Executive Directors" above.

Ms. Wong Mei Fung Carrie ("**Ms. Wong**"), is one of the joint company secretaries of the Company with effect from the [REDACTED] Date.

Ms. Wong serves as a Manager of Entity Solutions of Computershare Hong Kong Investor Services Limited ("**Computershare**"). Ms. Wong has over 20 years of work experience in the field of corporate secretarial and regulatory compliance services. She has been providing professional corporate governance and compliance services to Hong Kong listed companies and private companies.

Ms. Wong obtained a Bachelor of Arts Degree in Accounting and Finance from Edinburgh Napier University. She is a fellow member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

BOARD COMMITTEES

Our Company has established four Board Committees in accordance with the relevant PRC laws and regulations, the Articles and the corporate governance practice under the Listing Rules, namely the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy and Sustainable Development Committee.

Audit Committee

We have established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of our Group, review and approve connected transactions and provide advice and comments to the Board. The Audit Committee comprises three members, namely Mr. Cao Huimin, Mr. Liu Wei and Mr. Tsang Kwai Keung as the members of the Audit Committee, with Mr. Cao Huimin as the chairperson of the Audit Committee and the Director appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules.

Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with the Code on Corporate Governance set out in Appendix C1 to the Listing Rules. The primary duties of the Nomination Committee are to assess the candidates, review selection criteria and procedures so as to make recommendations to our Board on the appointment of Directors and management of Board succession and evaluate the Board Diversity Policy. The Nomination Committee comprises three members, namely Mr. Chen Jingfeng, Mr. Cao Huimin and Ms. Wang Xinyi, with Mr. Chen Jingfeng as the chairperson of the Nomination Committee.

Remuneration and Appraisal Committee

We have established the Remuneration and Appraisal Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code. The primary duties of the Remuneration and Appraisal Committee are to review and make recommendations to the Board on the terms of remuneration packages, bonuses and other compensation payable to our Directors and other senior management. The Remuneration and Appraisal Committee comprises three members, namely Mr. Liu Wei, Mr. Chen Jingfeng and Mr. Wu Bin, with Mr. Liu Wei as the chairperson of the Remuneration and Appraisal Committee.

Strategy and Sustainable Development Committee

We have established a Strategy and Sustainable Development Committee in compliance with our Articles of Association in order to monitor the strategy and business plans of the Company. The Strategy and Sustainable Development Committee consists of three Directors, namely Mr. Chen Diqing, Mr. Huang Yiquan and Mr. Wu Bin, with Mr. Chen Diqing as the chairperson of the Strategy and Sustainable Development Committee. The primary duties of the Strategy and Sustainable Development Committee are to review the execution of long-term business plans and performance targets of the Group, and to advise on operational strategies, major financing plans, investment proposals and other major strategic issues of the Company.

CORPORATE GOVERNANCE

Our Company is committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders. To accomplish this, our Company complies or intends to comply with the corporate governance requirements under the Corporate Governance Code after the [REDACTED].

BOARD DIVERSITY POLICY

In order to enhance the effectiveness of our Board and to maintain the high standard of corporate governance, we have adopted a Board Diversity Policy which sets out the objective and approach to achieve and maintain diversity of our Board. Pursuant to the Board Diversity Policy, we seek to achieve Board diversity through the consideration of a number of factors when selecting the candidates to our Board, including, but not limited to, gender, skills, age, professional experience, knowledge, cultural background, education background, ethnicity and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to our Board.

Our board currently consists of one female Director and eight male Directors. Our Directors have a balanced mix of knowledge and skills, including information technology, audit and accounting business, financial management and corporation operations in addition to industry experience relevant to our Group's operations and business. They obtained degrees in various majors including science, management in information systems and business administration, solid state electronics, international finance, law, economics, accounting, history, physics, international economics and computer applications. This diverse academic background allows the Board to approach challenges and opportunities from multiple angles, fostering innovative solutions and comprehensive strategies. We have four Independent Non-executive Directors with different industry backgrounds, representing at least one third of the members of our Board. Furthermore, our Board has a diverse age and gender representation. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of our Board satisfies our Board Diversity Policy.

Our Nomination Committee is responsible for reviewing the structure and diversity of the Board and selecting individuals to be nominated as Directors. After the [REDACTED], our Nomination Committee will monitor and evaluate the implementation of the Board Diversity Policy from time to time to ensure its continued effectiveness, and, when necessary, make any revisions that may be required and recommend any such revisions to our Board for consideration and approval. The Nomination Committee will also include in annual reports a summary of the Board Diversity Policy, including any measurable objectives set for implementing the Board Diversity Policy and the progress on achieving these objectives.

CONFIRMATION FROM OUR DIRECTORS

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in December 23, 2025 and (ii) understands the requirements under the Listing Rules that are applicable to him or her as a director of a listed issuer under the Listing Rules and the possible consequences of making a false declaration or giving false information to the Stock Exchange.

Rule 3.13 of the Listing Rules

Each of the Independent Non-executive Directors has confirmed (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he/she has no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointment.

Disclosure under Rule 8.10(2) of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have interests in any business, which competes or is likely to compete, either directly or indirectly with our business for the purpose of Rule 8.10(2) of the Hong Kong Listing Rules.

Rule 13.51 of the Listing Rules

To the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, there was no information relating to the appointment of our Directors that is required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or any other matters concerning any Director that needs to be brought to the attention of our Shareholders as of the Latest Practicable Date.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The Directors and senior management members receive remuneration in the forms of salaries, bonus and other allowances, share-based payment, contribution to pension schemes, discretionary bonuses and other benefits in kind.

The amount of remuneration (including fees, salaries, share-based payment expenses and social security costs and housing benefits and other benefits in kind) paid to our Directors for the three years ended December 31, 2025 and for the four months ended April 30, 2026 were approximately, RMB1.60 million, RMB7.58 million, RMB3.28 million and RMB0.75 million, respectively.

The aggregate amount of remuneration (including fees, salaries, share-based payment expenses and social security costs and housing benefits and other benefits in kind) paid to the five highest-paid individuals of our Group (including one Director for the years ended 2023 and 2024; does not include any Director for the year ended 2025) for the three years ended December 31, 2023, 2024 and 2025 and for the four months ended April 30, 2026 were approximately RMB5.97 million, RMB27.21 million, RMB21.57 million and RMB2.75 million, respectively.

During the Track Record Period, there was no remuneration paid or payable by our Company to our Directors or the five highest-paid individuals as an inducement to join or upon joining our Company. During the Track Record Period, there was no compensation paid or payable by our Company to our Directors, former Directors or the five highest-paid individuals for the loss of any office in connection with the management of the affairs of any subsidiary of our Company.

During the Track Record Period, none of our Directors has waived or agreed to waive any remuneration or benefits in kind. Save as disclosed above, there was no other payments paid or payable by our Company or any of our subsidiaries to our Directors or the five highest-paid individuals during the Track Record Period.

EMPLOYEE INCENTIVE SCHEME

For more information, see "Appendix VI — Statutory and General Information — Further Information about Our Directors and Senior Management — Share Incentive Plan."

COMPLIANCE ADVISER

We have appointed Guotai Junan Capital Limited as our compliance adviser (the "**Compliance Adviser**") upon the Listing pursuant to Rule 3A.19 of the Listing Rules. The material terms of the compliance adviser's agreement are as follows:

(i) Guotai Junan Capital Limited shall act as our Compliance Adviser for the purpose of Rule 3A.19 of the Hong Kong Listing Rules for a period commencing on the [REDACTED] and ending on the date on which we comply with Rule 13.46 of the Hong Kong Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED], or until the agreement is terminated, whichever is earlier;

(ii) the Compliance Adviser will provide us with certain services, including proper guidance and advice as to compliance with the requirements under the Hong Kong Listing Rules and applicable laws, regulations and rules;

(iii) the Compliance Adviser will, as soon as reasonably practicable, inform us of any amendment or supplement to the Hong Kong Listing Rules announced by the Hong Kong Stock Exchange from time to time, and of any amendment or supplement to the applicable laws, regulations and rules in Hong Kong applicable to the Company; and

(iv) the Compliance Adviser will act as an additional channel of communication of the Company with the Hong Kong Stock Exchange.

SUBSTANTIAL SHAREHOLDERS

SUBSTANTIAL SHAREHOLDERS AS OF THE LATEST PRACTICABLE DATE

As of the Latest Practicable Date, our registered and issued share capital was RMB1,040,419,711 (including 529,690 A Shares which were held as treasury shares), divided into 1,040,419,711 A Shares with a nominal value of RMB1.00 each. The following persons directly or indirectly control, or are entitled to exercise or control the exercise of, 5% or more of our issued share capital.

Name of Shareholder	Nature of Interest	Class of Shares	Number of Shares directly or indirectly held	Approximate of shareholding
Chen Diqing (陳迪清)	Beneficial interest	A Shares	53,139,426	5.11%

SUBSTANTIAL SHAREHOLDERS IMMEDIATELY FOLLOWING COMPLETION OF THE [REDACTED]

Immediately following completion of the [REDACTED] without taking into account any treasury shares:

- assuming the [REDACTED] is not exercised, our share capital will comprise [REDACTED] A Shares and [REDACTED] H Shares, representing approximately [REDACTED]% and [REDACTED]% of the total issued share capital of our Company (excluding treasury shares), respectively; and
- assuming the [REDACTED] is fully exercised, our share capital will comprise [REDACTED] A Shares and [REDACTED] H Shares, representing approximately [REDACTED]% and [REDACTED]% of the total issued share capital of our Company (excluding treasury shares), respectively.

So far as our Directors are aware, immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), the following persons are expected to have an interest and/or short positions in the Shares or underlying shares of our Company which would fall to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are, directly or indirectly, interested in 10% or more of the issued voting shares in all circumstances at general meetings of our Company:

Immediately following the completion of the [REDACTED]:

Name of Shareholder	Nature of Interest	Immediately following the completion of the [REDACTED] (assuming no exercise of the [REDACTED])			Immediately following the completion of the [REDACTED] (assuming full exercise of the [REDACTED])		
		Number of Shares directly or indirectly held	Approximate % of the relevant class of Shares in our Company[(1)]	Approximate % of interest in our Company[(2)]	Number of Shares directly or indirectly held	Approximate % of the relevant class of Shares in our Company[(1)]	Approximate % of interest in our Company[(3)]
Chen Diqing (陳迪清)	Beneficial interest	[REDACTED] A Shares (Long Position)	[REDACTED]%	[REDACTED]%	[REDACTED] A Shares (Long Position)	[REDACTED]%	[REDACTED]%

Notes:

(1) The calculation is based on the percentage of shareholding in A Shares (as applicable) of the Company after the [REDACTED].

(2) The calculation is based on the total number of [REDACTED] Shares (excluding treasury shares) in issue after the [REDACTED] (assuming the [REDACTED] is not exercised).

(3) The calculation is based on the total number of [REDACTED] Shares (excluding treasury shares) in issue after the [REDACTED] (assuming the [REDACTED] is fully exercised).

Save as disclosed herein, the Directors are not aware of any other person who will, immediately following the [REDACTED] (and the [REDACTED] of any additional H Shares pursuant to the [REDACTED]), have an interest or short position in Shares or underlying Shares of the Company, which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 10% or more of the issued voting shares in all circumstances at general meeting of the Company.

SHARE CAPITAL

OUR SHARE CAPITAL

This section presents certain information regarding our share capital before and upon completion of the [REDACTED].

Immediately before the [REDACTED]

As of the Latest Practicable Date, the total issued capital of our Company was RMB1,040,419,711 A Shares (including 529,690 treasury shares) of nominal value of RMB1.00 each, which are all listed on the ChiNext Market of the Shenzhen Stock Exchange.

Upon the Completion of the [REDACTED]

Immediately following completion of the [REDACTED], assuming the [REDACTED] is not exercised and no changes are made to our issued share capital between the Latest Practicable Date and the [REDACTED], the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital (%)
A Shares in issue (including 529,690 treasury shares)	1,040,419,711	[REDACTED]
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00

Immediately following completion of the [REDACTED], assuming the [REDACTED] is fully exercised and no changes are made to our issued share capital between the Latest Practicable Date and the [REDACTED], the share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital (%)
A Shares in issue (including 529,690 treasury shares)	1,040,419,711	[REDACTED]
H Shares to be issued pursuant to the [REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	100.00

RANKING

Our H Shares and our A Shares are regarded as one class of Shares under our Articles of Association and will rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this Document. All dividends in respect of our H Shares are to be paid by us in Hong Kong dollars whereas all dividends in respect of our A Shares are to be paid by us in Renminbi. In addition to cash, dividends may also be distributed in the form of Shares. Holders of our H Shares will receive share dividends in the form of H Shares, and holders of our A Shares will receive share dividends in the form of A Shares.

OUR SHARES

Our H Shares in issue following the completion of the [REDACTED], and our A Shares, are ordinary Shares in our share capital and are considered as one class of Shares. Shenzhen-Hong Kong Stock Connect has established a stock connect mechanism between Mainland China and Hong Kong. Our A Shares can be subscribed for and traded by Mainland Chinese investors, qualified foreign institutional investors or qualified foreign strategic investors and must be traded in

Renminbi. As our A Shares are eligible securities under the Northbound Trading Link, they can also be subscribed for and traded by Hong Kong and other overseas investors pursuant to the rules and limits of Shenzhen-Hong Kong Stock Connect. Our H Shares can be subscribed for or traded by Hong Kong and other overseas investors and qualified domestic institutional investors. If our H Shares are eligible securities under the Southbound Trading Link, they can also be subscribed for and traded by Mainland Chinese investors in accordance with the rules and limits of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

NO CONVERSION OF OUR A SHARES INTO H SHARES FOR [REDACTED] AND [REDACTED] ON THE HONG KONG STOCK EXCHANGE

Our A Shares and our H Shares are generally neither interchangeable nor fungible, and the market prices of our A Shares and our H Shares may be different after the [REDACTED]. The Guidelines on Application for "Full Circulation" of Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請「全流通」業務指引》) announced by the CSRC are not applicable to companies dual listed in the PRC and on the Hong Kong Stock Exchange. As of the Latest Practicable Date, there were no relevant rules or guidelines from the CSRC providing that A Shareholders may convert A shares held by them into H shares for [REDACTED] and [REDACTED] on the Hong Kong Stock Exchange.

APPROVAL FROM HOLDERS OF A SHARES REGARDING THE [REDACTED]

Approval from holders of A Shares is required for our Company to issue H Shares and seek the [REDACTED] on the Hong Kong Stock Exchange. Such approval was obtained by us at the shareholders' general meeting of our Company held on December 22, 2025 and is subject to the following conditions:

(i) *Size of the offer*. The proposed number of H Shares to be [REDACTED] shall not exceed 10% of the total issued share capital enlarged by the H Shares to be issued pursuant to the [REDACTED] (before the exercise of the [REDACTED]). The number of H Shares to be issued pursuant to the full exercise of the [REDACTED] shall not exceed [REDACTED]% of the total number of H Shares to be [REDACTED] initially under the [REDACTED].

(ii) *Method of [REDACTED]*. The method of [REDACTED] shall be by way of an [REDACTED] to institutional [REDACTED] and a [REDACTED] for subscription in Hong Kong.

(iii) *Target [REDACTED]*. The H Shares shall be issued to public investors in Hong Kong under the [REDACTED] and international [REDACTED], qualified domestic institutional [REDACTED] in Mainland China and other [REDACTED] who are approved by Mainland Chinese regulatory bodies to make securities [REDACTED] abroad in [REDACTED].

(iv) *[REDACTED] basis*. The issue price of the H Shares will be determined after due consideration of the interests of existing shareholders of our Company and the domestic and overseas capital market conditions, according to international practice, through the demands for orders and book building process, and adopting a market-oriented [REDACTED] method.

(v) *Validity period*. The issue of H Shares and the [REDACTED] on the Hong Kong Stock Exchange shall be completed within 24 months from the date when the shareholders' meeting was held on December 22, 2025, which will be automatically extended until completion of the [REDACTED] (including any exercise of the [REDACTED]), if our Company obtains the approval from the relevant regulatory authorities for the issue and the [REDACTED] within the validity period.

There are no other approved [REDACTED] plans for our Shares except the [REDACTED].

SHARE CAPITAL

SHAREHOLDERS' GENERAL MEETINGS

For details of circumstance under which our shareholders' general meeting is required, see "Appendix III — Summary of the Articles of Association — Shareholders and Shareholders' General Meetings" to this Document.

FINANCIAL INFORMATION

You should read the following discussion and analysis in conjunction with our consolidated financial information and the related notes thereto included in the Accountants' Report set out in Appendix I to this Document. You should read the entire Accountants' Report in Appendix I to this Document. Our consolidated financial information has been prepared in accordance with the IFRSs, which may differ in material aspects from generally accepted accounting principles in other jurisdictions.

Our historical results do not necessarily indicate results expected for any future periods. The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance, which involve risks and uncertainties. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions, and expected future developments, as well as other factors that we believe are appropriate under the circumstances. However, our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in "Risk Factors" and elsewhere in this Document. For further details, see "Forward-looking Statements."

OVERVIEW

We are a proven enterprise IT consulting and digital solution service provider in China. We serve large and top-tier enterprises with a full range of digitalization and intelligentization solutions. Leveraging AI-powered applications, proprietary software products, and ERP implementation services, we help enterprises achieve digitalization and intelligentization, improve operating efficiency, and build their core competence.

We primarily generate revenue from provision of industry digitalization solutions, finance digitalization solutions, and ERP consulting and implementation services. In addition, we generate revenue from ITO services. Our revenue and profitability fluctuated during the Track Record Period. Our revenue increased by 8.7% to RMB3.24 billion in 2024, and further increased by 5.6% to RMB3.42 billion in 2025. From the four months ended April 30, 2025 to the same period in 2026, our revenue increased by 8.0% from RMB989.7 million to RMB1.07 billion. Although we recorded a loss of RMB14.9 million in 2023, we regained profitability in an amount of RMB196.4 million in 2024. Our profit further increased by 19.2% from RMB196.4 million in 2024 to RMB234.1 million in 2025. Our profit increased by 6.7% from RMB43.4 million for the four months ended April 30, 2025 to RMB46.3 million for the same period in 2026.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been, and are expected to continue to be, affected by a number of factors, many of which are outside of our control, including those discussed below.

Our Ability to Retain and Attract Clients

Our business success depends on our ability to retain key clients and acquire new ones, both of which have a direct impact on our revenue scale and overall operating performance. Our ability to maintain and further expand our large and loyal client base depends on various factors, such as our ability to offer more solutions that address the needs of our existing and prospective clients at competitive prices, the strengths of our technologies, and the effectiveness of our sales and marketing efforts.

Building on our strong industry reputation and long-standing relationships with key clients, we have developed a high level of client loyalty across our business. To date, we have served over 7,000 enterprise clients, including over 300 China Fortune 500 companies and over 100 Global Fortune 500 companies. From ERP implementation to subsequent system upgrades, digital transformation, and intelligent applications, our strong service capabilities and consistent delivery quality have resulted in strong client stickiness. In 2023, 2024, and 2025, our client retention rate was

approximately 80%. In addition, for new client acquisition, we leverage a combination of regular outreach by regional sales teams, participation in industry forums and exhibitions, annual user conferences, co-branded events with ecosystem partners, and digital marketing campaigns, which broaden our reach to new clients in key industries and regions.

Looking ahead, we expect to further strengthen our client retention and acquisition capabilities by continuing to enhance the quality and breadth of our product and service offerings, deepening engagement with existing clients, and expanding our outreach channels. We believe that these efforts will support sustained client loyalty, broaden our client base, and ultimately contribute to the continued growth of our revenue.

Our Ability to Control Costs and Improve Operating Efficiency

Our ability in cost management is pivotal to improving our gross profitability. As cost of sales for our business mainly consists of staff costs associated with delivery of our services, we have been and will continue to innovate and develop faster and lower-cost delivery models to reduce our cost of sales. By increasing centralized delivery efforts, we aim to improve delivery efficiency, reduce labor intensity, and lower travel and related costs, thereby providing greater flexibility to mitigate cost pressure as our business expands.

Our ability to manage and control our operating expenses is critical to the profitability of our business. We plan to enhance our technology and development toolchain to improve research and development efficiency. We are strengthening our use of development tools and platforms, including simplified configuration and other productivity-enhancing technologies, to streamline our research and development processes, shorten product development and iteration cycles, and improve resource utilization. We have further enhanced our research and development capabilities by developing an AI coding model, H-AI Coder, trained on our source code. These initiatives are expected to enhance research and development efficiency and improve productivity in a expandable and sustainable manner. By strengthening cost control in delivery and leveraging AI-enabled tools to enhance efficiency in research and development, we aim to improve our overall cost competitiveness and support the long-term profitability of our business.

Our Investment in Iteration of Solutions

As we continue to expand our business globally, investment in research and development for the expansion and upgrade of our product and service offerings are critical to our business, operations, and growth prospects. We have made, and will continue to make, significant investments in technology innovation and AI application capabilities to further strengthen our market position. In particular, we have developed a comprehensive enterprise AI application framework that integrates AI across our solutions, and our future research and development efforts will increasingly focus on deepening our AI technologies to support iteration of our products and services. While we continue to improve research and development capabilities, the strategic importance and technology intensity of AI development imply that our overall research and development investment will remain substantial. We recorded research and development expenses of RMB231.7 million, RMB248.0 million, RMB244.0 million, RMB95.1 million, and RMB81.0 million in 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, respectively, accounting for 7.8%, 7.7%, 7.1%, 9.6%, and 7.6% of our total revenue in the same periods, respectively. Going forward, we expect to continue to invest in research and development and believe that research and development will continue to be a key driver for our sustained growth.

BASIS OF PRESENTATION

Our consolidated financial information has been prepared based on the material accounting policies set forth in Note 4 in Appendix I to this Document, which conform with all applicable IFRSs. In addition, our consolidated financial information complies with applicable disclosure requirements of the Companies Ordinance and the Listing Rules.

FINANCIAL INFORMATION

The IASB has issued several new and revised IFRSs. For the purpose of preparing our consolidated financial information, we have adopted the accounting policies that are effective during the Track Record Period, consistently throughout the Track Record Period.

MATERIAL ACCOUNTING POLICIES, JUDGMENTS, AND ESTIMATES

For a discussion of our material accounting policies, judgments, and estimates, see Notes 4 and 5 to the Accountants' Report in Appendix I to this Document.

RESULTS OF OPERATIONS

The following table sets forth a summary of our consolidated statement of profit or loss in absolute amount and as a percentage of our revenue for the periods indicated. This information should be read together with our consolidated financial statements and related notes included in Appendix I to this Document. The results of operations in any period are not necessarily indicative of our future trends.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)									
							(Unaudited)			
Revenue	2,979,699	100.0	3,235,151	100.0	3,415,370	100.0	989,734	100.0	1,069,320	100.0
Cost of sales	(2,207,163)	(74.1)	(2,176,541)	(67.3)	(2,227,269)	(65.2)	(658,973)	(66.6)	(709,943)	(66.4)
Gross profit	**772,536**	**25.9**	**1,058,610**	**32.7**	**1,188,101**	**34.8**	**330,761**	**33.4**	**359,377**	**33.6**
Other income	48,919	1.6	30,425	0.9	35,093	1.0	6,420	0.6	14,009	1.3
Other gains and losses, net	53,422	1.8	15,323	0.5	(7,106)	(0.2)	26,383	2.7	(14,185)	(1.3)
Impairment losses	(73,340)	(2.4)	(52,474)	(1.6)	(74,882)	(2.2)	(27,400)	(2.7)	(27,176)	(2.6)
Selling expenses	(290,318)	(9.7)	(234,284)	(7.2)	(255,732)	(7.5)	(73,972)	(7.5)	(79,453)	(7.4)
Administrative expenses	(312,306)	(10.5)	(388,224)	(12.0)	(432,144)	(12.7)	(137,391)	(13.9)	(123,158)	(11.5)
Research and development expenses	(231,690)	(7.8)	(247,950)	(7.7)	(243,978)	(7.1)	(95,099)	(9.6)	(80,963)	(7.6)
Operating (loss)/profit	**(32,777)**	**(1.1)**	**181,426**	**5.6**	**209,352**	**6.1**	**29,702**	**3.0**	**48,451**	**4.5**
Finance income	38,367	1.3	40,463	1.2	37,660	1.1	11,564	1.2	6,288	0.6
Finance costs	(29,187)	(1.0)	(14,342)	(0.4)	(12,744)	(0.4)	(3,168)	(0.3)	(3,885)	(0.4)
Finance income, net	9,180	0.3	26,121	0.8	24,916	0.7	8,396	0.9	2,403	0.2
Share of results of associates	(30,493)	(1.0)	(19,871)	(0.6)	(7,718)	(0.2)	(3,795)	(0.4)	(4,054)	(0.4)
(Loss)/Profit before tax	**(54,090)**	**(1.8)**	**187,676**	**5.8**	**226,550**	**6.6**	**34,303**	**3.5**	**46,800**	**4.3**
Income tax credit/(expense)	39,198	1.3	8,751	0.3	7,577	0.3	9,129	0.9	(475)	(0.0)
(Loss)/Profit for the year/ period	**(14,892)**	**(0.5)**	**196,427**	**6.1**	**234,127**	**6.9**	**43,432**	**4.4**	**46,325**	**4.3**
Attributable to:										
Owners of the Company	(16,041)	(0.5)	188,392	5.9	217,862	6.4	40,671	4.1	46,639	4.3
Non-controlling interests	1,149	0.0	8,035	0.2	16,265	0.5	2,761	0.3	(314)	(0.0)
(Loss)/Profit for the year/ period	**(14,892)**	**(0.5)**	**196,427**	**6.1**	**234,127**	**6.9**	**43,432**	**4.4**	**46,325**	**4.3**

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

We primarily generate revenue from industry digitization solutions, finance digitalization solutions, and ERP consulting and implementation services. In addition, we generate revenue from ITO services.

The following table sets forth a breakdown of our revenue by business line both in absolute amount and as a percentage of our revenue for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)						*(Unaudited)*			
Industry Digitalization Solutions	844,297	28.3	1,023,872	31.6	1,206,010	35.3	316,154	31.9	382,243	35.8
Finance Digitalization Solutions	682,539	22.9	749,890	23.2	799,637	23.4	235,527	23.8	250,247	23.4
ERP Consulting and Implementation Services	1,066,395	35.8	1,067,017	33.0	1,015,303	29.7	321,266	32.5	318,954	29.8
ITO Services	372,064	12.5	380,036	11.7	382,872	11.2	114,111	11.5	115,307	10.8
Others[(1)]	14,404	0.5	14,336	0.5	11,548	0.4	2,676	0.3	2,569	0.2
Total	**2,979,699**	**100.0**	**3,235,151**	**100.0**	**3,415,370**	**100.0**	**989,734**	**100.0**	**1,069,320**	**100.0**

Note:

(1) Represents interest income from our factoring arrangements, which were charged based on the amount and duration of funds advanced, office rental income, and other miscellaneous income.

During the Track Record Period, contribution from our industry digitalization solutions and finance digitalization solutions to our overall revenue grew consistently. In aggregate, revenue from these two business lines increased from RMB1.53 billion in 2023 to RMB1.77 billion in 2024, and further to RMB2.01 billion in 2025, representing 51.2%, 54.8%, and 58.7% of our total revenue, respectively. The aggregate revenue from our industry digitalization and finance digitalization solutions increased from RMB551.7 million for the four months ended April 30, 2025 to RMB632.5 million for the same period in 2026, representing 55.7% and 59.2% of our total revenue for the applicable periods, respectively. The number of projects delivered under these two business lines increased from 3,594 in 2023 to 3,974 in 2024, and further to 4,975 in 2025, representing 50.4%, 51.5%, and 58.8% of our total projects delivered in each year, respectively. The aggregate number of projects delivered under our industry digitalization and finance digitalization solutions increased from 2,206 for the four months ended April 30, 2025 to 2,690 for the same period in 2026, representing 54.0% and 57.6% of our total projects delivered in each applicable period, respectively. Our revenue continued to grow during the Track Record Period, primarily driven by the business growth of our industry digitalization and finance digitalization solutions. The growth was supported by the continued expansion of the enterprise IT consulting and digitalization solution markets globally and in China, as well as our enhanced AI capabilities in industry digitalization and finance digitalization solutions, including the development and application of AI agents, which further improved the market recognition of our solutions. During the Track Record Period, our revenue generated from AI-related services increased significantly from RMB22.1 million in 2023 to RMB78.1 million in 2024, and further to RMB310.2 million in 2025, representing 0.8%, 2.3%, and 8.8% of our revenue in each year, respectively. Our revenue generated from AI-related services increased from RMB55.2 million for the four months ended April 30, 2025 to RMB120.5 million for the same period in 2026, representing 5.6% and 11.3% of our revenue in each period, respectively.

During the Track Record Period, we generated revenue primarily from China. We also generated revenue from overseas countries and regions. Our revenue from China accounted for 86.7%, 87.4%, 84.5%, 81.4%, and 85.0% of our revenue in 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, respectively.

The following table sets forth a breakdown of our revenue by geographical location both in absolute amount and as a percentage of our revenue for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)						*(Unaudited)*			
China	2,584,094	86.7	2,828,058	87.4	2,887,423	84.5	805,457	81.4	908,680	85.0
Overseas countries/regions	395,605	13.3	407,093	12.6	527,947	15.5	184,277	18.6	160,640	15.0
Total	**2,979,699**	**100.0**	**3,235,151**	**100.0**	**3,415,370**	**100.0**	**989,734**	**100.0**	**1,069,320**	**100.0**

Cost of Sales

Our cost of sales primarily consists of staff costs, travel expenses, and outsourcing fees.

The following table sets forth a breakdown of our cost of sales both in absolute amount and as a percentage of total cost of sales for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)						*(Unaudited)*			
Staff costs	1,532,918	69.5	1,506,846	69.2	1,450,267	65.1	451,186	68.5	483,045	68.0
Outsourcing fees[(1)]	290,931	13.2	388,673	17.9	519,696	23.3	119,005	18.1	140,441	19.8
Travel expenses[(2)]	350,413	15.9	266,230	12.2	215,360	9.7	75,952	11.5	74,638	10.5
Tax surcharge	18,427	0.8	20,047	0.9	21,518	1.0	5,691	0.9	5,822	0.8
Inventory impairment loss[(3)]	7,478	0.3	(13,521)	(0.6)	8,498	0.4	(327)	0.0	5,485	0.8
Others	6,996	0.3	8,266	0.4	11,930	0.5	7,466	1.0	512	0.1
Total	**2,207,163**	**100.0**	**2,176,541**	**100.0**	**2,227,269**	**100.0**	**658,973**	**100.0**	**709,943**	**100.0**

Notes:

(1) Outsourcing fees primarily represented fees paid to third-party information technology service providers for auxiliary staffing and module-level implementation support. We adopted such outsourcing arrangements to flexibly respond to project needs and optimize our staff utilization rate. Fees were generally charged based on agreed man-day rates and confirmed service days, with reference to project complexity, implementation schedule, required personnel scale, and qualifications, and were paid by stages upon acceptance. The pricing and other key commercial terms were based on market and industry practice. Our contracts with third-party information technology service providers generally set forth project-specific commercial terms based on the needs of different projects, including service scope, staffing requirements, fee calculation and payment arrangements, work confirmation procedures, and acceptance standards.

(2) Travel expenses primarily represented long-distance travel, local transportation, accommodation, and meal expenses incurred by project personnel for on-site work at clients' locations in China and overseas. During the solution planning and customized development and system implementation stages of our industry digitalization, finance digitalization, and ERP consulting and implementation services, our project personnel are generally required to work on site, which typically lasts from three months to one year. Travel expenses are generally covered in our client contracts, either as reimbursable expenses based on actual travel arrangements and agreed standards, or as part of the overall contract price. Such travel expenses are ordinary and necessary costs incurred in the course of service delivery and are settled on normal commercial terms with reference to market practice.

(3) Our inventories mainly comprise project-based contract fulfillment costs assessed individually at each period end during the Track Record Period. Where estimated revenue is lower than incurred costs for a project, the shortfall is recognized as inventory impairment loss. As such losses arise on a project-by-project basis and are inherently uncertain, the amount may fluctuate across periods.

Our cost of sales increased from RMB2.18 billion in 2024 to RMB2.23 billion in 2025, primarily due to the increase in outsourcing fees resulting from an increase in outsourced non-core work in light of our business growth. Our cost of sales increased from RMB659.0 million for the four months ended April 30, 2025 to RMB709.9 million for the same period in 2026, in line with our business and revenue growth.

Gross Profit and Gross Profit Margin

In 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, our gross profit was RMB772.5 million, RMB1.06 billion, RMB1.19 billion, RMB330.8 million, and RMB359.4 million, respectively. Our gross profit margin was 25.9%, 32.7%, 34.8%, 33.4%, and 33.6%, respectively, for the same periods.

The following table sets forth a breakdown of our gross profit and gross profit margins by business line for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)									
							(Unaudited)			
Industry Digitalization Solutions	281,803	33.4	415,645	40.6	517,672	42.9	130,740	41.4	161,132	42.2
Finance Digitalization Solutions	178,284	26.1	244,138	32.6	283,757	35.5	80,560	34.2	89,075	35.6
ERP Consulting and Implementation Services	292,534	27.4	349,772	32.8	353,666	34.8	107,535	33.5	103,169	32.3
ITO Services	44,042	11.8	53,709	14.1	61,391	16.0	16,949	14.9	16,914	14.7
Others	1,778	12.3	1,872	13.1	1,631	14.1	342	12.8	394	15.3
Subtotal	798,441	26.8	1,065,136	32.9	1,218,117	35.7	336,126	34.0	370,684	34.7
Inventory impairment loss and tax surcharge	(25,905)		(6,526)		30,016		(5,365)		(11,307)	
Total	**772,536**	**25.9**	**1,058,610**	**32.7**	**1,188,101**	**34.8**	**330,761**	**33.4**	**359,377**	**33.6**

During the Track Record Period, our gross profit and gross profit margin increased steadily, primarily driven by the expansion of our industry digitalization solutions, which generally have a higher gross margin. In addition, our staff utilization rate, calculated as the working days spent by our delivery staff on revenue-generating projects divided by their total available working days, increased from 68.0% in 2023 to 75.0% in 2024, and further to 77.2% in 2025. Our staff utilization rate increased from 70.3% for the four months ended April 30, 2025 to 73.6% for the same period in 2026. The improvement means that a higher proportion of our delivery staff's working days was allocated to revenue-generating projects, which improved our cost efficiency and contributed to the increase in our gross profit margin.

Other Income

Our other income includes government grants and value-added tax (VAT) credit. Our other income was RMB48.9 million, RMB30.4 million, RMB35.1 million, RMB6.4 million, and RMB14.0 million in 2023, 2024, 2025 and for the four months ended April 30, 2025 and 2026, respectively. The fluctuation of other income during the Track Record Period was driven by fluctuations in VAT credits and government grants.

Other Gains and Losses, Net

Other gains and losses (on a net basis) primarily consist of remeasurement gain from an associate to a subsidiary, gain on deemed disposal of shares in associates and exchange gains or losses. We recorded other gains (on a net basis) of RMB53.4 million and RMB15.3 million in 2023 and 2024, respectively. We recorded other losses (on a net basis) of RMB7.1 million in 2025. We recorded other gains (on a net basis) of RMB26.4 million for the four months ended April 30, 2025 and other losses (on a net basis) of RMB14.2 million for the four months ended April 30, 2026.

The following table sets forth a breakdown of our other gains and losses (on a net basis) for the periods indicated.

	For the Year Ended December 31,			For the Four Months Ended April 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(Unaudited)	
(Loss)/gain on disposal of entire interest in an associate	(775)	—	(6,173)	—	69
Remeasurement gain from an associate to a subsidiary[(1)]	—	19,495	—	—	—
Dividend income from financial assets at FVTPL and FVTOCI	4,039	1,449	3,224	626	37
Net gains from disposal of financial assets at FVTPL	785	—	1,849	—	966
Gain/(loss) on disposal of property, plant and equipment	141	(163)	41	53	—
Loss on early termination of right-of-use assets	—	(86)	—	—	—
Net gains from changes in fair value of financial assets at FVTPL	26,696	6,143	103	—	3,811
Fair value gain of financial derivative instruments	2,606	—	—	—	—
Gain on deemed disposal of partial interests in associates	9,339	—	—	—	—
Exchange gains/(losses)	10,937	(11,516)	(7,410)	24,404	(19,069)
Others	(346)	1	1,260	1,300	1
	53,422	15,323	(7,106)	26,383	(14,185)

Note:

(1) Represents the gain arising from the remeasurement to fair value of the previously held equity interest in Shanghai Dingyi upon obtaining control in 2024, when its status changed from an associate to a subsidiary.

Selling Expenses

Our selling expenses primarily consist of (i) employee salaries and benefits, (ii) travel and hospitality expenses, (iii) market promotion expenses, and (iv) office expenses.

The following table sets forth a breakdown of our selling expenses both in absolute amount and as a percentage of our total selling expenses for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)									
							(Unaudited)			
Employee salaries and benefits	155,023	53.4	140,602	60.0	156,714	61.3	43,381	58.7	45,046	56.7
Travel and hospitality expenses	104,885	36.1	75,054	32.0	72,844	28.5	20,952	28.3	23,906	30.1
Market promotion expenses	13,083	4.5	8,664	3.7	18,307	7.2	7,723	10.4	8,338	10.5
Office expenses	11,469	4.0	6,656	2.9	4,446	1.7	1,486	2.0	1,513	1.9
Others	5,858	2.0	3,308	1.4	3,421	1.3	430	0.6	650	0.8
Total	**290,318**	**100.0**	**234,284**	**100.0**	**255,732**	**100.0**	**73,972**	**100.0**	**79,453**	**100.0**

Administrative Expenses

Our administrative expenses primarily consist of (i) depreciation and amortization, (ii) employee salaries and benefits, (iii) share-based payment expenses, (iv) office expenses, and (v) travel expenses.

The following table sets forth a breakdown of our administrative expenses both in absolute amount and as a percentage of our total administrative expenses for the periods indicated.

	For the Year Ended December 31,						For the Four Months Ended April 30,			
	2023		2024		2025		2025		2026	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except percentages)									
							(Unaudited)			
Depreciation and amortization	129,760	41.5	146,816	37.8	164,094	38.0	52,932	38.6	60,753	49.4
Employee salaries and benefits	87,740	28.1	90,454	23.3	95,443	22.1	29,332	21.3	29,535	24.0
Share-based payment expenses	(303)[1]	(0.1)	77,234	19.9	91,416	21.2	37,420	27.2	12,363	10.0
Office expenses	47,813	15.3	45,412	11.7	48,588	11.2	10,924	8.0	13,060	10.6
Travel expenses	14,042	4.5	12,476	3.2	12,610	2.9	2,621	1.9	2,747	2.2
Others	33,254	10.6	15,832	4.1	19,993	4.6	4,162	3.0	4,700	3.8
Total	**312,306**	**100.0**	**388,224**	**100.0**	**432,144**	**100.0**	**137,391**	**100.0**	**123,158**	**100.0**

Note:

(1) The negative share-based payment expenses in 2023 were primarily due to the forfeiture of certain equity awards that failed to meet vesting conditions, resulting in a reversal of previously recognized expenses that exceeded the expenses recognized for other ongoing incentive schemes in the same year.

Research and Development Expenses

Our research and development expenses consist of employee salaries and benefits.

Our research and development expenses generally show an upward trend primarily due to our continued spending on research and development of proprietary products for industry digitalization solutions and finance digitalization solutions from 2023 to 2025. Our research and development expenses decreased slightly from RMB95.1 million for the four months ended April 30, 2025 to RMB81.0 million for the same period in 2026, primarily due to increased research and development efficiency and differences in project schedules, as certain research and development activities were planned for later periods in 2026.

Finance Income

Our finance income comprises interest income. In 2023, 2024, 2025 and for the four months ended April 30, 2025 and 2026, our finance income amounted to RMB38.4 million, RMB40.5 million, RMB37.7 million, RMB11.6 million, and RMB6.3 million, respectively.

Finance Cost

Our finance cost mainly includes interest expenses on borrowings and interest expenses on convertible bonds. In 2023, 2024, 2025 and for the four months ended April 30, 2025 and 2026, our finance cost amounted to RMB29.2 million, RMB14.3 million, RMB12.7 million, RMB3.2 million, and RMB3.9 million, respectively.

Share of Results of Associates

In 2023, 2024, 2025 and for the four months ended April 30, 2025 and 2026, we had losses from share of results of associates of RMB30.5 million, RMB19.9 million, RMB7.7 million, RMB3.8 million, and RMB4.1 million, respectively.

Profit/Loss for the Year/Period

We had net profit of RMB196.4 million and RMB234.1 million in 2024 and 2025, respectively, while we had net loss of RMB14.9 million in 2023. We had net profit of RMB43.4 million for the four months ended April 30, 2025 and RMB46.3 million for the same period in 2026.

Taxation

Under the PRC Enterprise Income Tax Law and the Implementation Regulations thereof, the statutory enterprise income tax rate applicable to our PRC subsidiaries is 25%.

Our major PRC subsidiaries, namely Hand Enterprise Solutions Co., Ltd., Shanghai Share Software Co., Ltd., Shanghai Hand Rongjing Information Technology Co., Ltd., Shanghai Hand Vyung Information Technology Co., Ltd., Shanghai Deyi Information Technology Co., Ltd., and Shenzhen Qianhai Ying Yu Technology Co., Ltd., have been qualified as High and New Technology Enterprises by government authorities, and are therefore subject to a preferential enterprise income tax rate of 15% from 2023 to 2025. We are currently under evaluation for the renewal of this qualification for the next three-year period.

Several of our PRC subsidiaries, including ZeroWire Technology (Shanghai) Co., Ltd., Shanghai Hand Ou Jun Information Technology Co., Ltd., Yangzhou Damei Investment Management Co., Ltd., Shanghai Hand Zhenling Information Technology Co., Ltd., Shanghai Huiyi Information Technology Co., Ltd., Shanghai Zhenzi Information Technology Co., Ltd., Leading Finance Technology Co., Ltd., Shanghai Hand Zhenchuang Technology Co., Ltd., Shenzhen Qianhai Yingyu Co., Ltd., and Shanghai Deyi Employment Service Co., Ltd., have been qualified as Micro and Small Enterprises by government authorities. Where the annual taxable income does not exceed RMB1,000,000, these subsidiaries are subject to enterprise income tax at a reduced rate of 20% from 2023 to 2027.

One of our PRC subsidiaries, Xi'an Hand Information Technology Co., Ltd., has been qualified as an enterprise included in the Catalogue of Encouraged Industries in Western Regions, and is subject to a preferential enterprise income tax rate of 15% for the period from 2021 to 2030.

Our Hong Kong subsidiaries are subject to Hong Kong profits tax at a rate of 16.5% on the estimated assessable profits in 2023, 2024, and 2025 and for the four months ended April 30, 2026. On March 21, 2018, the Hong Kong Legislative Council passed the Inland Revenue (Amendment) (No. 7) Bill 2017, which introduced the two-tiered profits tax rates regime. This amendment bill was enacted on March 28, 2018 and gazetted on March 29, 2018. Under the two-tiered profits tax rates regime, the first HK$2,000,000 of profits of qualifying corporations is taxed at a rate of 8.25%, while profits exceeding HK$2,000,000 are taxed at a rate of 16.5%.

Taxation arising from other jurisdictions is calculated at the rates prevailing in their relevant jurisdictions.

During the Track Record Period and as of the Latest Practicable Date, our Directors confirm that we did not have any material dispute or unresolved issues with tax authorities.

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

Four Months Ended April 30, 2025 Compared to Four Months Ended April 30, 2026

Revenue

Our revenue increased by 8.0% from RMB989.7 million for the four months ended April 30, 2025 to RMB1.07 billion for the same period in 2026, primarily due to an increase in revenue from industry digitalization solutions and finance digitalization solutions.

Our revenue from industry digitalization solutions increased by 20.9% from RMB316.2 million for the four months ended April 30, 2025 to RMB382.2 million for the same period in 2026, primarily due to an increase of 233 industry digitalization solutions projects.

Our revenue from finance digitalization solutions increased by 6.2% from RMB235.5 million for the four months ended April 30, 2025 to RMB250.2 million for the same period in 2026, primarily due to an increase of 251 finance digitalization solutions projects.

Our revenue from ERP consulting and implementation services remained stable at RMB321.3 million for the four months ended April 30, 2025 and RMB319.0 million for the same period in 2026.

Our revenue from ITO services remained stable at RMB114.1 million for the four months ended April 30, 2025 and RMB115.3 million for the same period in 2026.

Cost of sales

Our cost of sales increased by 7.7% from RMB659.0 million for the four months ended April 30, 2025 to RMB709.9 million for the same period in 2026, primarily due to the growth of our revenue.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 8.6% from RMB330.8 million for the four months ended April 30, 2025 to RMB359.4 million for the same period in 2026. Our gross profit margin remained stable at 33.4% for the four months ended April 30, 2025 and 33.6% for the same period in 2026.

Other income

Our other income increased significantly from RMB6.4 million for the four months ended April 30, 2025 to RMB14.0 million for the same period in 2026, primarily due to an increase in government grants relating to value-added tax credits and refunds of handling fees for tax withholding, collection, and remittance.

Other gains and losses, net

We recorded other losses (on a net basis) of RMB14.2 million for the four months ended April 30, 2026, as compared with other gains (on a net basis) of RMB26.4 million for the same period in 2025, primarily due to foreign exchange losses arising from the depreciation of the U.S. dollar, Singapore dollar, and Japanese yen.

Impairment losses

Our impairment losses remained stable at RMB27.4 million for the four months ended April 30, 2025 and RMB27.2 million for the same period in 2026.

Selling expenses

Our selling expenses increased by 7.4% from RMB74.0 million for the four months ended April 30, 2025 to RMB79.5 million for the same period in 2026, primarily due to increased spending in travel and hospitality expenses and market promotion expenses, as a result of increased marketing activities to promote our AI capabilities.

Administrative expenses

Our administrative expenses decreased by 10.3% from RMB137.4 million for the four months ended April 30, 2025 to RMB123.2 million for the same period in 2026, primarily due to a decrease in share-based payment expenses as expenses relating to certain share incentive grants had been fully recognized, partially offset by higher amortization of intangible assets as we obtained additional software copyrights through our research and development activities.

Research and development expenses

Our research and development expenses decreased by 14.8% from RMB95.1 million for the four months ended April 30, 2025 to RMB81.0 million for the same period in 2026, primarily due to increased research and development efficiency and differences in project schedules, as certain research and development activities were planned for later periods in 2026.

Finance income

Our finance income decreased by 45.7% from RMB11.6 million for the four months ended April 30, 2025 to RMB6.3 million for the same period in 2026, primarily due to a decrease in interest income resulting from lower market interest rates, lower returns on Singapore dollar-denominated wealth management products due to the depreciation of the Singapore dollar, and the reclassification of returns on certain wealth management products as investment income in accordance with our accounting policies.

Finance cost

Our finance cost increased by 21.9% from RMB3.2 million for the four months ended April 30, 2025 to RMB3.9 million for the same period in 2026, primarily due to higher interest expenses resulting from an increase in our borrowings.

Share of results of associates

Our losses from share of results of associates remained relatively stable at RMB3.8 million for the four months ended April 30, 2025 and at RMB4.1 million for the same period in 2026.

Income tax credit or expense

We had income tax credit of RMB9.1 million for the four months ended April 30, 2025 and income tax expense of RMB0.5 million for the same period in 2026, primarily due to the deferred tax benefit arising from share-based payment expenses recognized in 2025.

Profit for the period

As a result of the foregoing, our profit for the period increased by 6.7% from RMB43.4 million for the four months ended April 30, 2025 to RMB46.3 million for the same period in 2026.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2025

Revenue

Our revenue increased by 5.6% from RMB3.24 billion in 2024 to RMB3.42 billion in 2025, primarily due to an increase in revenue from industry digitalization solutions from RMB1.02 billion in 2024 to RMB1.21 billion in 2025.

Our revenue from industry digitalization solutions increased by 18.6% from RMB1.02 billion in 2024 to RMB1.21 billion in 2025, and our revenue from finance digitalization solutions increased by 6.6% from RMB749.9 million in 2024 to RMB799.6 million in 2025, primarily due to an increase of over 560 industry digitalization solutions projects and an increase of over 430 finance digitalization solution projects in light of market demand.

Our revenue from ERP consulting and implementation services remained relatively stable at RMB1.07 billion in 2024 and RMB1.02 billion in 2025, and our revenue from ITO services remained relatively stable at RMB380.0 million in 2024 and RMB382.9 million in 2025.

Cost of sales

Our cost of sales increased from RMB2.18 billion in 2024 to RMB2.23 billion in 2025, primarily due to the increase in outsourcing fees resulting from an increase in outsourced non-core work in light of our business growth.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 12.3% from RMB1.06 billion in 2024 to RMB1.19 billion in 2025. Our gross profit margin increased from 32.7% in 2024 to 34.8% in 2025, primarily because industry digitalization solutions and finance digitalization solutions accounted for a higher proportion of our revenue mix and carried a high gross profit margin of 42.9% and 35.5%, respectively.

Other income

Our other income increased by 15.5% from RMB30.4 million in 2024 to RMB35.1 million in 2025, primarily due to an increase in government grants in light of our financial performance.

Other gains and losses, net

Other gains and losses changed from net gains of RMB15.3 million in 2024 to net losses of RMB7.1 million in 2025, primarily due to the remeasurement gain from an associate to a subsidiary of RMB19.5 million in 2024 and loss on disposal of entire interest in an associate of RMB6.2 million in 2025.

Impairment losses

Our impairment losses increased by 42.7% from RMB52.5 million in 2024 to RMB74.9 million in 2025, primarily due to an increase in impairment provisions on trade receivables of RMB27.5 million resulting from expected default by certain clients in their payment obligations.

Selling expenses

Our selling expenses increased by 9.1% from RMB234.3 million in 2024 to RMB255.7 million in 2025, primarily due to (i) an increase in employee salaries and benefits of RMB16.1 million resulting from our compensatory incentives to drive industry digitalization solutions and finance digitalization solutions and (ii) an increase in market promotion expenses of RMB9.6 million primarily relating to the user conference held in 2025.

Administrative expenses

Our administrative expenses increased by 11.3% from RMB388.2 million in 2024 to RMB431.1 million in 2025, primarily due to (i) an increase in depreciation and amortization of RMB17.3 million primarily relating to software copyrights and (ii) an increase in share-based payment expenses of RMB14.2 million resulting from an increase in value of vested incentive shares.

Research and development expenses

Our research and development expenses remained relatively stable at RMB248.0 million in 2024 and RMB244.0 million in 2025.

Finance income

Our finance income decreased by 6.9% from RMB40.5 million in 2024 to RMB37.7 million in 2025, primarily due to a decrease in interest income resulting from lower bank deposit rates in 2025.

Finance cost

Our finance cost decreased by 11.2% from RMB14.3 million in 2024 to RMB12.7 million in 2025, primarily due to a decrease in interest expenses on borrowings resulting from lower borrowing interest rates.

Share of results of associates

Our losses from share of results of associates decreased by 61.3% from RMB19.9 million in 2024 to RMB7.7 million in 2025, primarily due to the improvement of operations of our associates.

Income tax credit

Our income tax credit decreased by 13.6% from RMB8.8 million in 2024 to RMB7.6 million in 2025, primarily due to our improved profitability.

Profit for the period

As a result of the foregoing, our profit for the period increased by 19.2% from RMB196.4 million in 2024 to RMB234.1 million in 2025.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our revenue increased by 8.7% from RMB2.98 billion in 2023 to RMB3.24 billion in 2024, primarily due to an increase in revenue from industry digitalization solutions from RMB844.3 million in 2023 to RMB1.02 billion in 2024.

Our revenue from industry digitalization solutions increased by 21.3% from RMB844.3 million in 2023 to RMB1.02 billion in 2024, and our revenue from finance digitalization solutions increased by 9.9% from RMB682.5 million in 2023 to RMB749.9 million in 2024, primarily due to an increase of over 320 industry digitalization solutions projects and an increase of over 50 finance digitalization solution projects in light of market demand.

Our revenue from ERP consulting and implementation services remained stable at RMB1.07 billion in 2023 and 2024.

Our revenue from ITO services remained relatively stable at RMB372.1 million and RMB380.0 million in 2023 and 2024, respectively.

Cost of sales

Our cost of sales remained relatively stable at RMB2.21 billion and RMB2.18 billion in 2023 and 2024, respectively.

Gross profit and gross profit margin

As a result of the foregoing, our gross profit increased by 37.0% from RMB772.5 million in 2023 to RMB1.06 billion in 2024. Our gross profit margin increased from 25.9% in 2023 to 32.7% in 2024, primarily because industry digitalization solutions accounted for a higher proportion of our revenue mix and carried a high gross profit margin of 40.6%.

Other income

Our other income decreased by 37.8% from RMB48.9 million in 2023 to RMB30.4 million in 2024, primarily due to a reduced number of projects that receive government grants.

Other gains and losses, net

Our other gains (on a net basis) decreased by 71.3% from RMB53.4 million in 2023 to RMB15.3 million in 2024 primarily due lower exchange gains resulting from the depreciation of the Japanese yen and other currencies and net gains from changes in fair value of financial assets at fair value through profit or loss of RMB26.7 million in 2023.

Impairment losses

Our impairment decreased by 28.4% from RMB73.3 million in 2023 to RMB52.5 million in 2024, primarily due to our strengthened efforts on the collection of trade receivables.

Selling expenses

Our selling expenses decreased by 19.3% from RMB290.3 million in 2023 to RMB234.3 million in 2024, primarily due to (i) higher spending made in 2023 resulting from a 42.2% increase in sales headcount in anticipation of business growth and normalized spending in 2024, and (ii) a reduction in employee salaries and benefits resulting from a 15.5% decrease in sales headcount to optimize team structure.

Administrative expenses

Our administrative expenses increased by 24.3% from RMB312.3 million in 2023 to RMB388.2 million in 2024, primarily due to (i) an increase in share-based payment expenses and (ii) an increase in amortization of intangible assets arising from amortization charged on a straight-line basis over their estimated useful lives in accordance with applicable accounting standards.

Research and development expenses

Our research and development expenses increased by 7.0% from RMB231.7 million in 2023 to RMB248.0 million in 2024, primarily due to the increased investment in AI application capabilities.

Finance income

Our finance income increased by 5.5% from RMB38.4 million in 2023 to RMB40.5 million in 2024, primarily due to an increase in interest income attributable to our cash management through investments in short-term and highly liquid wealth management products.

Finance cost

Our finance cost decreased by 51.0% from RMB29.2 million in 2023 to RMB14.3 million in 2024, primarily due to a decrease in interest expenses on convertible bonds of RMB10.7 million as a result of the full redemption of our convertible bonds in April 2023.

Share of results of associates

Our losses from share of results of associates decreased by 34.8% from RMB30.5 million in 2023 to RMB19.9 million in 2024, primarily due to the improvement of operations of our associates.

Income tax credit

Our income tax credit decreased by 77.6% from RMB39.2 million in 2023 to RMB8.8 million in 2024, primarily because we turned from loss before tax in 2023 to profit before tax in 2024.

Loss or profit for the year

We recorded loss for the year of RMB14.9 million in 2023, primarily due to expansion of sales and business teams while revenue was below expectation. In 2023, based on our then optimistic expectation of market recovery after the COVID-19 pandemic, we expanded our sales and business teams, with the number of sales personnel increasing by 42.2%. As revenue remained broadly stable as compared with 2022, the expanded team size led to (i) an increase in selling expenses of RMB96.2 million, and (ii) lower staff utilization rate, which in turn resulted in a decrease in gross profit of RMB112.4 million. We resumed profitability with a profit of RMB196.4 million in 2024, primarily due to our efforts to normalize team size and control business expenses. In 2024, we optimized our sales and business staffing structure, with the headcount of our sales and business teams adjusted by 10.8% and 15.5%, respectively, which improved our staff utilization rate from 68.0% in 2023 to 75.0% in 2024 and contributed to a decrease in selling expenses of RMB56.0 million as compared with 2023.

In view of our loss-making result in 2023, we identified impairment indicators for our non-financial assets as of December 31, 2023, mainly including property, plant, and equipment, and intangible assets, and performed impairment assessment accordingly.

The recoverable amount of the cash-generating unit was determined based on value-in-use calculation. We engaged an independent professional valuer to assist with the calculation based on cash flow projections. The key assumptions included a pre-tax discount rate of 13.77%, annual revenue growth rates ranging from 5.57% to 8.57% during the initial five-year forecast period, and a long-term revenue growth rate of 0% for cash flows beyond the five-year forecast period.

Based on the assessment, no impairment provision was required for our non-financial assets as of December 31, 2023.

DISCUSSION OF CERTAIN KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Total current assets	3,465,194	3,607,071	4,093,412	4,184,606
Total non-current assets	2,498,008	2,647,276	2,745,163	2,756,017
Total assets	**5,963,202**	**6,254,347**	**6,838,575**	**6,940,623**
Total current liabilities	997,571	1,007,947	1,030,224	1,065,967
Total non-current liabilities	112,245	120,504	125,606	122,697
Total liabilities	**1,109,816**	**1,128,451**	**1,155,830**	**1,188,664**
Net current assets	**2,467,623**	**2,599,124**	**3,063,188**	**3,118,639**
Capital and reserves:				
Share capital	984,342	984,846	1,022,503	1,023,472
Reserves	3,863,487	4,126,330	4,628,785	4,696,846
Non-controlling interests	5,557	14,720	31,457	31,641
Total equity	**4,853,386**	**5,125,896**	**5,682,745**	**5,751,959**

The following table sets forth our current assets and current liabilities as of the dates indicated.

	As of December 31,			As of April 30,	As of June 30,
	2023	2024	2025	2026	2026
	(RMB in thousands)				*(Unaudited)*
Current assets:					
Trade and bills receivables	1,202,854	1,396,496	1,501,925	1,631,005	1,743,474
Prepayments, deposits and other receivables	134,643	103,948	87,445	105,115	103,272
Contract assets	272,077	268,245	271,845	312,137	309,092
Inventories	297,209	220,624	223,252	248,444	250,144
Derivative financial instruments	1,511	—	—	—	—
Financial assets at FVTPL	17,005	—	—	743,822	459,899
Time deposits and certificates of deposits	335,791	518,968	282,386	302,719	278,690
Restricted bank deposits	1,512	3,008	5,139	5,853	3,980
Cash and bank balances	1,202,592	1,095,782	1,721,420	835,511	1,117,169
Total current assets	**3,465,194**	**3,607,071**	**4,093,412**	**4,184,606**	**4,265,720**

	As of December 31,			As of April 30,	As of June 30,
	2023	2024	2025	2026	2026
	(RMB in thousands)				*(Unaudited)*
Current liabilities:					
Trade payables	53,676	60,018	83,792	65,305	56,515
Other payables and accruals	383,529	366,729	349,518	251,621	261,354
Contract liabilities	156,391	176,186	160,768	160,587	152,454
Borrowings	396,000	398,798	426,204	577,412	573,195
Tax payables	1,971	2,592	2,628	3,753	2,107
Lease liabilities	6,004	3,624	7,314	7,289	6,917
Total current liabilities	**997,571**	**1,007,947**	**1,030,224**	**1,065,967**	**1,052,542**
Net current assets	**2,467,623**	**2,599,124**	**3,063,188**	**3,118,639**	**3,213,178**

We had net current assets positions of RMB2.47 billion, RMB2.60 billion, RMB3.06 billion, RMB3.12 billion, and RMB3.21 billion as of December 31, 2023, 2024, and 2025, April 30, 2026, and June 30, 2026, respectively. Our net current assets positions as of each of these dates were primarily attributable to cash and bank balances, trade and bill receivables, contract assets, and financial assets at FVTPL, partially offset by our borrowings and other payables and accruals.

Our net current assets increased from RMB3.12 billion as of April 30, 2026 to RMB3.21 billion as of June 30, 2026. The increase was mainly due to (i) an increase in cash and bank balances of RMB281.7 million, (ii) an increase in trade and bills receivables of RMB112.5 million, (iii) a decrease in trade payables of RMB8.8 million, (iv) a decrease in contract liabilities of RMB8.1 million, (v) a decrease in borrowings of RMB4.2 million, and (vi) an increase in inventories of RMB1.7 million, partially offset by (y) a decrease in financial assets at FVTPL of RMB283.9 million, and (z) a decrease in time deposits and certificates of deposits of RMB24.0 million.

Our net current assets increased from RMB3.06 billion as of December 31, 2025 to RMB3.12 billion as of April 30, 2026. The increase was mainly due to (i) an increase in financial assets at FVTPL of RMB743.8 million, (ii) an increase in trade and bills receivables of RMB129.1 million, (iii) a decrease in other payables and accruals of RMB97.9 million, (iv) an increase in contract assets of RMB40.3 million, (v) an increase in inventories of RMB25.2 million, and (vi) an increase in time deposits and certificates of deposits of RMB20.3 million, partially offset by (y) a decrease in cash and bank balances of RMB885.9 million, and (z) an increase in borrowings of RMB151.2 million.

Our net current assets increased from RMB2.60 billion as of December 31, 2024 to RMB3.06 billion as of December 31, 2025. The increase was mainly due to (i) an increase in cash and bank balances of RMB625.6 million and (ii) an increase in trade and bills receivables of RMB105.4 million, partially offset by a decrease in time deposits and certificates of deposits of RMB236.6 million.

Our net current assets increased from RMB2.47 billion as of December 31, 2023 to RMB2.60 billion as of December 31, 2024. The increase was mainly due to (i) an increase in trade and bills receivables of RMB193.6 million, and (ii) an increase in time deposits and certificates of deposits of RMB183.2 million, partially offset by (y) a decrease in cash and bank balances of RMB106.8 million, and (z) a decrease in inventories of RMB76.6 million.

Our net assets increased from RMB5.68 billion as of December 31, 2025 to RMB5.75 billion as of April 30, 2026, primarily due to (i) a total comprehensive income for the period of RMB49.4 million, (ii) capital surplus increase of RMB12.4 million relating to share-based payments, and (iii) an increase in share capital and reserves of RMB7.4 million as a result of the exercise of shares and options under share incentive plans.

Our net assets increased from RMB5.13 billion as of December 31, 2024 to RMB5.68 billion as of December 31, 2025, primarily due to (i) a total comprehensive income for the year of RMB255.2 million, (ii) an increase in share capital and reserves of RMB255.9 million as a result of the exercise of shares and options under share incentive plans, and (iii) capital surplus increase of RMB91.4 million relating to share-based payments, partially offset by dividends paid to our shareholders and non-controlling interests of a subsidiary of RMB51.0 million.

Our net assets increased from RMB4.85 billion as of December 31, 2023 to RMB5.13 billion as of December 31, 2024, primarily due to (i) a total comprehensive income for the year of RMB191.1 million and (ii) capital surplus increase of RMB77.2 million relating to share-based payments, partially offset by (y) dividends paid to our shareholders and non-controlling interests of a subsidiary of RMB23.6 million, and (z) acquisition of interest in a subsidiary of RMB5.0 million.

Cash and Bank Balances

Our cash and bank balances primarily consisted of cash at bank. We had cash and bank balances of RMB1.20 billion, RMB1.10 billion, RMB1.72 billion, and RMB835.5 million as of December 31, 2023, 2024, and 2025 and April 30, 2026, respectively. Our cash and bank balances increased from RMB1.10 billion as of December 31, 2024 to RMB1.72 billion as of December 31, 2025, primarily due to year-end transfers from time deposits. Our cash and bank balances decreased from RMB1.72 billion as of December 31, 2025 to RMB835.5 million as of April 30, 2026, primarily due to purchases of wealth management products that had not matured as of April 30, 2026, which were classified as financial assets at fair value through profit or loss.

Trade and Bills Receivables and Contract Assets

Our trade and bills receivables increased from RMB1.20 billion as of December 31, 2023 to RMB1.40 billion as of December 31, 2024, from RMB1.40 billion as of December 31, 2024 to RMB1.50 billion as of December 31, 2025, and from RMB1.50 billion as of December 31, 2025 to RMB1.63 billion as of April 30, 2026, in line with our business and revenue growth.

Our contract assets are generally the services provided for some on-going contracts where the payment from customers is subject to the final completion of the full contract term and the final payments of revenue contracts, which are due at the end of the quality assurance period. Our contract assets remained relatively stable at RMB272.1 million as of December 31, 2023, RMB268.2 million as of December 31, 2024, and RMB271.8 million as of December 31, 2025. Our contract assets increased from RMB271.8 million as of December 31, 2025 to RMB312.1 million as of April 30, 2026, in line with the expansion of our business operations.

The following table sets forth the details of our trade and bills receivables and contract assets as of the dates indicated.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Gross Amount				
— Trade Receivables	1,847,587	2,061,035	2,208,534	2,357,591
— Bill Receivables	48,676	52,916	51,476	50,305
— Contract Assets	310,240	315,721	320,769	367,286
	2,206,503	2,429,672	2,580,779	2,775,182
Impairment loss for				
— Trade receivables	(693,371)	(715,455)	(758,085)	(776,891)
— Bill receivables	(38)	—	—	—
— Contract Assets	(38,163)	(47,476)	(48,924)	(55,149)
	(731,572)	(762,931)	(807,009)	(832,040)
Total	**1,474,931**	**1,666,741**	**1,773,770**	**1,943,142**

The following table sets forth our trade and bills receivable and contract assets turnover days for the periods indicated.

	For the Year Ended December 31,			For the Four Months Ended April 30,
	2023	2024	2025	2026
Trade and bills receivable and contract assets turnover days[(1)]	187	175	181	209

Note:

(1) Turnover days of trade receivables, bills receivables, and contract assets are calculated by dividing the average balance of trade receivables, bills receivables, and contract assets, net of impairment, for the applicable year or period by the revenue for the same year or period, and multiplying by 360 days (for a year) or 120 days (for the four-month period).

Our trade and bills receivables and contract assets turnover days generally remained stable at 187, 175, and 181 days in 2023, 2024, and 2025, respectively. For the four months ended April 30, 2026, our trade and bills receivables and contract assets turnover days increased to 209 days, mainly because customer collections are generally higher in the second half of the year, resulting in a higher average balance of trade and bills receivables and contract assets relative to revenue during the period.

The following table sets forth our trade and bills receivable turnover days for the periods indicated.

	For the Year Ended December 31,			For the Four Months Ended April 30,
	2023	2024	2025	2026
Trade and bills receivable turnover days[1]	153	145	153	176

Note:

(1) Turnover days of trade and bills receivables are calculated by dividing the average balance of trade and bills receivables, net of impairment, for the applicable year or period by the revenue of the same year or period, and multiplying by 360 days (for a year) or 120 days (for the four-month period).

Our trade and bills receivables turnover days generally remained stable at 153, 145, and 153 days in 2023, 2024, and 2025, respectively. For the four months ended April 30, 2026, our trade and bills receivables turnover days increased to 176 days, mainly because customer collections are generally higher in the second half of the year, resulting in a higher average balance of trade and bills receivables and contract assets relative to revenue during the period.

In practice, we generally allow a credit period between 30 days to 60 days to our customers upon issuance of invoice.

The following table sets forth an aging analysis of our trade receivables (net of allowance for impairment losses).

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within one year	1,039,433	1,195,052	1,276,777	1,393,689
1 to 2 years	193,822	236,745	295,552	280,562
2 to 3 years	96,168	94,214	93,534	139,396
Over 3 years	518,164	535,024	542,671	543,944
Less: loss allowance for trade receivables[1]	(693,371)	(717,455)	(758,085)	(776,891)
Total	**1,154,216**	**1,343,580**	**1,450,449**	**1,580,700**

Note:

(1) During the Track Record Period, loss allowance for trade receivables primarily arose from delays in customer payments. Such delays were mainly attributable to (i) customers' financial or cash flow constraints, and (ii) internal administrative factors of customers, including lengthy approval procedures, organizational or personnel changes, and acceptance review process.

As of June 30, 2026, RMB446.6 million, or 28.3% of our trade and bills receivables (on net basis) as of April 30, 2026, had been subsequently settled. As of June 30, 2026, RMB99.4 million, or 31.8% of our contract assets (on net basis) as of April 30, 2026 had been reclassified to trade receivables, and RMB18.5 million of this amount had been subsequently settled.

We believe that, after taking into account the sufficient impairment allowances made for trade receivables with recoverability risks during the Track Record Period, there was no material recoverability issue for our trade receivables. The relatively low subsequent settlement was mainly

due to the seasonality arising from our project cycle and the payment practices of certain major customers, as cash collections are generally higher in the second half of the year, particularly in the fourth quarter.

Inventories

Our inventories mainly consist of goods-in-transit and work in progress. The following table sets forth a breakdown of our inventories as of the dates indicated.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Goods-in-transit[(1)]	32,763	—	—	—
Work in progress[(2)]	310,776	252,165	247,473	268,214
Less: Impairment[(3)]	(46,330)	(31,541)	(24,221)	(19,770)
Total	**297,209**	**220,624**	**223,252**	**248,444**

Note:

(1) Represent hardware purchased for customer projects that had not yet been delivered to customers.

(2) Primarily represents manpower cost of personnel directly involved in project delivery.

(3) During the Track Record Period, our inventory impairment primarily arose where actual project costs exceeded initial estimates, mainly due to higher-than-expected manpower input resulting from project complexity or lower-than-planned execution efficiency.

Our inventories decreased from RMB297.2 million as of December 31, 2023 to RMB220.6 million as of December 31, 2024, primarily due to a decrease of RMB58.6 million in work in progress as of December 31, 2024 as a result of our optimization of project management and goods-in-transit relating to equipment to be delivered in an amount of RMB32.8 million as of December 31, 2023. Our inventories remained relatively stable at RMB223.3 million as of December 31, 2025. Our inventories increased from RMB223.3 million as of December 31, 2025 to RMB248.4 million as of April 30, 2026, primarily due to an increase in the number of projects undertaken as our business expanded.

We manage our inventories by monitoring projects on a monthly basis and analyze variances for projects falling behind schedule, with timely adjustments to team structure and resource allocation where necessary.

The following table sets forth our inventory turnover days for the periods indicated.

	For the Year Ended December 31,			For the Four Months Ended April 30,
	2023	2024	2025	2026
Inventory turnover days[(1)]	45	43	36	40

Note:

(1) Inventories turnover days for a year or period equals the average of the opening and closing balance of inventories (net of impairment) divided by cost of sales for the same year or period and multiplied by 360 days for the years ended December 31, 2023, 2024, and 2025 or 120 days for the four-months period ended April 30, 2026.

The following table sets forth an aging analysis of our inventories.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within one year	298,955	200,599	191.805	214,033
Over one year	44,584	51,566	55,668	54,181
Less: Impairment[(1)]	(46,330)	(31,541)	(24,221)	(19,770)
Total	**297,209**	**220,624**	**223,252**	**248,444**

Note:

(1) We assessed inventory impairment for work in progress at the end of each period during the Track Record Period. For projects not yet delivered as of the applicable period end, we determined the net realizable value based on the contract sales amount, less the estimated costs to be incurred up to completion and delivery, estimated selling expenses, relevant taxes, and surcharges. If the net realizable value was lower than the carrying amount of the relevant work in progress, we made an impairment provision for the shortfall.

As of June 30, 2026, RMB70.2 million, or 28.3% of our inventories (on net basis) as of April 30, 2026, had been subsequently sold. We believe that, after taking into account the sufficient provisions made for inventories with impairment risks, there was no material impairment issue for our inventories. Our inventories as of April 30, 2026 represented accumulated project costs for projects pending revenue recognition, and the relatively low subsequent utilization was mainly because most of the relevant projects remained in progress as of June 30, 2026, consistent with our typical project cycles.

Trade Payables

Our trade payables increased from RMB53.7 million as of December 31, 2023 to RMB60.0 million as of December 31, 2024, and further increased to RMB83.8 million as of December 31, 2025. Our trade payables decreased from RMB83.8 million as of December 31, 2025 to RMB65.3 million as of April 30, 2026.

The following table sets forth our trade payables turnover days for the periods indicated.

	For the Year Ended December 31,			For the Four Months Ended April 30,
	2023	2024	2025	2026
Trade payables turnover days[(1)]	21	31	33	39

Note:

(1) Trade payables turnover days are calculated as the average of the beginning and ending balances of trade payables divided by cost of sales (excluding staff costs) for the year or period and multiplied by 360 days for the year or 120 days for the four-month period.

As of June 30, 2026, RMB31.7 million, or 48.5% of our trade payables as of April 30, 2026 had been settled.

Other Payables and Accruals

Our other payables and accruals consisted of (i) salary and bonus payables, (ii) other taxes payable, (iii) dividends payable, (iv) accrued expense, and (v) payable related to 2023 ESOP. We had other payables and accruals of RMB383.5 million, RMB366.7 million, RMB349.5 million, and RMB251.6 million as of December 31, 2023, 2024, and 2025 and April 30, 2026, respectively.

The following table sets forth a breakdown of our other payables and accruals as of the dates indicated.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Salary and bonus payables	248,713	220,582	234,526	163,760
Other taxes payable	47,475	36,154	67,244	37,302
Accrued expense	40,212	38,741	25,673	29,211
Payable related to 2023 ESOP[(1)]	31,360	53,710	—	—
Other	15,769	17,542	22,075	21,348
Total	**383,529**	**366,729**	**349,518**	**251,621**

Note:

(1) Represents our repurchase obligation under the 2023 ESOP. A liability is recognized upon receipt of subscription proceeds for the restricted shares and will be reversed upon vesting of the relevant shares.

Our other payables and accruals decreased from December 31, 2023 to December 31, 2024 primarily because of a decrease in salary and bonus payables. Our other payables and accruals decreased from December 31, 2024 to December 31, 2025 primarily due to the settlement of obligations under the employee shareholding plan, partially offset by the increase in other taxes payable of RMB31.1 million with collection of withholding taxes relating to share incentive plans. Our other payables and accruals decreased from December 31, 2025 to April 30, 2026, primarily due to payment of year-end bonuses and the remittance of individual income tax withheld in connection with the share incentive plans.

As of June 30, 2026, RMB208.9 million, or 83.0% of our other payables and accruals as of April 30, 2026 had been settled.

Contract Liabilities

Our contract liabilities represent the advance consideration received from customers. We had contract liabilities of RMB156.4 million, RMB176.2 million, RMB160.8 million, and RMB160.6 million as of December 31, 2023, 2024, and 2025 and April 30, 2026, respectively. Our contract liabilities were relatively higher as of December 31, 2024, primarily due to advance consideration received under certain contracts with a customer as of the end of that year.

As of June 30, 2026, RMB53.3 million, or 33.2% of our contract liabilities as of April 30, 2026, had been subsequently recognized as revenue.

Intangible Assets

Our intangible assets primarily consist of computer software, software copyright, and development costs. Our intangible assets increased from RMB985.7 million as of December 31, 2023 to RMB1.11 billion as of December 31, 2024, primarily due to an increase in software copyright

as a result of the capitalization of proprietary products upon obtaining software copyrights, partially offset by a decrease in development costs. Our intangible assets remained stable at RMB1.18 billion as of December 31, 2025 and RMB1.19 billion as of April 30, 2026.

The following table sets forth the details of our intangible assets as of the dates indicated.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Software copyright	765,500	909,820	954,315	1,122,735
Development costs	217,791	194,064	224,449	67,461
Computer software	2,432	5,133	3,723	3,300
Trademark use rights	—	4	3	3
Total	**985,723**	**1,109,021**	**1,182,490**	**1,193,499**

In view of our loss-making results in 2023, we have performed an impairment assessment of intangible assets together with property, plant, and equipment based on a value-in-use calculation. Taking into consideration of the assessment result, no impairment was considered necessary.

Financial Assets at Fair Value Through Other Comprehensive Income

Our financial assets at fair value through other comprehensive income represented our long-term investments, which are not held for trading. As of April 30, 2026, these investments included unlisted equity interests in 7 investees. Our financial assets at fair value through other comprehensive income were RMB634.6 million, RMB651.7 million, RMB684.0 million, and RMB688.3 million as of December 31, 2023, 2024, and 2025 and April 30, 2026, respectively.

Our financial assets at fair value through other comprehensive income increased from RMB634.6 million as of December 31, 2023 to RMB651.7 million as of December 31, 2024 and further increased to RMB684.0 million as of December 31, 2025, primarily due to the fair value appreciation of our investments in several investees and additional capital contribution to an investee. Our financial assets at fair value through other comprehensive income remained stable at RMB688.3 million as of April 30, 2026.

Property, Plant, and Equipment

Our property, plant, and equipment primarily consist of property and buildings, machinery, furniture, fixtures and equipment, transportation vehicle, leasehold improvement, and construction in progress. We had property, plant, and equipment of RMB419.4 million as of December 31, 2024, RMB404.9 million as of December 31, 2025, and RMB398.1 million as of April 30, 2026.

The following table sets forth the details of our property, plant, and equipment as of the dates indicated.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Property and buildings	394,063	390,333	380,725	376,278
Machinery	3,912	3,159	2,262	2,096
Furniture, fixtures and equipment	6,421	7,194	7,136	6,752
Transportation vehicle	359	284	609	586
Leasehold improvement	22,075	18,380	14,157	12,397
Total	**426,830**	**419,350**	**404,889**	**398,109**

Goodwill

Our goodwill mainly represented goodwill arising from business acquisitions. As of December 31, 2023, 2024, and 2025 and April 30, 2026, our goodwill amounted to RMB97.1 million, RMB114.2 million, and RMB114.2 million, and RMB114.2 million, respectively.

We perform impairment assessment on goodwill at least annually. For the purpose of impairment assessment, the recoverable amount of each relevant cash-generating unit is assessed based on five-year cash flow forecasts. The key assumptions used in the impairment assessment include long-term revenue growth rate of 0% for cash flows beyond the five-year forecast period and discount rates that reflect the specific risks relating to the relevant industry of the cash-generating unit and the macroeconomic environment of the relevant region. Based on the results of these impairment assessments, no impairment of goodwill was considered necessary during the Track Record Period.

INDEBTEDNESS

Our indebtedness during the Track Record Period and as of June 30, 2026, being the latest practicable date for the purpose of this statement of indebtedness, consisted of borrowings, lease liabilities, and convertible bonds.

The following table sets forth a breakdown of our indebtedness as of the dates indicated.

	As of December 31,			As of April 30,	As of June 30,
	2023	2024	2025	2026	2026
	(RMB in thousands)				*(Unaudited)*
Current:					
Borrowings	396,000	398,798	426,204	577,412	573,195
Lease liabilities	6,004	3,624	7,314	7,289	6,917
Non-current:					
Lease liabilities	2,120	2,712	7,914	5,242	4,558
Total	**404,124**	**405,134**	**441,432**	**589,943**	**584,670**

Bank Borrowings

Our bank borrowings amounted to RMB396.0 million, RMB398.8 million, RMB426.2 million, and RMB577.4 million as of December 31, 2023, 2024, and 2025 and April 30, 2026, respectively, with effective interest rates ranging from 2.10% to 3.20%, 1.25% to 3.65%, 1.40% to 2.70%, and 1.40% to 2.70% per annum, respectively. As of June 30, 2026, we had bank borrowing of RMB573.2 million and unutilized credit facilities of RMB1.60 billion.

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, we did not experience any difficulty in obtaining bank borrowings, default in payment of bank borrowings, or breach of covenants. We are not subject to any material covenants or undertakings relating to our outstanding debts during the Track Record Period and up to the Latest Practicable Date. As of the Latest Practicable Date, except for our existing bank borrowings, we did not have plans for any other material external debt financing.

Lease Liabilities

We had lease liabilities of RMB8.1 million, RMB6.3 million, RMB15.2 million, RMB12.5 million, and RMB11.5 million as of December 31, 2023, 2024, and 2025, April 30, 2026, and June 30, 2026, respectively.

The following table sets forth the repayable schedule of our lease liabilities as of the dates indicated.

	As of December 31,			As of April 30,	As of June 30,
	2023	2024	2025	2026	2026
	(RMB in thousands)				*(Unaudited)*
Within one year	6,210	3,807	7,584	7,525	7,115
More than one year but within two years	1,844	1,867	7,144	4,601	4,146
More than two years but within five years	554	957	886	716	478
Total lease payments	**8,608**	**6,631**	**15,614**	**12,842**	**11,739**
Interest	(484)	(295)	(386)	(311)	(264)
Total lease liabilities	**8,124**	**6,336**	**15,228**	**12,531**	**11,475**

Statement of Indebtedness

Save as disclosed above, as of June 30, 2026, we had no bank loans, or any other loan capital issued and outstanding or agreed to be issued, bank overdrafts, borrowings or similar indebtedness, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchases, guarantees or other material contingent liabilities. Our Directors confirm that there has not been any material change in our indebtedness since June 30, 2026 and up to the date of this document.

LIQUIDITY AND CAPITAL RESOURCES

Sources of Liquidity and Working Capital

Our primary uses of cash are to fund our working capital requirements and other recurring expenses. During the Track Record Period, we financed our capital expenditures and working capital requirements primarily through cash and cash equivalents on hand and bank loans.

Going forward, we believe that our liquidity requirements will be satisfied with a combination of cash and cash equivalents on hand, bank loans, the estimated net [REDACTED] from the [REDACTED] and other funds raised from the capital markets from time to time. We will closely monitor the level of our working capital, and diligently review future cash flow requirements and adjust our operations and expansion plans, if necessary, to ensure that we maintain sufficient working capital to support our business operations.

Taking into consideration of financial resources presently available to us, including our available cash and cash equivalents, anticipated cash flow from operations, bank loans, and the estimated net [REDACTED] from the [REDACTED], our Directors are of the view that we have sufficient working capital to meet our present and anticipated cash requirements for the next 12

months from the date of this document. Our Directors confirm that we had no material defaults in payment of trade and non-trade payables during the Track Record Period and up to the Latest Practicable Date.

Cash Flows

The following table sets forth a summary of our consolidated cash flow statements for the periods indicated.

	For the Year Ended December 31,			For the Four Months Ended April 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)			*(Unaudited)*	
Net cash generated from/(used in) operating activities	218,663	331,955	479,475	(69,257)	(178,293)
Net cash (used in)/generated from investing activities	(630,717)	(412,625)	14,696	(337,748)	(826,632)
Net cash generated from/(used in) financing activities	14,253	(10,106)	154,998	61,857	137,995
Net (decrease)/increase in cash and cash equivalents	(397,801)	(90,776)	649,169	(345,148)	(866,930)
Cash and cash equivalents at the beginning of the year/period	1,582,533	1,202,592	1,095,782	1,095,782	1,721,420
Effect of foreign exchange rate changes	17,860	(16,034)	(23,531)	25,126	(18,979)
Cash and cash equivalents at the end of the year/period	**1,202,592**	**1,095,782**	**1,721,420**	**775,760**	**835,511**

Net cash generated from or used in operating activities

For the four months ended April 30, 2026, we had net cash used in operating activities of RMB178.3 million, primarily due to changes in working capital that negatively affected our cash flows, primarily including (i) an increase in receivables of RMB208.4 million, mainly due to the expansion of our business and the seasonal pattern of our collections, as a larger proportion of our receivables is generally collected in the second half of the year, (ii) a decrease in payables of RMB116.7 million, primarily due to the payment of year-end bonuses and the remittance of individual income tax withheld in relation to share incentive plans, and (iii) an increase in inventories of RMB19.7 million, partially offset by profit before tax of RMB46.8 million, as adjusted by certain non-cash and non-operating items, mainly including amortization of intangible assets of RMB56.5 million, impairment losses on trade and bills receivables of RMB19.1 million, and exchange losses of RMB19.1 million.

In 2025, we had net cash generated from operating activities of RMB479.5 million, primarily due to profit before tax of RMB226.6 million, as adjusted by certain non-cash and non-operating items, mainly including amortization of intangible assets of RMB151.1 million mainly relating to software copyright, share-based payment expenses of RMB91.4 million, and impairment losses on trade and bills receivables of RMB74.5 million, and changes in working capital that negatively affected our cash flows, mainly including an increase in receivables of RMB159.7 million, partially offset by an increase in payables of RMB52.5 million.

In 2024, we had net cash generated from operating activities of RMB332.0 million, primarily due to profit before tax of RMB187.7 million, as adjusted by certain non-cash and non-operating items, mainly including amortization of intangible assets of RMB133.3 million, share-based payment expenses of RMB77.2 million, and impairment losses on trade and bills receivables of RMB46.9 million, and changes in working capital that negatively affected our cash flows, mainly including an increase in receivables of RMB196.8 million and a decrease in payables of RMB56.9 million, partially offset by a decrease in inventories of RMB108.3 million.

In 2023, we had net cash generated from operating activities of RMB218.7 million, primarily due to loss before tax of RMB54.1 million, as adjusted by certain non-cash and non-operating items, mainly including amortization of intangible assets of RMB114.7 million, impairment losses on trade and bills receivables of RMB98.8 million, and interest expenses of RMB28.3 million, and changes in working capital that positively affected our cash flows, mainly including an increase in payables of RMB74.7 million and a decrease in receivables of RMB23.1 million, partially offset by an increase in inventories of RMB54.6 million.

Net cash used in or generated from investing activities

For the four months ended April 30, 2026, our net cash used in investing activities was RMB826.6 million, primarily due to purchase of financial assets at fair value through profit or loss and fair value through other comprehensive income of RMB1.75 billion, partially offset by proceeds from disposal of financial assets at fair value through profit or loss of RMB1.02 billion.

In 2025, our net cash generated from investing activities was RMB14.7 million, primarily due to proceeds from recovery of term deposits and certificates of deposits of RMB249.2 million, partially offset by payments for purchase of property, plant, equipment and intangible assets of RMB226.5 million.

In 2024, our net cash used in investing activities was RMB412.6 million, primarily due to net cash outflow for placement of term deposits and certificates of deposits of RMB177.9 million, and purchase of property, plant, and equipment and intangible assets of RMB230.3 million.

In 2023, our net cash used in investing activities was RMB630.7 million, primarily due to net cash outflow for placement of term deposits and certificates of deposits of RMB336.4 million, and purchase of property, plant, and equipment and intangible assets of RMB274.1 million.

Net cash generated from or used in financing activities

For the four months ended April 30, 2026, our net cash generated from financing activities was RMB138.0 million, primarily due to proceeds from borrowings of RMB255.5 million, proceeds from share schemes of RMB7.4 million, partially offset by repayments of borrowings of RMB105.0 million.

In 2025, our net cash generated from financing activities was RMB155.0 million, primarily due to proceeds from share schemes of RMB202.2 million, net cash inflow from borrowings of RMB27.5 million, partially offset by dividends paid to our shareholders of RMB47.2 million.

In 2024, our net cash used in financing activities was RMB10.1 million, primarily due to dividends paid to our shareholders of RMB19.6 million, interest paid of RMB11.8 million, partially offset by proceeds from share schemes of RMB26.2 million.

In 2023, our net cash generated from financing activities was RMB14.3 million, primarily due to proceeds from share schemes of RMB195.7 million, partially offset by payments for repurchase of shares of RMB48.1 million, net cash outflow for repayment of borrowings of RMB41.7 million, dividends paid to our shareholders of RMB57.8 million, interest paid of RMB17.5 million, and repayment of lease liabilities of RMB13.9 million.

CONTINGENT LIABILITIES

We did not have any contingent liabilities during the Track Record Period and up to the Latest Practicable Date.

CAPITAL EXPENDITURES

During the Track Record Period, our capital expenditures primarily consisted of payments for purchase of property, plant, and equipment and investment in research and development.

Our capital expenditures were RMB274.1 million, RMB230.3 million, RMB226.5 million, RMB68.3 million, and RMB67.7 million in 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, respectively.

We expect that our capital expenditures in 2026 will primarily consist of payments for purchase of property, plant, and equipment and investment in research and development. We intend to fund our future capital expenditures with cash and cash equivalents on hand and bank loans. See the section headed "Future Plans and Use of [REDACTED]" for more details. We may reallocate the fund to be utilized on capital expenditure and long-term investments based on our ongoing business needs.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet commitments and arrangements.

[REDACTED] EXPENSES

Based on the mid-point [REDACTED] of HK$[REDACTED] per [REDACTED], the total estimated [REDACTED] expenses in relation to the [REDACTED] is approximately RMB[REDACTED] million assuming no new Shares are issued under the [REDACTED]. Such estimated total [REDACTED] expenses include (i) [REDACTED] related expenses of approximately RMB[REDACTED] million; (ii) fees and expenses of our legal advisors and reporting accountant of approximately RMB[REDACTED] million; and (iii) other fees and expenses of approximately RMB[REDACTED] million.

During the Track Record Period, we incurred [REDACTED] expenses of RMB[REDACTED] million in 2025 and RMB[REDACTED] million for the four months ended April 30, 2026, all recorded under administrative expenses in our consolidated statement of profit or loss. We expect to further incur [REDACTED] expenses of approximately RMB[REDACTED] million, of which approximately RMB[REDACTED] million is expected to be charged to our consolidated statement of profit or loss and approximately RMB[REDACTED] million will be deducted from equity upon [REDACTED]. The [REDACTED] expenses represent [REDACTED]% of the net [REDACTED] from the [REDACTED].

MATERIAL RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. During the Track Record Period, we entered into various related party transactions. For more details about our related party transactions, see Note 46 to the Accountant's Report in Appendix I to this Document. As of April 30, 2026, all outstanding balances with related parties were trade in nature.

Our Directors believe that our transactions with related parties during the Track Record Period and up to the Latest Practicable Date were conducted on an arm's length basis, and they did not distort our results of operations or make our historical results not reflective of our future performance.

KEY FINANCIAL RATIOS

	For the Year Ended December 31,			For the Four Months Ended April 30,	
	2023	2024	2025	2025	2026
				(Unaudited)	
Gross profit margin	25.9%	32.7%	34.8%	33.4%	33.6%
Net profit margin	(0.5)%	6.1%	6.9%	4.4%	4.3%

	As of December 31,			As of April 30,
	2023	2024	2025	2026
Current ratio[1] (times)	3.5	3.6	4.0	3.9
Quick ratio[2] (times)	3.2	3.4	3.8	3.7
Gearing Ratio[3] (%)	22.9	22.0	20.3	20.7

Notes:

(1) Current ratio is calculated as current assets divided by current liabilities as of the end of the period.

(2) Quick ratio is calculated as current assets less inventories and divided by current liabilities as of the end of the period.

(3) Gearing ratio is calculated as total liabilities divided by total equity.

FINANCIAL RISK DISCLOSURE

Market Risk

Our activities expose us primarily to currency risk, interest rate risk, and liquidity risk. There has been no change in our exposure to these risks or the manner in which it managed and measured the risks during each of the reporting period.

Foreign Currency Risk

Several of our subsidiaries have foreign currency sales and purchases, daily expenditures, and cash and bank balances, which expose us to foreign currency risk. We use derivative financial instruments, such as forward currency contracts, to hedge our foreign currency risk.

Interest Rate Risk

We are exposed to fair value interest rate risk in relation to our restricted bank deposits, term deposits and certificates of deposits, cash and bank balances, convertible bonds, and lease liabilities. We are exposed to cash flow interest rate risk in relation to variable-rate bank borrowings. We manage our interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and economic outlook. The management will review the proportion of borrowings in fixed and variable rates and ensure they are within reasonable range.

Liquidity Risk

In the management of the liquidity risk, we monitor and maintain a level of bank balances and cash deemed adequate by the management to finance our operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilization of borrowings, if necessary.

For details, see Note 43 to the Accountants' Report included in Appendix I to this Document.

DIVIDEND POLICY

We are a joint stock company incorporated under PRC laws. According to the PRC Company Law, a PRC-incorporated company is required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, determined under PRC GAAP, to contribute to certain statutory reserve funds until the aggregate amount contributed to such funds reaches 50% of its registered capital. The company may pay dividends out of after-tax profits after making up for accumulated losses and contributing to statutory reserve funds as mentioned above. As advised by our PRC Legal Adviser, no dividend will be declared or payable, unless we have profits and reserves lawfully available for distribution. Any future net profit that we make will have to be first applied to make up for our historically accumulated losses, if any, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has

reached more than 50% of our registered capital. In addition, subject to applicable PRC laws and regulations, including the PRC Company Law and the No. 3 Guideline for the Supervision of Listed Companies — Cash Dividend Distribution of Listed Companies (2025 Revision) (《上市公司監管指引第3號 — 上市公司現金分紅(2025年修訂)》), and our Articles of Association, and provided that the conditions for cash dividend distribution are met, we will, in principle, distribute our profits in cash at least once a year. Moreover, over any consecutive three-year period, the total amount of cash dividends distributed should be no less than 30% of the average annual distributable profits attributable to our Company realized during those three years.

We have adopted a formal dividend policy, under which our Board may recommend dividends on a tiered basis after considering factors such as our stage of development, profitability, financial condition, capital expenditure plans, debt repayment needs, and shareholders' returns. We do not have a pre-determined dividend payout ratio.

In 2023, 2024, and 2025 and for the four months ended April 30, 2025 and 2026, our Company declared dividends in respect of the previous years of RMB57.5 million, RMB19.6 million, RMB47.2 million, nil, and nil, respectively. The declared dividends had been paid in full. See Note 17 to the Accountants' Report included in Appendix I to this Document for details.

DISTRIBUTABLE RESERVES

As of April 30, 2026, our retained earnings amounted to RMB2.30 billion, which represented our distributable reserves as of the same date.

DISCLOSURE REQUIRED UNDER CHAPTER 13 OF THE LISTING RULES

Our Directors have confirmed that, except as otherwise disclosed in this Document, as of the Latest Practicable Date, there were no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, the Directors confirm that, up to the date of this Document, except as otherwise disclosed in this section, there have been no material adverse changes in our financial, operational, or trading position, or prospects since April 30, 2026, being the date of the latest reporting period ended of our consolidated financial statements as set out in the Accountant's Report in Appendix I to this Document, and there is no event since April 30, 2026 that would materially affect the information as set out in the Accountant's Report included in Appendix I to this Document.

[REDACTED] STATEMENT OF ADJUSTED [REDACTED] ASSETS

See "Appendix II — [REDACTED] Financial Information."

FUTURE PLANS AND [REDACTED]

FUTURE PLANS

We apply for the [REDACTED] as part of our efforts to foster our growth to the next stage and strengthen our competitive position in the enterprise IT consulting and digital solution services market. Specifically, we believe that the [REDACTED] will (i) promote our public profile and visibility in both domestic and international markets so that we may expand our client base and promote our brand recognition, (ii) further broaden our access to international capital markets so that we may raise capital more efficiently both upon and after the [REDACTED] to support our growth, and (iii) attract talent and incentivize our employees. In addition, we choose [REDACTED] in Hong Kong because Hong Kong is a strategic gateway to international capital markets.

For a detailed description of our future plans, see "Business — Our Strategies."

USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of HK$[REDACTED] million assuming no exercise of the [REDACTED], based on an assumed [REDACTED] of HK$[REDACTED] per Share, being the mid-point of the [REDACTED] range of HK$[REDACTED] to HK$[REDACTED] per Share, after deducting [REDACTED] commissions and fees and other estimated [REDACTED] expenses paid and payable by us in relation to the [REDACTED].

In line with our strategies, we plan to use the net [REDACTED] from the [REDACTED] for the purposes and in the amounts set forth below:

- approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used for the research and development of our AI technologies — in particular,
  - approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used for the further investment in our AI application framework products and services, namely, (i) AI agents to be applied in our solutions, including intelligent manufacturing, digital marketing, intelligent collaborative supply chain, and finance management, (ii) the continued iteration of our AI mid-platform, (iii) industry-specific models including large models for logistics, mining, and lithium battery industries, (iv) the continued iteration of data solution series, and (v) AI-related consulting and training services;
  - approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used to explore AI technologies including coding and testing activities within our research and development processes, with a view to enhance our research and development efficiency; and
  - approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used to recruit additional AI and technology professionals from different industry backgrounds by offering competitive remuneration, thereby enhancing the breadth of industry experience within our research and development team, and strengthening our research and development capabilities to meet our clients' growing needs for customized intelligent solutions and services. The AI technologies to be developed by these additional research and development personnel will primarily include large language model-based processing, computer vision, generative AI, multimodal AI, machine learning-based data analytics and prediction, AI agents, voice AI, and lightweight edge AI, with a focus on applying these technologies to enterprise scenarios. From 2026 to 2028, we plan to recruit and maintain (i) 20 AI product development experts, who will be primarily responsible for product planning and roadmap formulation and are expected to be experienced in the AI product planning and management for AI mid-platform, AI agent, industry-specific model training, and AI coding; (ii) 20 AI product architects, who will be primarily responsible for product architecture design and are expected to possess experience in the architecture of AI mid-platform, AI agent, industry-specific model training, and AI coding; (iii) 20 AI industry solution experts, who will be primarily responsible for designing and tailoring

industry-specific solutions and are expected to possess experience in industry solution design and pre-sales consulting in AI mid-platform, AI agent, industry-specific model training, and AI coding; and (iv) 20 AI algorithm engineers, who will be primarily responsible for algorithm development, training, and optimization and are expected to possess experience in machine learning and model development in AI coding and AI mid-platform.

The following stable sets forth a breakdown of our expected research and development expenditures by nature.

[REDACTED] Usage	**2026**	**2027**	**2028**
	HK$ in Millions		
Further investment in our AI application framework products and services	[REDACTED]	[REDACTED]	[REDACTED]
Explore AI technologies including coding and testing activities within our research and development processes	[REDACTED]	[REDACTED]	[REDACTED]
Recruit additional AI and technology professionals from different industry backgrounds	[REDACTED]	[REDACTED]	[REDACTED]
Total	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**

- approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used for global client expansion and the construction of our global operational and service system — in particular,
  - approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used to enhance our capabilities in delivering our proprietary products to international market; in response to regulatory, policy, and localization requirements in different countries and regions, we plan to continue improving the localization capabilities and compliance of our solutions;
  - approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used to enhance our global business operations and service capabilities; based on our existing global business layout, we plan to further improve our organizational structure and service network, including the establishment of global centralized delivery team and the strengthening of our operational and service capabilities in our existing international markets, as well as the expansion into new overseas markets. From 2026 to 2028, we plan to recruit and maintain a team of 65 operations engineers, who will be primarily responsible for market and product operations and are expected to possess experience in product, market, and ecosystem operations.

    We plan to establish a near-shore service and delivery center in Japan with an expected headcount of 500, primarily to support our service and delivery capabilities in the region, and to further expand our presence in the regional market through cooperation with local channel partners. In addition, we plan to establish global service and delivery center in Indonesia with an aggregate expected headcount of 2,000, and to expand in these local markets through cooperation with local channel partners and the establishment of local subsidiaries.
- approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used to enhance our global branding, marketing, and collaboration capabilities — in particular,

  - approximately [REDACTED]% of the net [REDACTED] or approximately HK$[REDACTED] million, will be used to strengthen overseas branding and promotion; we plan to promote brand development and expand our global influence in overseas markets by increasing brand promotion efforts, deepening regional operations, and through cooperation with overseas media, advertising placements, industry-focused events, and business-focused activities. In particular, from 2026 to 2028, we plan to recruit and maintain a marketing team of 100 personnel, who will be primarily responsible for the marketing activities targeting large clients and are expected to possess experience in enterprise software sales and key account management;

  - approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used to build a comprehensive global network covering product collaboration partners, channel collaboration partners, and professional service collaboration partners; we plan to develop and upgrade our cooperation network and client operation network and establish an integrated collaboration partner network for partner support, operations, development and enablement, so as to strengthen collaboration with global partners.

- approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used to seek strategic cooperation, investment, and acquisition opportunities that we consider may enhance our offerings, primarily through the integration of advanced products and technologies in enterprise IT consulting and digital solution services to strengthen our technology and research and development capabilities, thereby supporting our expansion into new vertical industries, or invest in new technologies and business areas complementary to our existing businesses;

  In selecting target companies, we primarily focus on companies engaged in (i) upstream AI enterprise applications, namely AI technology and application companies with capabilities that are complementary to our existing business, including (a) companies with AI foundational technologies, infrastructure, or development tools that we may use to further develop specific application functions for our solutions, such as AI computing resource scheduling tools and AI development platforms and (b) companies with industry-specific and ready-to-use AI applications that may complement our existing solutions, such as AI-based quality inspection, production optimization, logistics and supply chain optimization, digital twin applications, and enterprise AI agents; (ii) downstream enterprise-oriented embodied intelligence applications; (iii) overseas enterprise services; and (iv) specialized consulting in verticals such as quality management and logistics management. According to Frost & Sullivan, as of the Latest Practicable Date, there were approximately 100–200 suitable targets in the market that met the above selection criteria.

- approximately [REDACTED]% of the net [REDACTED], or approximately HK$[REDACTED] million, will be used for working capital and other general corporate purposes.

If the [REDACTED] is set at the high point or the low point of the [REDACTED] range, the net [REDACTED] of the [REDACTED] will increase or decrease by HK$[REDACTED] million, respectively. Under such circumstances, we will increase or decrease the allocation of the net [REDACTED] to the above purposes on a pro rata basis.

If the [REDACTED] is exercised in full, the additional net [REDACTED] of the [REDACTED] will be HK$[REDACTED] million, based on an assumed [REDACTED] of HK$[REDACTED] per Share, being the mid-point of the [REDACTED] range of HK$[REDACTED] to HK$[REDACTED] per Share. Our Company may be required to issue up to an aggregate of [REDACTED] additional Shares pursuant to the [REDACTED].

To the extent that the net [REDACTED] of the [REDACTED] are not immediately required for the above purposes or if we are unable to put into effect any part of our plan as intended, we will only hold such funds in short-term interest-bearing accounts at licensed commercial banks or other authorized financial institutions (as defined under the Securities and Futures Ordinance or other applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

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HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

The following is the text of a report set out on pages [•] to [•], received from the Company's reporting accountants, BDO Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document. It is prepared and addressed to the directors of the Company and to the Sole Sponsor pursuant to the requirements of Hong Kong Standard on Investment Circular Reporting Engagements 200, "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF HAND ENTERPRISE SOLUTIONS CO., LTD.

Guotai Junan Securities (Hong Kong) Limited

INTRODUCTION

We report on the historical financial information of Hand Enterprise Solutions Co., Ltd. (the "Company") and its subsidiaries (together the "Group") set out on pages [•] to [•], which comprises the consolidated statements of financial position of the Group and the statements of the financial position of the Company as at December 31, 2023, 2024, 2025, and April 30, 2026, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended December 31, 2023, 2024, 2025, and the four months ended April 30, 2026 (the "Track Record Period") and material accounting policy information and other explanatory information (together the "Historical Financial Information"). The Historical Financial Information set out on pages [•] to [•] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [Date] (the "Document") in connection with the [REDACTED] of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

DIRECTORS' RESPONSIBILITY FOR HISTORICAL FINANCIAL INFORMATION

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

REPORTING ACCOUNTANTS' RESPONSIBILITY

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the Group's and the Company's financial position as at December 31, 2023, 2024, 2025, and April 30, 2026 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

REVIEW OF STUB PERIOD COMPARATIVE HISTORICAL FINANCIAL INFOMATION

We have reviewed the stub period comparative historical financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the four months ended 30 April 2025, and other explanatory information (together, the "Stub Period Comparative Historical Financial Information"). The directors of the Company are responsible for the preparation of the Stub Period Comparative Historical Financial Information in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Historical Financial Information based on our review. We conducted our review in accordance with International Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Historical Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-5 have been made.

Dividends

We refer to Note 17 to the Historical Financial Information which contains information about the dividends declared and paid by the Company in respect of the financial years ended December 31, 2023, 2024, 2025, and the four month ended April 30, 2026.

BDO Limited
Certified Public Accountants
[Director's name]
Practising Certificate Number [•]

Hong Kong
[Date]

I. HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is Historical Financial Information as of December 31, 2023, 2024, 2025, and April 30, 2026 and for each of the years then ended (the "Track Record Period") (the "Historical Financial Information") which forms an integral part of this accountants' report.

The consolidated financial statements of the Group for the years ended December 31, 2023, 2024 and 2025, and four months period ended 30 April 2026, on which Historical Financial Information is based, were audited by BDO Limited in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board ("Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended December 31,			Four months ended April 30,	
		2023	2024	2025	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Revenue	6	2,979,699	3,235,151	3,415,370	989,734	1,069,320
Cost of sales		(2,207,163)	(2,176,541)	(2,227,269)	(658,973)	(709,943)
Gross profit		772,536	1,058,610	1,188,101	330,761	359,377
Other income	7	48,919	30,425	35,093	6,420	14,009
Other gains and losses, net	8	53,422	15,323	(7,106)	26,383	(14,185)
Impairment losses	9	(73,340)	(52,474)	(74,882)	(27,400)	(27,176)
Selling expenses		(290,318)	(234,284)	(255,732)	(73,972)	(79,453)
Administrative expenses		(312,306)	(388,224)	(432,144)	(137,391)	(123,158)
Research and development expenses		(231,690)	(247,950)	(243,978)	(95,099)	(80,963)
Operating (loss)/profit		(32,777)	181,426	209,352	29,702	48,451
Finance income	11	38,367	40,463	37,660	11,564	6,288
Finance costs	12	(29,187)	(14,342)	(12,744)	(3,168)	(3,885)
Finance income, net		9,180	26,121	24,916	8,396	2,403
Share of results of associates	24	(30,493)	(19,871)	(7,718)	(3,795)	(4,054)
(Loss)/profit before tax	10	(54,090)	187,676	226,550	34,303	46,800
Income tax credit/(expense)	13	39,198	8,751	7,577	9,129	(475)
(Loss)/profit for the year/period		(14,892)	196,427	234,127	43,432	46,325
Other comprehensive income/(expense) for the year/period						
Items that may be reclassified subsequently to profit or loss:						
Exchange differences arising from translation of foreign operations		1,954	(5,603)	(1,577)	2,786	(1,080)
Change in fair value of cash flow hedge		1,479	(1,479)	—	—	—
		3,433	(7,082)	(1,577)	2,786	(1,080)
Item that will not be reclassified to profit or loss:						
Fair value change of equity instruments at fair value through other comprehensive income		250	1,768	22,691	—	4,203
Other comprehensive income/(expense) for the year/period, net of tax		3,683	(5,314)	21,114	2,786	3,123
Total comprehensive (expense)/income for the year/period		(11,209)	191,113	255,241	46,218	49,448
(Loss)/profit for the year/period attributable to:						
Owners of the Company		(16,041)	188,392	217,862	40,671	46,639
Non-controlling interests		1,149	8,035	16,265	2,761	(314)
		(14,892)	196,427	234,127	43,432	46,325
Total comprehensive (expense)/income attributable to:						
Owners of the Company		(12,390)	183,009	237,114	43,672	49,264
Non-controlling interests		1,181	8,104	18,127	2,546	184
		(11,209)	191,113	255,241	46,618	49,448
(Loss)/earnings per share attributable to owners of the Company						
Basic (RMB)	16	(0.02)	0.19	0.22	0.04	0.05
Diluted (RMB)	16	(0.02)	0.19	0.21	0.04	0.04

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As of December 31, 2023 RMB'000	2024 RMB'000	2025 RMB'000	As of April 30, 2026 RMB'000
Non-current assets					
Property, plant and equipment	19	426,830	419,350	404,889	398,109
Intangible assets	20	985,723	1,109,021	1,182,490	1,193,499
Right-of-use assets	21	38,578	34,134	42,644	41,490
Goodwill	22	97,063	114,215	114,215	114,215
Investments in associates	24	57,864	50,095	32,503	34,157
Financial assets at FVTPL	25	52,657	58,800	61,403	61,543
Financial assets at FVTOCI	25	634,601	651,680	683,970	688,319
Prepayments and other receivables	26	12,829	382	87	17
Deferred tax assets	27	191,863	209,599	222,962	224,668
Total non-current assets		**2,498,008**	**2,647,276**	**2,745,163**	**2,756,017**
Current assets					
Trade and bills receivables	26	1,202,854	1,396,496	1,501,925	1,631,005
Prepayments, deposits and other receivables	26	134,643	103,948	87,445	105,115
Inventories	28	297,209	220,624	223,252	248,444
Contract assets	29	272,077	268,245	271,845	312,137
Derivative financial instruments	25	1,511	—	—	—
Financial assets at FVTPL	25	17,005	—	—	743,822
Time deposits and certificates of deposits	31	335,791	518,968	282,386	302,719
Restricted bank deposits	31	1,512	3,008	5,139	5,853
Cash and cash equivalents	31	1,202,592	1,095,782	1,721,420	835,511
Total current assets		**3,465,194**	**3,607,071**	**4,093,412**	**4,184,606**
Total assets		**5,963,202**	**6,254,347**	**6,838,575**	**6,940,623**

	Notes	As of December 31, 2023 RMB'000	2024 RMB'000	2025 RMB'000	As of April 30, 2026 RMB'000
Current liabilities					
Trade payables	32	53,676	60,018	83,792	65,305
Other payables and accruals	32	383,529	366,729	349,518	251,621
Contract liabilities	33	156,391	176,186	160,768	160,587
Borrowings	34	396,000	398,798	426,204	577,412
Tax payables		1,971	2,592	2,628	3,753
Lease liabilities	35	6,004	3,624	7,314	7,289
Total current liabilities		**997,571**	**1,007,947**	**1,030,224**	**1,065,967**
Net current assets		**2,467,623**	**2,599,124**	**3,063,188**	**3,118,639**
Total assets less current liabilities		**4,965,631**	**5,246,400**	**5,808,351**	**5,874,656**
Non-current liabilities					
Lease liabilities	35	2,120	2,712	7,914	5,242
Deferred income	37	4,006	2,493	663	512
Deferred tax liabilities	27	106,119	115,299	117,029	116,943
Total non-current liabilities		**112,245**	**120,504**	**125,606**	**122,697**
NET ASSETS		**4,853,386**	**5,125,896**	**5,682,745**	**5,751,959**
Equity attributable to owners of the Company					
Share capital	38	984,342	984,846	1,022,503	1,023,472
Reserves	39	3,863,487	4,126,330	4,628,785	4,696,846
		4,847,829	5,111,176	5,651,288	5,720,318
Non-controlling interests		5,557	14,720	31,457	31,641
TOTAL EQUITY		**4,853,386**	**5,125,896**	**5,682,745**	**5,751,959**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company												
	Share capital *RMB'000 (note 38)*	**Share premium** *RMB'000 (note 39)*	**Treasury shares** *RMB'000 (note 39)*	**Other reserve** *RMB'000 (note 39)*	**Share option reserve** *RMB'000 (note 39)*	**Translation reserve** *RMB'000 (note 39)*	**Investment revaluation reserve** *RMB'000 (note 39)*	**Cash flow hedge reserve** *RMB'000 (note 39)*	**Statutory reserve** *RMB'000 (note 39)*	**Retained earnings** *RMB'000*	**Sub-total** *RMB'000*	**Non-controlling interests** *RMB'000*	**Total** *RMB'000*
As at January 1, 2023	867,927	675,144	(69,792)	180,482	48,143	(1,984)	12,886	—	228,660	2,018,320	3,959,786	(1,040)	3,958,746
(Loss)/profit for the year	—	—	—	—	—	—	—	—	—	(16,041)	(16,041)	1,149	(14,892)
Other comprehensive income for the year:													
Items that may be reclassified subsequently to profit or loss:													
Exchange differences arising from translation of foreign operations	—	—	—	—	—	1,922	—	—	—	—	1,922	32	1,954
Change in fair value of cash flow hedge	—	—	—	—	—	—	—	1,479	—	—	1,479	—	1,479
Items that will not be reclassified subsequently to profit or loss:													
Fair value change on equity instruments as financial assets at FVOCI, net of deferred tax	—	—	—	—	—	—	250	—	—	—	250	—	250
Other comprehensive income for the year	—	—	—	—	—	1,922	250	1,479	—	—	3,651	32	3,683
Total comprehensive income/ (expense) for the year	—	—	—	—	—	1,922	250	1,479	—	(16,041)	(12,390)	1,181	(11,209)
Issuance of new shares:													
— Upon exercise of options under share option schemes *(note 40)*	21,320	147,628	—	—	—	—	—	—	—	—	168,948	—	168,948
— Upon conversion of convertible bonds *(note 36)*	95,095	910,385	—	(170,046)	—	—	—	—	—	—	835,434	—	835,434
Repurchase of treasury shares for dividend distribution *(note 40)*	—	—	(48,083)	—	—	—	—	—	—	—	(48,083)	—	(48,083)
Granting of shares under 2023 ESOP *(note 39)*	—	(36,346)	36,346	—	—	—	—	—	—	—	—	—	—
Share-based payment *(note 40)*	—	—	—	—	(303)	—	—	—	—	—	(303)	—	(303)
Vesting of share options *(note 40)*	—	560	—	—	(560)	—	—	—	—	—	—	—	—
Contribution from non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	7,705	7,705
Disposal of interest in a subsidiary	—	—	—	(482)	—	—	—	—	—	—	(482)	—	(482)
Dividends paid to shareholders of the Company	—	—	—	—	—	—	—	—	—	(57,518)	(57,518)	—	(57,518)
Disposal of partial interests in subsidiaries	—	—	—	2,437	—	—	—	—	—	—	2,437	(2,289)	148
As at December 31, 2023	984,342	1,697,371	(81,529)	12,391	47,280	(62)	13,136	1,479	228,660	1,944,761	4,847,829	5,557	4,853,386

	Attributable to owners of the Company												
	Share capital *RMB'000 (note 38)*	**Share premium** *RMB'000 (note 39)*	**Treasury shares** *RMB'000 (note 39)*	**Other reserve** *RMB'000 (note 39)*	**Share option reserve** *RMB'000 (note 39)*	**Translation reserve** *RMB'000 (note 39)*	**Investment revaluation reserve** *RMB'000 (note 39)*	**Cash flow hedge reserve** *RMB'000 (note 39)*	**Statutory reserve** *RMB'000 (note 39)*	**Retained earnings** *RMB'000*	**Sub-total** *RMB'000*	**Non-controlling interests** *RMB'000*	**Total** *RMB'000*
As at January 1, 2024	984,342	1,697,371	(81,529)	12,391	47,280	(62)	13,136	1,479	228,660	1,944,761	4,847,829	5,557	4,853,386
Profit for the year	—	—	—	—	—	—	—	—	—	188,392	188,392	8,035	196,427
Other comprehensive (expense)/ income for the year:													
Items that may be reclassified subsequently to profit or loss:													
Exchange differences arising from translation of foreign operations	—	—	—	—	—	(5,672)	—	—	—	—	(5,672)	69	(5,603)
Change in fair value of cash flow hedge	—	—	—	—	—	—	—	(1,479)	—	—	(1,479)	—	(1,479)
Items that will not be reclassified subsequently to profit or loss:													
Fair value change on equity instruments as financial assets at FVOCI, net of deferred tax	—	—	—	—	—	—	1,768	—	—	—	1,768	—	1,768
Other comprehensive (expense)/ income for the year	—	—	—	—	—	(5,672)	1,768	(1,479)	—	—	(5,383)	69	(5,314)
Total comprehensive (expense)/ income for the year	—	—	—	—	—	(5,672)	1,768	(1,479)	—	188,392	183,009	8,104	191,113
Issuance of new shares:													
— Upon exercise of options under share options schemes *(note 40)*	504	3,372	—	—	—	—	—	—	—	—	3,876	—	3,876
Granting of shares under 2023 ESOP *(note 39)*	—	(22,936)	22,936	—	—	—	—	—	—	—	—	—	—
Share-based payment *(note 40)*	—	—	—	—	77,234	—	—	—	—	—	77,234	—	77,234
Vesting of share options *(note 40)*	—	10,646	—	—	(10,646)	—	—	—	—	—	—	—	—
Capital injection from a non-controlling interest	—	—	—	—	—	—	—	—	—	—	—	10,000	10,000
Share of reserves in associates *(note 24)*	—	—	—	173	—	—	—	—	—	—	173	—	173
Appropriation to statutory reserve	—	—	—	—	—	—	—	—	15,655	(15,655)	—	—	—
Dividends paid to shareholders of the Company and non-controlling interests of a subsidiary	—	—	—	—	—	—	—	—	—	(19,636)	(19,636)	(3,933)	(23,569)
Acquisition of interest in a subsidiary	—	—	—	18,691	—	—	—	—	—	—	18,691	(5,008)	13,683
As at December 31, 2024	984,846	1,688,453	(58,593)	31,255	113,868	(5,734)	14,904	—	244,315	2,097,862	5,111,176	14,720	5,125,896

	Attributable to owners of the Company											
	Share capital *RMB'000 (note 38)*	**Share premium** *RMB'000 (note 39)*	**Treasury shares** *RMB'000 (note 39)*	**Other reserve** *RMB'000 (note 39)*	**Share option reserve** *RMB'000 (note 39)*	**Translation reserve** *RMB'000 (note 39)*	**Investment revaluation reserve** *RMB'000 (note 39)*	**Statutory reserve** *RMB'000 (note 39)*	**Retained earnings** *RMB'000*	**Sub-total** *RMB'000*	**Non-controlling interests** *RMB'000*	**Total** *RMB'000*
As at January 1, 2025	984,846	1,688,453	(58,593)	31,255	113,868	(5,734)	14,904	244,315	2,097,862	5,111,176	14,720	5,125,896
Profit for the year	—	—	—	—	—	—	—	—	217,862	217,862	16,265	234,127
Other comprehensive (expense)/ income for the year:												
Items that may be reclassified subsequently to profit or loss:												
Exchange differences arising from translation of foreign operations	—	—	—	—	—	(1,693)	—	—	—	(1,693)	116	(1,577)
Items that will not be reclassified subsequently to profit or loss:												
Fair value change on equity instruments as financial assets at FVOCI, net of deferred tax	—	—	—	—	—	—	20,945	—	—	20,945	1,746	22,691
Other comprehensive (expense)/ income for the year	—	—	—	—	—	(1,693)	20,945	—	—	19,252	1,862	21,114
Total comprehensive (expense)/income for the year	—	—	—	—	—	(1,693)	20,945	—	217,862	237,114	18,127	255,241
Issuance of new shares:												
— Upon exercise of options under share options schemes *(note 40)*	37,657	164,530	—	—	—	—	—	—	—	202,187	—	202,187
Exercise of shares under 2023 ESOP *(note 39)*	—	—	53,710	—	—	—	—	—	—	53,710	—	53,710
Share-based payment *(note 40)*	—	—	—	—	91,416	—	—	—	—	91,416	—	91,416
Vesting of share options *(note 40)*	—	84,614	—	—	(84,614)	—	—	—	—	—	—	—
Contribution from non-controlling interest	—	—	—	2,550	—	—	—	—	—	2,550	2,450	5,000
Share of reserves in associates *(note 24)*	—	—	—	256	—	—	—	—	—	256	—	256
Disposal of interest in an associate	—	—	—	61	—	—	—	—	—	61	—	61
Appropriation to statutory reserve	—	—	—	—	—	—	—	20,054	(20,054)	—	—	—
Dividends paid to shareholders of the Company and non-controlling interests of a subsidiary	—	—	—	—	—	—	—	—	(47,182)	(47,182)	(3,840)	(51,022)
As at December 31, 2025	1,022,503	1,937,597	(4,883)	34,122	120,670	(7,427)	35,849	264,369	2,248,488	5,651,288	31,457	5,682,745

	Attributable to owners of the Company											
	Share capital *RMB'000 (note 38)*	Share premium *RMB'000 (note 39)*	Treasury shares *RMB'000 (note 39)*	Other reserve *RMB'000 (note 39)*	Share option reserve *RMB'000 (note 39)*	Translation reserve *RMB'000 (note 39)*	Investment revaluation reserve *RMB'000 (note 39)*	Statutory reserve *RMB'000 (note 39)*	Retained earnings *RMB'000*	Sub-total *RMB'000*	Non-controlling interests *RMB'000*	Total *RMB'000*
As at January 1, 2025	984,846	1,688,453	(58,593)	31,255	113,868	(5,734)	14,904	244,315	2,097,862	5,111,176	14,720	5,125,896
Profit for the period	—	—	—	—	—	—	—	—	40,671	40,671	2,761	43,432
Other comprehensive income for the period:												
Items that may be reclassified subsequently to profit or loss:												
Exchange differences arising from translation of foreign operations	—	—	—	—	—	3,001	—	—	—	3,001	(215)	2,786
Other comprehensive (expense)/income for the period	—	—	—	—	—	3,001	—	—	—	3,001	(215)	2,786
Total comprehensive income for the period	—	—	—	—	—	3,001	—	—	40,671	43,672	2,546	46,218
Issuance of new shares:												
Share-based payment *(note 40)*	—	—	—	—	37,420	—	—	—	—	37,420	—	37,420
Contribution from non-controlling interest	—	—	—	2,550	—	—	—	—	—	2,550	2,450	5,000
As at April 30, 2025 (unaudited)	984,846	1,688,453	(58,593)	33,805	151,288	(2,733)	14,904	244,315	2,138,533	5,194,818	19,716	5,214,534

	Attributable to owners of the Company											
	Share capital *RMB'000 (note 38)*	**Share premium** *RMB'000 (note 39)*	**Treasury shares** *RMB'000 (note 39)*	**Other reserve** *RMB'000 (note 39)*	**Share option reserve** *RMB'000 (note 39)*	**Translation reserve** *RMB'000 (note 39)*	**Investment revaluation reserve** *RMB'000 (note 39)*	**Statutory reserve** *RMB'000 (note 39)*	**Retained earnings** *RMB'000*	**Sub-total** *RMB'000*	**Non-controlling interests** *RMB'000*	**Total** *RMB'000*
As at January 1, 2026	1,022,503	1,937,597	(4,883)	34,122	120,670	(7,427)	35,849	264,369	2,248,488	5,651,288	31,457	5,682,745
Profit for the period	—	—	—	—	—	—	—	—	46,639	46,639	(314)	46,325
Other comprehensive (expense)/income for the period:												
Items that may be reclassified subsequently to profit or loss:												
Exchange differences arising from translation of foreign operations	—	—	—	—	—	(1,149)	—	—	—	(1,149)	69	(1,080)
Items that will not be reclassified subsequently to profit or loss:												
Fair value change on equity instruments as financial assets at FVOCI, net of deferred tax	—	—	—	—	—	—	3,774	—	—	3,774	429	4,203
Other comprehensive (expense)/income for the period	—	—	—	—	—	(1,149)	3,774	—	—	2,625	498	3,123
Total comprehensive (expense)/income for the period	—	—	—	—	—	(1,149)	3,774	—	46,639	49,264	184	49,448
Issuance of new shares:												
— Upon exercise of options under share options schemes *(note 40)*	969	6,434	—	—	—	—	—	—	—	7,403	—	7,403
Share-based payment *(note 40)*	—	—	—	—	12,363	—	—	—	—	12,363	—	12,363
As at April 30, 2026	1,023,472	1,944,031	(4,883)	34,122	133,033	(8,576)	39,623	264,369	2,295,127	5,720,318	31,641	5,751,959

CONSOLIDATED STATEMENTS OF CASH FLOWS

	As of December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
OPERATING ACTIVITIES					
(Loss)/profit before tax	(54,090)	187,676	226,550	34,303	46,800
Adjustments for:					
Impairment losses/(reversal of impairment losses) on inventories	7,478	(13,521)	(7,320)	327	(5,485)
(Reversal of impairment losses)/ impairment loss on contract assets	(20,834)	9,417	2,015	5,796	6,225
Depreciation of property, plant and equipment	13,311	17,103	18,455	6,001	5,870
Depreciation of right-of-use assets	11,935	10,244	9,714	2,549	3,521
Amortization of intangible assets	114,658	133,338	151,068	49,436	56,452
Impairment losses on trade and bills receivables	98,845	46,943	74,517	20,156	19,074
(Reversal of impairment losses)/ impairment losses on other receivables	(4,671)	(3,886)	(1,650)	1,448	1,877
Net gains from changes in fair value of financial assets at FVTPL	(26,696)	(6,143)	(103)	—	(3,811)
Fair value gain of financial derivative instruments	(2,606)	—	—	—	—
Loss/(gain) from disposal of entire interest in an associate	775	—	6,173	—	(69)
Remeasurement gain from an associate to a subsidiary	—	(19,495)	—	—	—
Net gains from disposal of financial assets at FVTPL	(785)	—	(1,849)	—	(966)
Gain on deemed disposal of partial interests in associates	(9,339)	—	—	—	—
Dividend income from equity investment measured at FVTPL and FVTOCI	(4,039)	(1,449)	(3,224)	(626)	(37)
Share of results of associates	30,493	19,871	7,718	3,795	4,054
Share-based payment expense	(303)	77,234	91,416	37,420	12,363
Interest expenses	28,301	13,635	11,877	2,763	3,562
(Gain)/loss on disposal of property, plant and equipment, intangible assets and early termination of right-of-use assets	(141)	249	(41)	(53)	—
Others	346	1	—	—	—
Exchange (gains)/losses	(10,937)	11,516	7,410	(24,404)	19,069
Operating cash flows before movements in working capital	171,701	482,733	592,726	138,911	168,499
Decrease/(increase) in receivables	23,084	(196,774)	(159,742)	(120,052)	(208,366)
Increase/(decrease) in payables	74,693	(56,919)	52,549	(58,915)	(116,716)
(Increase)/decrease in inventories	(54,581)	108,300	4,692	(27,806)	(19,707)
Decrease/(increase) in restricted bank deposits	4,661	(1,851)	(2,131)	449	(714)
Cash generated from/(used in) operations	219,558	335,489	488,094	(67,413)	(177,004)
Income taxes paid	(895)	(3,534)	(8,619)	(1,844)	(1,289)
Net cash generated from/(used in) operating activities	218,663	331,955	479,475	(69,257)	(178,293)

	As of December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
INVESTMENT ACTIVITIES					
(Payments for)/proceeds from acquisition of subsidiaries, net of cash acquired	(1,532)	1,776	—	—	—
Purchase of investments in associates	(8,000)	(11,000)	(77)	(77)	—
Proceeds from recovery of term deposits and certificates of deposits	150,575	215,807	249,163	—	—
Placement of term deposits and certificates of deposits	(486,930)	(393,745)	—	(23,792)	(26,566)
Proceeds from disposal of property, plant and equipment and intangible assets	608	94	203	185	—
Payments for purchase of property, plant and equipment and intangible assets	(274,101)	(230,315)	(226,542)	(68,273)	(67,698)
Proceeds from disposal of interest in an associate	—	—	4,000	—	69
Interest received	1,193	—	—	—	—
Dividends received	4,039	1,449	3,224	626	37
Proceeds from disposal of financial assets at FVTPL	10,551	1,884,213	3,179,650	936,630	1,018,089
Purchase of financial assets at FVTPL and FVTOCI	(27,120)	(1,880,904)	(3,194,925)	(1,183,047)	(1,750,564)
Net cash (used in)/generated from investing activities	(630,717)	(412,625)	14,696	(337,748)	(826,632)
FINANCING ACTIVITIES					
Proceeds from share schemes	195,720	26,225	202,187	—	7,403
Capital injection by non-controlling interests	552	10,000	5,000	5,000	—
Payments for repurchase of shares	(48,083)	—	—	—	—
Proceeds from borrowings	840,464	705,823	591,999	145,435	255,543
Repayments of borrowings	(882,129)	(708,711)	(564,547)	(83,880)	(105,000)
Prepayment for [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Payment for redemption of convertible bonds	(2,913)	—	—	—	—
Interests paid	(17,457)	(11,805)	(11,579)	(2,797)	(2,765)
Dividends paid to the Company's shareholders	(57,755)	(19,636)	(47,182)	—	—
Dividends paid to non-controlling interests in subsidiaries	—	(3,933)	(3,840)	—	—
Repayment of lease liabilities	(13,921)	(7,662)	(9,325)	(1,883)	(5,064)
Interest paid for lease liabilities	(225)	(407)	(344)	(18)	(132)
Net cash generated from/(used in) financing activities	14,253	(10,106)	154,998	61,857	137,995
Net (decrease)/increase in cash and cash equivalents	(397,801)	(90,776)	649,169	(345,148)	(866,930)
Cash and cash equivalents at the beginning of the year/period	1,582,533	1,202,592	1,095,782	1,095,782	1,721,420
Effect of exchange rate changes	17,860	(16,034)	(23,531)	25,126	(18,979)
Cash and cash equivalents at the end of the year/period, represented by bank balance and cash	1,202,592	1,095,782	1,721,420	775,760	835,511

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As of December 31, 2023 RMB'000	2024 RMB'000	2025 RMB'000	As of April 30, 2026 RMB'000
Non-current assets					
Property, plant and equipment	19	252,454	245,469	236,355	233,158
Intangible assets	20	902,046	1,002,894	1,087,643	1,104,046
Right-of-use assets	21	38,282	32,676	40,451	37,507
Investments in subsidiaries	23	723,429	767,521	783,521	783,521
Investments in associates	24	33,727	25,029	13,919	14,950
Financial assets at FVTPL	25	52,657	58,800	61,403	61,543
Financial assets at FVTOCI	25	344,951	347,030	369,260	373,109
Prepayments and other receivables	26	2,983	366	87	17
Deferred tax assets	27	189,894	202,777	213,524	215,653
Total non-current assets		2,540,423	2,682,562	2,806,163	2,823,504
Current assets					
Trade and bills receivables	26	1,013,110	1,155,684	1,227,964	1,345,519
Prepayments, deposits and other receivables	26	113,625	70,802	64,736	85,030
Amount due from subsidiaries	18	1,287,743	1,335,033	1,337,660	1,336,105
Inventories	28	281,726	197,538	224,955	251,556
Contract assets	29	268,677	260,559	267,887	308,903
Financial assets at FVTPL	25	—	—	—	430,691
Term deposits and certificates of deposits	31	66,932	85,000	—	20,000
Restricted bank deposits	31	1,350	2,560	3,090	3,738
Cash and cash equivalents	31	521,661	586,688	1,013,723	448,039
Total current assets		3,554,824	3,693,864	4,140,015	4,229,582
Total assets		6,095,247	6,376,426	6,946,178	7,053,086

	Notes	As of December 31, 2023 RMB'000	2024 RMB'000	2025 RMB'000	As of April 30, 2026 RMB'000
Current liabilities					
Trade payables	32	32,778	34,570	49,927	42,633
Other payables and accruals	32	270,999	254,246	222,462	157,644
Amounts due to subsidiaries	18	525,433	568,339	600,916	575,675
Contract liabilities	33	132,795	135,168	139,203	139,771
Borrowings	34	396,000	393,798	421,204	570,412
Lease liabilities	35	5,675	3,355	6,356	5,675
Total current liabilities		1,363,680	1,389,476	1,440,068	1,491,810
Net current assets		2,191,144	2,304,388	2,699,947	2,737,772
Total assets less current liabilities		4,731,567	4,986,950	5,506,110	5,561,276
Non-current liabilities					
Lease liabilities	35	2,120	1,513	6,733	2,909
Deferred income	37	4,006	2,493	663	512
Deferred tax liabilities	27	51,055	52,725	57,349	57,953
Total non-current liabilities		57,181	56,731	64,745	61,374
NET ASSETS		4,674,386	4,930,219	5,441,365	5,499,902
Equity attributable to owners of the Company					
Share capital	38	984,342	984,846	1,022,503	1,023,472
Reserves	39	3,690,044	3,945,373	4,418,862	4,476,430
TOTAL EQUITY		4,674,386	4,930,219	5,441,365	5,499,902

II NOTES TO HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

Hand Enterprise Solutions Co., Ltd. (the "Company") was incorporated in the People's Republic of China (the "PRC") in 2002. The Company has its primary listing on ChiNex of the Shenzhen Stock Exchange (Stock code: 300170). The address of its registered office is No. 33, Huilian Road, Qingpu District, Shanghai, the PRC.

The Company and its subsidiaries (collectively, the "Group"), are principally engaged in provision of industry and finance digitalization solutions, enterprise resources planning (ERP) consulting and implementation services and information technology outsourcing (ITO) services.

As at April 30, 2026, the Company's largest shareholder is Mr. Chen Diqing, Chairman and executive director of the Company. He holds 5.2% of the total issued share capital of the Company immediately before the proposed [REDACTED] of the Company in Main Board of the Hong Kong Stock Exchange.

2. BASIS OF PREPARATION

The Historical Financial Information has been prepared based on the material accounting policies set out in Note 4 which conform with all applicable IFRS Accounting Standards which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("IAS") and Interpretations issued by International Accounting Standards Board ("IASB"). In addition, the Historical Financial Information also complies with the applicable disclosures requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The IASB has issued a number of new and revised IFRSs. For the purpose of preparing the Historical Financial Information, the Group has adopted the accounting policies which conform with all applicable new and revised IFRS Accounting Standards that are effective during the Track Record Period, consistently throughout the Track Record Period.

3. APPLICATION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

At the date of this report, a number of new and amendments to IFRS Accounting Standards have been issued but are not effective and have not been early adopted by the Group:

New and amendments to IFRS Accounting Standards issued but not yet effective

Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[1]
IFRS 18	Presentation and Disclosure in Financial Statements[1]
IFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures[1]
Amendments to IFRS 10 and IAS 28	Sale or contribution of Assets between an Investor and its Associate or Joint Venture[2]
IFRS 20	Regulatory Assets and Regulatory Liabilities[3]

[1] Effective for annual periods beginning on or after January 1, 2027
[2] Effective date to be determined.
[3] Effective for annual periods beginning on or after January 1, 2029

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application, IFRS 18 introduces new requirements for presentation within the statements of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statements of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals, It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. The new requirements are expected to impact the Group's presentation of the statements of profit or loss and disclosures of the Group's financial performance. So far, the Group considers that the impact of these new and amended standards will not be material on the Group's results of operations and financial position.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The Historical Financial Information has been prepared on the historical cost basis except for certain financial assets at FVTOCI, financial assets at FVTPL and financial derivative instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

(a) Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee:
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests ("NCI") even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

NCI in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

(b) Business combinations

Acquisitions of businesses, other than business combination under common control, are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 "Income Taxes" and IAS 19 "Employee Benefits", respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 "Share-based Payment" at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net of the acquisition date amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets or at fair value.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that does not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognized in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income and measured under IFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting year in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement year (see above), and additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

(c) Investments in subsidiaries

Investments in subsidiaries are stated at cost less any identified impairment loss on the statements of financial position of the Company.

(d) Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not to control or to have joint control over these investee.

The results and assets and liabilities of associates are incorporated in the Historical Financial Information using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an interest in an associate is initially recognized in the consolidated statements of financial position at cost and adjusted thereafter to recognized the Group's share of the profit or loss and other comprehensive income of the associate.

The Group discontinues the use of the equity method from the date when its investment becomes a subsidiary, and the Group's interest in the associate is remeasured to fair value at the date when the Group obtains control, and the resulting gain or loss, if any, is recognized in profit or loss.

(e) Revenue recognition and other income

(i) Provision of services and sales of goods

Revenue from the sale of hardware and software is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. For contracts requiring the installation of hardware and software, revenue is recognised at the point in time when receipt of satisfaction acknowledgement from customers is obtained.

Revenue related to implementation services and other services are recognized over a period time when the service contract can meet one or more than one of below 3 criteria: (i) the customers simultaneously receive and consume the benefit provided the Group's performance as the Group perform; or (ii) the customers can control the assets as the assets created or enhanced by the Group; or (iii) the Group's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

For those service contracts not meeting any of the above criteria (i), (ii) and (iii), revenue is recognized at a point in time upon completion of the service and receipt of customer's acknowledgement.

The Group recognizes revenue from the sale of products and the provision of services based on their nature and the corresponding contractual arrangements agreed with the Group's customers. The revenue contracts with the Group's customers primarily include contracts with a fixed price and contracts without a fixed price. Contracts with a fixed price refer to contracts under which the customer and the Group agree on a defined scope of work and a specified contract amount, with settlements generally made based on the completion of agreed milestones.

Contracts with fixed price are further divided into (i) IT consulting services (implementation) related to proprietary software and (ii) third-party software:

(i) For IT consulting services (implementation) of proprietary software, due to the source code and framework are not open to the public, even engineers with similar technical knowledge and skills are unlikely be able to fully understand the frameworks, designs and source codes upon taking up the work-in-progress performed by the Group before completion of the contracts. Accordingly, the engineers are required to reperform the work procedures from the beginning. Under such circumstance, the customers cannot obtain any benefits until completion of the contract and the Group has no enforceable right to payment for performance obligations completed to date throughout the contract period. Therefore for proprietary software IT consulting services in which the scope of works and contract price have been formally agreed, revenue is recognized at a point in time upon completion of the service and client acknowledgment.

(ii) For IT consulting services (implementation) of most of the third-party software, there are well developed framework, including scope of works, requirements of deliverables, as well as implementation methods and development tools. A third-party engineer with similar skills and knowledge is able to take over and continue the project according to the standardized methodology without reperforming the technical services and works completed by the Group. Due to the nature of service provided by the Group, the customer is able to control the work-in-progress during the performance process and obtains benefits as the services are provided. Accordingly revenue is recognized according to the progress of performance over a period of time even though the contract is with fixed price. The progress is determined by the percentage of labour costs incurred to date as compared with the total estimated labour costs.

Contracts without a fixed price generally do not specify a fixed scope of work or contract amount. Instead, such contracts set out the applicable man-day rates for our engineers of different levels, and the Group assign engineers with appropriate number and levels of seniority based on the customer's requirements. Billings under such contracts are generally made periodically based on the applicable man-day rates and the actual number of man-days incurred.

Revenue recognized at a point in time primarily consists of sales of goods, including software and hardware, and implementation services for proprietary software under contracts with a fixed price. Revenue recognized over time represented provision of services other than implementation for proprietary software under contracts with a fixed price.

(ii) Interest income

Interest income is recognized on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

(iii) Dividend income

Dividend income is recognized when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow the Group and the amount of the dividend can be measured reliably.

(f) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined specifically and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realizable value represents the estimate selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

(g) Leasing

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently change.

The Group as lessee

The Group capitalized in the consolidated statements of financial position as right-of-use assets and lease liabilities for all leases except for (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

The Group also applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

Right-of-use assets

The right-of-use asset is recognized at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability. Depreciation is provided using the straight-line method from the commencement date over the shorter of the lease term or the useful life of the underlying asset. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The Group presents right-of-use asset separately in the consolidated statements of financial position.

Lease liabilities

The lease liability is recognized at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate. The Group presents lease liability separately in the consolidated statements of financial position.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in-substance in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component. The associated non-lease components are included in the respective lease components.

(h) Foreign currencies

(i) Functional and presentation currency

The Historical Financial Information is presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the Historical Financial Information of each entity are presented using RMB.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognized in other comprehensive income.

On disposal of a foreign operation, the cumulative exchange differences recognized in the foreign exchange reserve relating to that operation up to the date of disposal are transferred to the consolidated statement of comprehensive income as part of the profit or loss on disposal.

(i) Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire property, plant and equipment are recognized as deferred income in the consolidated statements of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

(j) Retirement benefit costs

The Group contributes toward retirement income protection for its employees through the provision of defined contribution plans, and/or contributions to various public retirement schemes in certain jurisdictions.

The Company's subsidiaries in the PRC participates in state-managed retirement benefit schemes, which are defined contribution schemes, pursuant to which the Group pays a fixed percentage of its staff's wages as contributions to the plans. Payments to such retirement benefit schemes are recognized as an expense when employees have rendered service entitling them to the contributions. The Company also makes payments to other defined contribution plans for the benefit of employees employed by subsidiaries outside of the PRC.

(k) Short-term employee benefits

Short-term employee benefits are recognized at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognized as an expense unless another IFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognized for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

(l) Taxation

Income tax expense represents the sum of the current tax and deferred tax. Current and deferred tax is recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries or associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period and the tax rate and tax base that are consistent with manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

(m) Property, plant and equipment

Property, plant and equipment other than construction in progress are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are recognized as an expense in profit or loss during the period in which they are incurred.

Property, plant and equipment are depreciated so as to write off their cost net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives and residual values are as follows:

Property and buildings	19–40 years	residual value of 10%
Machinery	3–5 years	residual value of 10%
Transportation vehicles	5 years	residual value of 10%
Furniture, fixtures and equipment	5 years	residual value of 10%
Leasehold improvement	5 years	No residual value

(n) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a business combination is its fair value at the date of acquisition. Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortization and any accumulated impairment losses. Amortization is provided on a straight-line basis over their estimated useful lives as follows:

Computer software	1–8 years
Software copyright	4–10 years

The estimated useful lives and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(o) Research and development costs

Expenditure on internally developed products is capitalized if it can be demonstrated that:

a. it is technically feasible to develop the product for it to be sold;

b. adequate resources are available to complete the development;

c. there is an intention to complete and sell the product;

d. the Group is able to sell the product; and

e. sale of the product will generate future economic benefits; and expenditure on the project can be measured reliably.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognized in profit or loss as incurred.

(p) Impairment losses on tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets other than goodwill which with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of value in use and fair value less costs of disposal. In assessing value in use, the estimated future cash flows of the asset (or the cash-generating unit) are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or the cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or the cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or the cash-generating unit) in prior periods. A reversal of an impairment loss is recognized immediately in profit or loss.

(q) Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument.

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

A financial asset is measured at amortized cost if it is not designated as at FVTPL, it is held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. These assets are subsequently measured at amortized cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss.

The Group has a number of strategic investments in unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. For those investments, the Group has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Group considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating interest income or interest expense over the Track Record Period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

Impairment loss on financial assets

The Group recognizes a loss allowance for expected credit loss ("ECL") on financial assets which are subject to impairment under IFRS 9 "Financial Instruments". The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group has elected to measure loss allowances for trade receivables and contract assets using IFRS 9 simplified approach and always recognizes lifetime ECL for trade receivables and contract assets. Apart from trade receivables and contract assets that are assessed as credit-impaired when one or more events that have a detrimental impact of the estimated cash flows have occurred, the ECL on these financial assets are assessed collectively using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For other financial instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in the credit risk since initial recognition or evidence that a financial asset is credit-impaired, then the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as of the reporting date with the risk of a default occurring on the financial instrument as of the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future

prospects of the industries in which the Group's debtors operate obtained from economic expert reports, financial analysts and governmental bodies, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, or the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default to have occurred when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 1 year past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off

may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries made are recognized in profit or loss.

Measurement and recognition of ECL

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. The Group assess (i) whether the trade receivables and contract assets are credit-impaired based on whether one or more events have a detrimental impact on the estimated future cash flows; and (ii) use provision matrix, taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effort. In respect of other financial assets, the measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Where ECL is measured on a collective basis to cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade receivables, other receivables are each assessed as a separate group.);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Group recognizes an impairment gain or loss in profit or loss for financial assets measured at amortized cost by adjusting their carrying amount through a loss allowance account. For debt instrument measured at FVOCI, the loss allowance is recognized in other comprehensive income and accumulated in FVOCI reserve.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group shall continue to recognize the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay. When the Group's continuing involvement takes the form of guaranteeing the transferred asset, the extent of the entity's continuing involvement is the lower of carrying amount of the asset and the maximum amount of the consideration received that the Group could be required to repay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of a debt instrument classified as at FVOCI, the cumulative gain or loss previously accumulated in the FVOCI reserve is reclassified to profit or loss.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as measured at amortized cost. Financial liabilities are subsequently measured at amortized cost under the effective interest method. Interest expense (unless they are eligible for capitalization) and foreign exchange gains and losses are recognized in profit or loss.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

(iii) Financial derivative instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risk and interest rate risk, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of commodity purchase contracts that meet the definition of a derivative as defined by IFRS 9 is recognised in the statement of profit or loss as cost of sales. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost. Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment; or
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is "an economic relationship" between the hedged item and the hedging instrument.
- The effect of credit risk does not "dominate the value changes" that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges which meet all the qualifying criteria for hedge accounting are accounted for as follows:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item. The amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in other comprehensive income for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment to which fair value hedge accounting is

applied. For any other cash flow hedges, the amount accumulated in other comprehensive income is reclassified to the statement of profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect the statement of profit or loss. If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the statement of profit or loss as a reclassification adjustment. After the discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income is accounted for depending on the nature of the underlying transaction as described above.

(r) Provisions and contingent liabilities

Provisions are recognized for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Provisions for the expected cost of assurance-type warranty obligations under the relevant contracts with customers for sales of products are recognized at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(s) Share-based payments

The Company operates several restricted share schemes. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("equity-settled transactions"). The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a black-scholes model, further details of which are given in note 40.

The cost of equity-settled transactions is recognized in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognized. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

(t) Convertible bonds

Convertible bonds If the conversion option or any other embedded feature of convertible bonds exhibits characteristics of an embedded derivative, it is separated from its liability component. A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. On initial recognition, the derivative component of the convertible bonds is measured at fair value. Any excess of proceeds over the amount initially recognized as the derivative component is recognized as the liability component. Transaction costs are apportioned between the liability and derivative components of the convertible bonds based on the allocation of proceeds to the liability and derivative components when the instruments are initially recognized. The portion of the transaction costs relating to the liability component is recognized initially as part of the liability. The portion relating to the derivative component is recognized immediately in profit or loss in the consolidated statement of profit or loss and other comprehensive income. The derivative component is subsequently recorded at fair value at the end of each reporting period, with changes recognized in profit or loss in the consolidated statement of profit or loss and other comprehensive income. Both the liability and derivative components are recorded within interest-bearing borrowings within the consolidated statement of financial position.

(u) Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

(v) Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates, judgements and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods.

The following are key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment

The Group determines the estimated useful lives, residual values and related depreciation charges for its property, plant and equipment. This estimate is based on Historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Group will increase the depreciation charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Useful lives of intangible assets

The Group's management determines the useful lives and related amortization charges for its intangible assets. This estimate is based on Historical experience of the actual useful lives of intangible assets of similar nature and functions and may vary significantly as a result of technical innovations and keen competitions from competitors, resulting in higher amortization charge and/or write-off or write-down of technically obsolete assets when useful lives are less than previously estimated. The Group will increase the amortization charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Fair value measurements

A number of assets and liabilities included in the Group's consolidated financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilizes market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilized are (the "fair value hierarchy"):

Level 1: Quoted prices in active markets for identical items (unadjusted);

Level 2: Observable direct or indirect inputs other than Level 1 inputs;

Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognized in the period they occur.

Provision of ECL for financial assets at amortized cost

The Group calculates ECL for contract assets and trade and other receivables under IFRS 9. The provision rates are based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. Details of the key assumptions and inputs used are set out in note 42. Changes in these assumptions and estimation could materially affect the assessment and it may be necessary to make additional loss allowance in future periods.

Recognition of deferred tax assets

Deferred income tax assets relating to certain deductible temporary differences and tax losses are recognized as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilized. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and income tax expenses or other comprehensive income in the periods in which such estimate is changed.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets (including property, plant and equipment, assets under construction, intangible assets and right-of-use assets) at the end of each reporting period. Irrespective of whether impairment indicators exist, intangible assets not yet available for use (development expenditure) are tested for impairment annually. When impairment indicators exist, or where annual testing is required, management is required to estimate the recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Valuation of share-based payments

The fair value of share options at the grant date are determined by using valuation techniques. Significant estimates on assumptions, such as risk-free interest rate and volatility are made based on management's best estimates. Further details are set out in Note 40 to the Historical Financial Information.

6. REVENUE AND SEGMENT REPORTING

Disaggregation of revenue from contracts with customers

Revenue for the years ended December 31, 2023, 2024 and 2025 and four months ended April 30, 2025 and 2026 are as follows:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Service or product types					
Industry digitalization solutions	844,297	1,023,872	1,206,010	316,154	382,243
Finance digitalization solutions	682,539	749,890	799,637	235,527	250,247
ERP consulting and implementation services	1,066,395	1,067,017	1,015,303	321,266	318,954
ITO services	372,064	380,036	382,872	114,111	115,307
Others	14,404	14,336	11,548	2,676	2,569
	2,979,699	3,235,151	3,415,370	989,734	1,069,320

Timing of revenue from contracts with customers recognition

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Timing of transfer of goods and services					
Over time	2,434,885	2,543,297	2,670,262	831,317	869,514
A point in time	544,814	691,854	745,108	158,417	199,806
	2,979,699	3,235,151	3,415,370	989,734	1,069,320

Performance obligations

Information about the Group's performance obligations is summarised below:

Finance, industry digitalisation solutions, provision of ERP consulting and implementation service under fixed price contract

The performance obligation of IT consulting services (implementation) of proprietary software, their performance obligation is satisfied upon completion of the service and receipt of customer's acknowledgement. Payments in advance are normally required before rendering the services.

The performance obligation of IT consulting services (implementation) of third-party software, their performance obligation is satisfied as services are rendered.

Finance, industry digitalisation solutions, provision of ERP consulting and implementation service without a fixed price contract

The performance obligation is satisfied as services are rendered accordingly to the works performed by engineers assigned.

Revenue from ITO services

The performance obligation is satisfied over time as services are rendered and payment is generally due within 60 days from the date of billing.

Sale of hardware and software categorised as "Others"

The performance obligation is satisfied upon product delivery and receipt of satisfaction acknowledgement from customer (if installation is required).

Remaining performance obligations

The vast majority of the Group's contracts are for the provision of services within the next 12 months for which the practical expedient in paragraph 121(a) of IFRS 15 applies. However, certain supporting service contracts have been entered into for which the original contractual period was greater than 12 months.

The amount of revenue that will be recognised in future periods on these contracts when those remaining performance obligations will be satisfied is analysed as follows:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	1,766,000	1,987,000	2,091,207	2,177,348

Contract liabilities

Contract liabilities mainly relate to the advance consideration received from customers.

During the Track Record Period, the following table shows the amount of revenue recognized that was included in the contract liabilities at the beginning of the year/period:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Revenue recognized that was included in the contract liability balance at the beginning of the year/period	103,638	115,713	137,967	65,078	76,644

Geographical information

An analysis of the Group's revenue from external customers, based on location of customers by regions, is presented below:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Revenue from external customers					
— Mainland China (country of domicile)	2,584,094	2,828,058	2,887,423	805,457	908,680
— Overseas	395,605	407,093	527,947	184,277	160,640
	2,979,699	3,235,151	3,415,370	989,734	1,069,320

The operating segment is reported in a manner consistent with the internal reporting provided to the Chairman of board of directors of the Company (the "Chairman"), being the chief operating decision maker ("CODM"). For the purpose of performance assessment and resource allocation, Chairman reviews the performance of the Group as a single operating segment based on the internal organization structure, management requirements and internal reporting system. No other discrete financial information other than the Group's results and financial positions as a whole is provided to the Chairman. Accordingly, only entity-wide disclosures are provided.

Information about major customer

No individual customer contributes over 10% of the total revenue of the Group.

Information about the Group's non-current assets excluding financial assets at FVTPL, financial assets at FVTOCI and deferred tax assets by geographical location of the assets are presented below:

	Year ended December 31,			Four months ended April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
— Mainland China (country of domicile)	1,586,732	1,693,880	1,743,922	1,746,683
— Overseas	32,155	33,317	32,906	34,804
	1,618,887	1,727,197	1,776,828	1,781,487

7. OTHER INCOME

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Government grants — income *(Note i)*	41,210	23,975	25,754	1,604	8,181
Government grants — assets *(Note ii)*	1,234	1,235	1,830	102	151
Value-added tax ("VAT") credit *(Note iii)*	6,023	4,142	5,344	4,290	5,672
Others	452	1,073	2,165	424	5
	48,919	30,425	35,093	6,420	14,009

Note i: It mainly represented government grants for immediate financial support without any condition attached to. The nature of these grants is mainly for supporting the Company's PRC subsidiaries in the information technology and software development industry.

Note ii: Asset-related deferred income systematically released to profit or loss over the estimated useful lives of the related assets or the designated period. During the years ended December 31, 2023, 2024, 2025, and four months ended April 30, 2025 and 2026, the amount of government grants recognized from asset-related deferred income was approximately RMB1,234,000, RMB1,235,000, RMB1,830,000, RMB102,000 (unaudited) and RMB151,000 respectively (Note 37).

Note iii: VAT credit amounted to RMB6,023,000, RMB4,142,000, RMB5,344,000, RMB4,290,000 (unaudited) and RMB7,938,000 for the years ended December 31, 2023, 2024, 2025, and four months ended April 30, 2025 and 2026 was recognized in consolidated statements of profit or loss due to the additional VAT credit resulting from VAT reform. In accordance with Caishui 2023 No. 1 introduced announced by MOF and STA, certain subsidiaries of the Company qualify as the Producer and Consumer Services Industries and are eligible for additional VAT credits by 5% of the current period creditable VAT input from January 1,

2023 to December 31, 2023. VAT is levied at statutory rate of 13% on sales of self developed software, the portion of VAT burden exceeding 3% of relevant software revenue shall be refunded by tax bureau on an immediate refund basis.

8. OTHER GAINS AND LOSSES, NET

	Year ended December 31,			Four months ended April 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
(Loss)/gain on disposal of entire interest in an associate *(Note (i))*	(775)	—	(6,173)	—	69
Remeasurement gain from an associate to a subsidiary *(Note (ii))*	—	19,495	—	—	—
Dividend income from financial assets at FVTPL and FVTOCI	4,039	1,449	3,224	626	37
Net gains from disposal of financial assets at FVTPL	785	—	1,849	—	966
Net gain/(loss) on disposal of property, plant and equipment	141	(163)	41	53	—
Loss on early termination of right-of-use assets	—	(86)	—	—	—
Net gains from changes in fair value of financial assets at FVTPL	26,696	6,143	103	—	3,811
Fair value gain of financial derivative instruments	2,606	—	—	—	—
Gain on deemed disposal of partial interests in associates *(Note 24)*	9,339	—	—	—	—
Exchange gains/(losses)	10,937	(11,516)	(7,410)	24,404	(19,069)
Others	(346)	1	1,260	1,300	1
	53,422	15,323	(7,106)	26,383	(14,185)

Notes:

(i) During the year ended December 31, 2025, the Group has fully disposed of its interests in 上海甄知科技有限公司 ("Shanghai Zhenzhi Technology Co., Ltd" or Shanghai Zhenzhi) with a loss of RMB6,173,000 recorded in the statement of profit or loss.

(ii) During the year ended December 31, 2024, 上海鼎醫信息技術有限公司 ("Shanghai Dingyi Information Technology Co., Ltd." or Shanghai Dingyi) became a subsidiary of the Group upon the Company acquired additional interests in Shanghai Dingyi to 63.09% (Note 30 (b)) from 27.85%. The value of Shanghai Dingyi is remeasured on acquisition date according to a valuation report prepared by an external valuer. Accordingly, a remeasurement gain of RMB19,495,000 was recorded in the statement of profit or loss for the year ended December 31, 2024.

9. IMPAIRMENT LOSS PROVISION/(REVERSAL OF IMPAIRMENT PROVISION), NET

	Year ended December 31,			Four months ended April 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Impairment provision/(reversal of impairment) on:					
Trade receivables	98,837	46,981	74,517	20,156	19,074
Bills receivables	8	(38)	—	—	—
Other receivables	(4,671)	(3,886)	(1,650)	1,448	1,877
Contract assets	(20,834)	9,417	2,015	5,796	6,225
	73,340	52,474	74,882	27,400	27,176

10. (LOSS)/ PROFIT BEFORE TAX

(Loss)/profit before tax has been arrived at after charging/(crediting):

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Cost of services provided*	2,181,258	2,170,015	2,197,252	658,973	709,943
Amortization of intangible assets#	114,658	133,338	151,068	49,436	56,452
Depreciation for property, plant and equipment^	13,311	17,103	18,455	6,001	5,870
Depreciation of right-of-use assets#	11,935	10,244	9,714	2,549	3,521
Expenses on low value and short-term leases	17,437	11,157	17,701	4,310	7,850
[REDACTED] expense#	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Staff costs (including directors' emoluments)**:					
— Salaries and other benefits	2,139,340	2,027,546	2,029,866	660,201	655,315
— Retirement benefits scheme contributions	111,721	121,186	134,582	43,175	44,060
— Share-based payment expenses	(303)	77,234	91,416	37,420	12,363
	2,250,758	2,225,966	2,255,864	740,796	711,738
Auditors' remuneration	1,292	1,311	1,321	440	440

* Amounts included impairment/(reversal of impariment) on inventories of RMB7,478,000, RMB(13,521,000), RMB(7,320,000), RMB327,000 (unaudited) and RMB(5,485,000) for the years ended December 31, 2023, 2024, 2025, and four months ended April 30, 2025 and 2026, respectively.

\# Amortizations of intangible assets, depreciation of right-of-use assets and [REDACTED] expense are included in administration expenses.

^ Apart from depreciation of property, plant and equipment of RMB6,000 for the years ended December 31, 2023 are included in selling expenses, remaining amounts incurred during the Track Record Period are included in administration expenses.

** Staff costs of RMB1,534,285,000, RMB1,512,748,000, RMB1,450,410,000 and RMB451,186,000 (unaudited) and RMB483,045,000 were included in cost of services provided for the years ended December 31, 2023, 2024, 2025, and four months ended April 30, 2025 and 2026, respectively. The entire R&D expenses disclosed in the consolidated statements of profit or loss and other comprehensive income represented staff costs.

11. FINANCE INCOME

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Interest income	38,367	40,463	37,660	11,564	6,288

12. FINANCE COSTS

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Interest expenses on borrowings	17,413	13,228	11,533	2,745	3,430
Interest expenses on convertible bonds	10,663	—	—	—	—
Interest expenses on lease liabilities	225	407	344	18	132
Other	886	707	867	405	323
	29,187	14,342	12,744	3,168	3,885

13. INCOME TAX

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Current tax					
— Hong Kong and overseas	2,813	2,817	3,767	762	1,912
Current tax					
— PRC Enterprise Income Tax ("EIT")	654	1,098	535	147	537
— (Over)/under provision in respect of prior year	(332)	166	4,353	17	(36)
	3,135	4,081	8,655	1,852	2,413
Deferred tax *(Note 27)*	(42,333)	(12,832)	(16,232)	(10,055)	(1,938)
Total income tax (credit)/expense	(39,198)	(8,751)	(7,577)	(9,129)	475

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which subsidiaries of the Group are domiciled and operating.

Under the Law of the PRC on EIT Law and Implementation Regulation of the EIT Law, the standard EIT rate of the PRC subsidiaries is 25%. Major PRC subsidiaries, Hand Enterprise Solutions Co., Ltd., Shanghai Share Software Co., Ltd., Shanghai Hand Rongjing Information Technology Co., Ltd, Shanghai Hand Vyung Information technology Co., Ltd., Shanghai Deyi Information Technology Co., Ltd., Shenzhen Qianhai Ying Yu Technology Co., Ltd. and Shanghai Dingyi, approved as "High and New Technology Enterprise" by the relevant government authorities, they are subject to a preferential rate of 15% for a 3-year term from 2023 to 2025. In 2026, the renewal of the status as a "High and New Technology Enterprise" is currently in progress. Upon successful renewal, the 15% preferential tax rate will be extended for another three years from 2026 to 2028. 上海億砆科技有限公司 ("**Shanghai Yia Technology Co., Ltd.**") was granted the status of "High and New Technology Enterprise" in 2026 and subject to a preferential rate of 15% for a 3-year term from 2026 to 2028.

Several PRC subsidiaries, ZeroWire Technology (Shanghai) Co., Ltd., Shanghai Hand Ou Jun Information Technology Co., Ltd., Yangzhou Damei Investment Management Co., Ltd., Shanghai Hand Zhenling Information Technology Co., Ltd, Shanghai Huiyi Information Technology Co., Ltd., Shanghai Zhenzi Information Technology Co., Ltd, Leading Finance Technology Co., Ltd., 上海漢得甄創科技有限公司 ("Shanghai Hand Zhenchuang Technology Co., Ltd."), Shenzhen Qianhai Yingyu Co., Ltd. and 上海得逸勞務派遣有限公司 ("Shanghai Deyi Employment Service Co., Ltd."), approved as "Micro and Small Enterprise" by the relevant government authorities. The annual taxable income is not more than RMB1,000,000 and these subsidiaries are subject to taxable income at a reduced rate at 20% for years ended December 31, 2023 to 2027.

A PRC subsidiary, Xi'an Hand Information Technology Co., Ltd., is approved as an enterprise as listed in the "Catalogue of Encouraged Industries in Western Regions". The applicable enterprise income tax is 15% from January 1, 2021 to December 31, 2030.

The group entities incorporated in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% on the estimated assessable profits for the years ended December 31, 2023, 2024, 2025, and four months ended April 30, 2025 and 2026. On March 21, 2018, the Hong Kong Legislative Council passed the Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on March 28, 2018 and was gazette on the following day. Under the two-tiered profits tax rates regime, the first HK$2,000,000 of profits of qualifying corporations will be taxed at 8.25%, and profits above HK$2,000,000 will be taxed at 16.5%.

Taxation arising from other jurisdictions is calculated at the rates prevailing in their relevant jurisdictions.

A reconciliation of the tax credit applicable to (loss)/profit before tax at the statutory rates for the country in which the Company and the majority of its subsidiaries are domiciled to the tax (credit)/expense at the effective tax rates is as follows:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
(Loss)/profit before tax	(54,090)	187,676	226,550	34,303	46,800
Tax at the applicable tax rate of 15% *(Note (i))*	(8,114)	28,151	33,982	5,146	7,020
Effects of different tax rates applicable to different subsidiaries of the Group	2,127	552	2,813	(1,237)	476
(Over)/Under provision of taxation in prior years	(332)	166	4,353	17	(36)
Tax effect of income that is not taxable for tax purposes	(9)	(1,269)	(384)	—	—
Share of loss of associates	4,574	2,981	1,159	569	608
Tax effect of expenses that are not deductible for tax purposes	1,413	9,627	2,851	221	1,474
Deferred tax losses previously not recognized	(1,261)	(2,260)	(4,150)	(3,229)	(203)
Impact of tax rate changes on the opening balance of deferred income tax	2,422	(178)	19	—	193
Tax effect of deductible temporary differences and tax losses not recognized as deferred tax asset	10,585	9,372	9,911	10,164	10,832
Super Deduction *(Note (ii))*	(50,603)	(55,893)	(58,131)	(20,780)	(19,889)
Income tax (credit)/expense	(39,198)	(8,751)	(7,577)	(9,129)	475

Note (i):

The applicable tax rate is with reference to the preferential PRC tax rate of 15% as the majority of income deriving entities are the PRC entities approved as "High and New Technology Enterprise" by the relevant government authorities under the EIT Law and Implementation Regulation of the EIT Law for the Track Record Period.

Note (ii):

According to the relevant laws and regulations promulgated by the State Tax Bureau of the PRC that was effective from 2018 onwards, enterprises engaging in research and development activities are entitled to claim 175% and 200% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for that year ("Super Deduction").

According to Public Notice 2023 No. 7 promulgated by the State Tax Bureau of Chinese Mainland in March 2023, the enterprises entitled to claim 200% of their research and development expenses incurred as tax deductible expenses in determining tax assessable profits from 2023 onwards.

Tax losses

As of December 31, 2023, 2024, 2025, and April 30, 2026, the Group did not recognize deferred tax assets in respect of losses of RMB268,606,000, RMB300,172,000, RMB261,078,000 and RMB803,884,000, respectively.

The tax losses incurred from the Company's subsidiaries in Mainland China that are not recognized as deferred tax assets will expire from 2024 as follows:

	As of December 31,			Four months ended April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
2024	13,504	—	—	—
2025	7,686	9,388	—	—
2026	23,730	30,723	11,772	9,872
2027	56,572	62,199	53,512	27,619
2028	51,343	35,298	38,808	12,372
2029	23,047	18,499	45,013	40,000
2030	35,165	35,165	46,229	45,656
2031	37,226	37,594	37,125	46,966
2032	9,841	10,732	9,775	32,938
2033	10,492	14,942	13,759	22,533
2034	—	45,632	2,448	3,992
2035	—	—	2,637	506,921
2036	—	—	—	55,015
	268,606	300,172	261,078	803,884

14. DIRECTORS' AND SUPERVISORS' EMOLUMENTS

Details of the emoluments paid or payable to the directors and supervisors of the Company for the services provided to the Group during the Track Record Period are as follows:

Year ended December 31, 2023

	Directors' fee	Salaries, bonus and other allowance	Share-based payment	Social security costs and housing benefits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Chairman and executive director:					
陳迪清 (Mr. Chen Diqing)	43	—	—	41	84
Executive directors:					
黃益全 (Mr. Huang Yiquan)	572	100	525	109	1,306
喻有平 (Mr. Yu Youping) — Resigned on April 23, 2023	—	—	—	—	—
賈殿龍 (Mr. Jia Dianlong) — Resigned on April 23, 2023	—	—	—	—	—
Independent non-executive directors:					
王新 (Mr. Wang Xin)	60	—	—	—	60
曹惠民 (Mr. Cao Huimin)	77	—	—	—	77
王敏良 (Mr. Wang Minliang)	77	—	—	—	77
Supervisors:					
吳濱 (Mr. Wu Bin)	383	—	—	85	468
劉靜波 (Mr. Liu Jingbo)	60	—	—	—	60
黃青 (Mr. Huang Qing)	60	—	—	—	60
	1,332	100	525	235	2,192

Year ended December 31, 2024

	Directors' fee *RMB'000*	Salaries, bonus and other allowance *RMB'000*	Share-based payment *RMB'000*	Social security costs and housing benefits *RMB'000*	Total *RMB'000*
Chairman and executive director:					
陳迪清 (Mr. Chen Diqing)	42	—	—	40	82
Executive director:					
黃益全 (Mr. Huang Yiquan)	468	—	6,733	117	7,318
Independent non-executive directors:					
陳靖豐 (Mr. Chen Jingfeng) — Appointed on May 29, 2024	35	—	—	—	35
王敏良 (Mr. Wang Minliang)	60	—	—	—	60
曹惠民 (Mr. Cao Huimin)	60	—	—	—	60
王新 (Mr. Wang Xin) — Resigned on May 29, 2024	25	—	—	—	25
Supervisors:					
吳濱 (Mr. Wu Bin)	406	—	—	91	497
劉靜波 (Mr. Liu Jingbo)	60	—	—	—	60
黃青 (Mr. Huang Qing)	60	—	—	—	60
	1,216	—	6,733	248	8,197

Year ended December 31, 2025

	Directors' fee *RMB'000*	Salaries, bonus and other allowance *RMB'000*	Share-based payment *RMB'000*	Social security costs and housing benefits *RMB'000*	Total *RMB'000*
Chairman and executive director:					
陳迪清 (Mr. Chen Diqing)	40	—	—	23	63
Executive director:					
黃益全 (Mr. Huang Yiquan)	421	—	2,563	69	3,053
Independent non-executive directors:					
陳靖豐 (Mr. Chen Jingfeng)	60	—	—	—	60
王敏良 (Mr. Wang Minliang) — Resigned on September 30, 2025	45	—	—	—	45
曹惠民 (Mr. Cao Huimin)	60	—	—	—	60
Supervisors:					
吳濱 (Mr. Wu Bin)	407	—	—	57	464
劉靜波 (Mr. Liu Jingbo) — Resigned on September 30, 2025	45	—	—	—	45
黃青 (Mr. Huang Qing) — Resigned on September 30, 2025	45	—	—	—	45
劉維 (Mr. Liu Wei) — Appointed on August 22, 2025	21	—	—	—	21
	1,144	—	2,563	149	3,856

Four months ended April 30, 2025 (unaudited)

	Directors' fee *RMB'000*	Salaries, bonus and other allowance *RMB'000*	Share-based payment *RMB'000*	Social security costs and housing benefits *RMB'000*	Total *RMB'000*
Chairman and executive director					
陳迪清 (Mr. Chen DiQing)	14	—	—	9	23
Executive director					
黃益全 (Mr. Huang YiQuan)	133	—	2,244	24	2,401
Independent non-executive directors					
陳靖豐 (Mr. Chen JingFeng)	20	—	—	—	20
王敏良 (Mr. Wang MinLiang)	20	—	—	—	20
曹惠民 (Mr. Cao HuiMin)	20	—	—	—	20
Supervisors:					
吳濱 (Mr, Wu Bin)	136	—	—	20	156
劉靜波 (Mr. Liu JingBo)	20	—	—	—	20
黃青 (Mr. Huang Qing)	20	—	—	—	20
	383	—	2,244	53	2,680

Four months ended April 30, 2026

	Directors' fee *RMB'000*	Salaries, bonus and other allowance *RMB'000*	Share-based payment *RMB'000*	Social security costs and housing benefits *RMB'000*	Total *RMB'000*
Chairman and executive director					
陳迪清 (Mr. Chen DiQing)	—	—	—	—	—
Executive director					
黃益全 (Mr. Huang YiQuan)	141	—	—	23	164
Independent non-executive directors					
陳靖豐 (Mr. Chen JingFeng)	20	—	—	—	20
曹惠民 (Mr. Cao HuiMin)	20	—	—	—	20
Supervisors:					
吳濱 (Mr, Wu Bin)	136	—	—	19	155
劉維 (Mr. Liu Wei)	20	—	—	—	20
	337	—	—	42	379

15. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group include 1, 1, nil, 1 (unaudited) and nil director in each of the year/period during the Track Record Period. Details of the remuneration for the remaining 4, 4, 5, 4 (unaudited) and 5 highest paid individuals during the years ended December 31, 2023, 2024 and 2025 and four months ended April 30, 2025 and 2026 respectively, are as follows:

	Year ended December 31,			Four months ended April 30,	
	2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	2025 *RMB'000* (unaudited)	2026 *RMB'000*
Salaries and other benefits	1,996	1,194	1,698	512	892
Performance-based bonus	1,035	300	—	—	—
Retirement benefits scheme contributions	320	241	549	162	215
Share-based payment expenses	1,309	18,155	19,326	7,014	1,639
	4,660	19,890	21,573	7,688	2,746

The number of non-directors and non-supervisors highest paid employees whose remuneration fell within respective bands is as follows:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
				(unaudited)	
Nil to HK$1,000,000	—	—	—	—	5
HK$1,000,001 to HK$1,500,000	3	—	—	—	—
HK$1,500,001 to HK$2,000,000	1	—	—	3	—
HK$2,000,001 to HK$2,500,000	—	—	—	—	—
HK$2,500,001 to HK$3,000,000	—	—	—	—	—
HK$3,000,001 to HK$3,500,000	—	—	—	—	—
HK$3,500,001 to HK$4,000,000	—	2	—	1	—
HK$4,000,001 to HK$4,500,000	—	1	1	—	—
HK$4,500,001 to HK$5,000,000	—	—	3	—	—
HK$5,500,001 to HK$6,000,000	—	—	1	—	—
HK$10,000,001 to HK$10,500,000	—	1	—	—	—
	4	4	5	4	5

During the Track Record Period, no emoluments were paid by the Group to the directors and supervisors of the Company or the five highest paid individuals (including directors, supervisors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors and supervisors of the Company have waived any emoluments during the Track Record Period.

16. (LOSS)/EARNINGS PER SHARE

Basic and diluted (loss)/earnings per share

The calculation of the basic and diluted (loss)/earnings per share attribute to owners of the Company is based on the following data:

a) Basic EPS

Basic EPS is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the Track Record Period, excluding treasury shares held for restricted share schemes as these shares are not considered outstanding for (loss)/earnings per share calculation purposes.

Earnings:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(unaudited)	
(Loss)/profit attributable to owners of the Company for the purpose of calculating basic EPS	(16,041)	188,392	217,862	40,671	46,639

Number of shares:

	Year ended December 31,			Four months ended April 30,	
	2023	2024	2025	2025	2026
	thousands shares	*thousands shares*	*thousands shares*	*thousands shares*	*thousands shares*
				(unaudited)	
Weighted average number of ordinary shares in issue excluding treasury shares	935,189	972,243	994,725	972,304	1,022,688
Basic EPS (RMB per share)	(0.02)	0.19	0.22	0.04	0.05

b) Diluted

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares.

For the year ended December 31, 2024 and 2025, and four months period ended 30 April 2026, the restricted shares granted under the restricted share scheme in 2025 have potential dilutive effect on the EPS. For calculation of diluted EPS for the year ended December 31, 2023, the weighted average number of ordinary shares outstanding does not assume vesting of the restricted shares granted as the Group incurred a loss during the year. The assumed vesting of the restricted shares has an anti-dilutive effect.

Earnings:

	Year ended December 31,			Four months ended April 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
(Loss)/profit attributable to owners of the Company	(16,041)	188,392	217,862	40,671	46,639

Number of shares:

	Year ended December 31,			Four months ended April 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	thousands shares	*thousands shares*	*thousands shares*	*thousands shares* (unaudited)	*thousands shares*
Weighted average number of ordinary shares for the purpose of calculating basic EPS	935,189	972,243	994,725	972,304	1,022,688
Effect of restricted shares	—	8,588	20,981	47,694	17,434
Weighted average number of ordinary shares for the purpose of calculating diluted EPS	935,189	980,831	1,015,706	1,019,998	1,040,122
Diluted EPS (RMB per share)	(0.02)	0.19	0.21	0.04	0.04

17. DIVIDENDS

During the Track Record Period, the board of directors declared the final dividend in respect of the previous years as follows:

	Year ended December 31,			Four months ended April 30,	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Dividend	57,518	19,636	47,182	—	—

The final dividend proposed after the end of each of the reporting period in the Track Record Period has not been recognized as a liability at the end of each of the Track Record Period.

18. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

Amounts due from and due to subsidiaries are unsecured, interest-free and repayable on demand.

19. PROPERTY, PLANT AND EQUIPMENT

The Group

	Property and buildings *RMB'000*	Machinery *RMB'000*	Furniture, fixtures and equipment *RMB'000*	Transportation vehicle *RMB'000*	Leasehold improvement *RMB'000*	Construction in progress *RMB'000*	Total *RMB'000*
Cost							
As of January 1, 2023	318,082	78,222	31,213	3,614	13,427	—	444,558
Additions	20,982	787	1,088	—	11,212	130,459	164,528
Transferred from construction in progress	119,539	—	1,134	—	9,786	(130,459)	—
Acquired through business combinations	—	4	—	—	—	—	4
Disposals	—	(2,540)	(76)	—	—	—	(2,616)
Exchange difference	523	12	54	—	19	—	608
As of December 31, 2023 and January 1, 2024	459,126	76,485	33,413	3,614	34,444	—	607,082
Additions	7,171	449	2,306	—	1,398	—	11,324
Acquired through business combinations	—	124	—	—	—	—	124
Disposals	—	(1,586)	(922)	(302)	—	—	(2,810)
Exchange difference	(1,379)	(31)	(83)	—	(9)	—	(1,502)
As of December 31, 2024 and January 1, 2025	464,918	75,441	34,714	3,312	35,833	—	614,218
Additions	1,192	148	1,281	391	1,338	—	4,350
Disposals	—	(3,589)	(251)	(188)	—	—	(4,028)
Exchange difference	(67)	(10)	(57)	—	(98)	—	(232)
As of December 31, 2025 and January 1, 2026	466,043	71,990	35,687	3,515	37,073	—	614,308
Additions	—	94	118	—	—	—	212
Exchange difference	(922)	(47)	(210)	—	(114)	—	(1,293)
As of April 30, 2026	465,121	72,037	35,595	3,515	36,959	—	613,227
Accumulated depreciation							
As of January 1, 2023	57,791	72,774	25,487	3,178	10,122	—	169,352
Depreciation	7,247	2,211	1,528	77	2,248	—	13,311
Written back on disposals	—	(2,419)	(66)	—	—	—	(2,485)
Exchange difference	25	7	43	—	(1)	—	74
As of December 31, 2023 and January 1, 2024	65,063	72,573	26,992	3,255	12,369	—	180,252
Depreciation	9,534	1,053	1,386	45	5,085	—	17,103
Written back on disposals	—	(1,449)	(830)	(272)	—	—	(2,551)
Acquired through business combinations	—	122	—	—	—	—	122
Exchange difference	(12)	(17)	(28)	—	(1)	—	(58)
As of December 31, 2024 and January 1, 2025	74,585	72,282	27,520	3,028	17,453	—	194,868
Deprecation	10,710	934	1,278	47	5,486	—	18,455
Written back on disposals	—	(3,474)	(238)	(169)	—	—	(3,881)
Exchange difference	23	(14)	(9)	—	(23)	—	(23)
As of December 31, 2025 and January 1, 2026	85,318	69,728	28,551	2,906	22,916	—	209,419
Depreciation	3,557	249	374	23	1,667	—	5,870
Exchange difference	(32)	(36)	(82)	—	(21)	—	(171)
As of April 30, 2026	88,843	69,941	28,843	2,929	24,562	—	215,118
Net carrying amount							
As of December 31, 2023	394,063	3,912	6,421	359	22,075	—	426,830
As of December 31, 2024	390,333	3,159	7,194	284	18,380	—	419,350
As of December 31, 2025	380,725	2,262	7,136	609	14,157	—	404,889
As of April 30, 2026	376,278	2,096	6,752	586	12,397	—	398,109

The management has assessed that there is impairment indication for the non-financial assets, which mainly represent property, plant and equipment and intangible assets) of the Group, as at 31 December 2023 in view of the loss-making result in that year. Therefore, the management has performed impairment assessment for property, plant and equipment and intangible assets of the Group.

For the purposes of impairment assessment, the Group estimates the recoverable amount of a CGU of the Group to which the asset belongs when it is not possible to estimate the recoverable amount individually. The CGU represents the Group's single operation as well as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets.

The recoverable amount of the CGU is determined based on value-in-use calculation. The Group engaged an independent professional valuer to assist with the calculation. The recoverable amount calculation uses a cash flow projection based on financial budgets approved by management covering a five-year period which with pre-tax discount rate of 13.77% as at December 31, 2023. Annual revenue growth rates ranged from 5.57% to 8.57%, representing an average annual growth rate of 6.32%, were used in the five-year forecast period. A long-term revenue growth rate of 0% was used in cash flows beyond the five-year forecast period.

Based on the result of the assessment, the recoverable amount of the CGU exceeded the carrying amount by RMB23,877,000 as at 31 December 2023. A reasonable change of the key assumptions of the cash flow projection would cause its carrying amount exceed its the recoverable amount. If the pre-tax discount rate increased to 14.36% or average revenue annual growth rate within the five-year forecast period decreased to 5.93%, the carrying amount and the recoverable amount would be equal.

The Company

	Property and buildings *RMB'000*	**Machinery** *RMB'000*	**Furniture, fixtures and equipment** *RMB'000*	**Transportation vehicle** *RMB'000*	**Leasehold improvement** *RMB'000*	**Total** *RMB'000*
Cost						
As of January 1, 2023	299,067	64,598	29,343	2,638	12,457	408,103
Additions	—	256	14	—	10,234	10,504
Disposals	—	(1,150)	—	—	—	(1,150)
As of December 31, 2023 and January 1, 2024	299,067	63,704	29,357	2,638	22,691	417,457
Additions	2,590	112	—	—	460	3,162
Disposals	—	(510)	(922)	(302)	—	(1,734)
As of December 31, 2024 and January 1, 2025	301,657	63,306	28,435	2,336	23,151	418,885
Additions	1,192	—	8	392	—	1,592
Disposals	—	(264)	(22)	(188)	—	(474)
As of December 31, 2025 and January 1, 2026	302,849	63,042	28,421	2,540	23,151	420,003
Additions	—	64	53	—	—	117
As of April 30, 2026	302,849	63,106	28,474	2,540	23,151	420,120
Accumulated depreciation						
As of January 1, 2023	57,247	60,711	24,093	2,252	9,948	154,251
Deprecation	6,865	1,594	1,206	77	2,137	11,879
Written back on disposal	—	(1,127)	—	—	—	(1,127)
As of December 31, 2023 and January 1, 2024	64,112	61,178	25,299	2,329	12,085	165,003
Deprecation	5,787	680	701	45	2,785	9,998
Written back on disposal	—	(483)	(830)	(272)	—	(1,585)
As of December 31, 2024 and January 1, 2025	69,899	61,375	25,170	2,102	14,870	173,416
Deprecation	6,919	462	290	47	2,940	10,658
Written back on disposal	—	(239)	(19)	(168)	—	(426)
As of December 31, 2025 and January 1, 2026	76,818	61,598	25,441	1,981	17,810	183,648
Depreciation	2,301	123	61	24	805	3,314
As of April 30, 2026	79,119	61,721	25,502	2,005	18,615	186,962
Net carrying amount						
As of December 31, 2023	234,955	2,526	4,058	309	10,606	252,454
As of December 31, 2024	231,758	1,931	3,265	234	8,281	245,469
As of December 31, 2025	226,031	1,444	2,980	559	5,341	236,355
As of April 30, 2026	223,730	1,385	2,972	535	4,536	233,158

20. INTANGIBLE ASSETS

The Group

	Trademark use rights *RMB'000*	Computer software *RMB'000*	Software copyright *RMB'000*	Development costs *RMB'000*	Total *RMB'000*
Cost					
As of January 1, 2023	—	9,764	732,087	405,373	1,147,224
Additions	—	1,179	2,000	220,060	223,239
Transfer from development costs to software copyright	—	—	407,642	(407,642)	—
Acquired through business combination	—	—	1,500	—	1,500
As of December 31, 2023 and January 1, 2024	—	10,943	1,143,229	217,791	1,371,963
Additions	—	4,301	—	219,317	223,618
Transfer from development costs to software copyright	—	—	243,044	(243,044)	—
Acquisition through business combination	4	—	35,771	—	35,775
As of December 31, 2024 and January 1, 2025	4	15,244	1,422,044	194,064	1,631,356
Additions	—	88	—	224,449	224,537
Transfer from development costs to software copyright	—	—	194,064	(194,064)	—
As of December 31, 2025 and January 1, 2026	4	15,332	1,616,108	224,449	1,855,893
Additions	—	—	—	67,461	67,461
Transfer from development costs to software copyright	—	—	224,449	(224,449)	—
As of April 30, 2026	4	15,332	1,840,557	67,461	1,923,354
Accumulated amortization					
As of January 1, 2023	—	6,908	264,674	—	271,582
Amortization	—	1,603	113,055	—	114,658
As of December 31, 2023 and January 1, 2024	—	8,511	377,729	—	386,240
Amortization	—	1,600	131,738	—	133,338
Acquired through business combinations	—	—	2,757	—	2,757
As of December 31, 2024 and January 1, 2025	—	10,111	512,224	—	522,335
Amortization	1	1,498	149,569	—	151,068
As of December 31, 2025 and January 1, 2026	1	11,609	661,793	—	673,403
Amortization	—	423	56,029	—	56,452
As of April 30, 2026	1	12,032	717,822	—	729,855
Net carrying amount					
As of December 31, 2023	—	2,432	765,500	217,791	985,723
As of December 31, 2024	4	5,133	909,820	194,064	1,109,021
As of December 31, 2025	3	3,723	954,315	224,449	1,182,490
As of April 30, 2026	3	3,300	1,122,735	67,461	1,193,499

The Company

	Computer software *RMB'000*	Software copyright *RMB'000*	Development expenditure *RMB'000*	Total *RMB'000*
Cost				
As of January 1, 2023	9,417	615,364	393,954	1,018,735
Additions	1,179	—	205,693	206,872
Transfer from development costs to software copyright	—	393,954	(393,954)	—
Disposal	—	(500)	—	(500)
As of December 31, 2023 and January 1, 2024	10,596	1,008,818	205,693	1,225,107
Additions	5,230	—	213,900	219,130
Transfer from development costs to software copyright	—	230,945	(230,945)	—
As of December 31, 2024 and January 1, 2025	15,826	1,239,763	188,648	1,444,237
Additions	88	—	219,838	219,926
Transfer from development costs to software copyright	—	188,650	(188,650)	—
As of December 31, 2025 and January 1, 2026	15,914	1,428,413	219,836	1,664,163
Additions	—	—	67,461	67,461
Transfer from development costs to software copyright	—	219,836	(219,836)	—
As of April 30, 2026	15,914	1,648,249	67,461	1,731,624
Accumulated amortization				
As of January 1, 2023	6,597	212,938	—	219,535
Amortization	1,577	102,137	—	103,714
Disposal	—	(188)	—	(188)
As of December 31, 2023 and January 1, 2024	8,174	314,887	—	323,061
Amortization	1,591	116,691	—	118,282
As of December 31, 2024 and January 1, 2025	9,765	431,578	—	441,343
Amortization	1,496	133,681	—	135,177
As of December 31, 2025 and January 1, 2026	11,261	565,259	—	576,520
Amortization	423	50,635	—	51,058
As of April 30, 2026	11,684	615,894	—	627,578
Net carrying amount				
As of December 31, 2023	2,422	693,931	205,693	902,046
As of December 31, 2024	6,061	808,185	188,648	1,002,894
As of December 31, 2025	4,653	863,154	219,836	1,087,643
As of April 30, 2026	4,230	1,032,355	67,463	1,104,046

21. RIGHT-OF-USE ASSETS

The Group

	Land use rights *RMB'000*	Office *RMB'000*	Total *RMB'000*
Costs			
As of January 1, 2023	35,946	26,001	61,947
Additions	—	12,071	12,071
Exchange difference	—	9	9
Termination of lease	—	(9,859)	(9,859)
As of December 31, 2023 and January 1, 2024	35,946	28,222	64,168
Additions	—	5,693	5,693
Acquisition through business combination	—	1,036	1,036
Exchange difference	—	14	14
Termination of lease	—	(18,205)	(18,205)
As of December 31, 2024 and January 1, 2025	35,946	16,760	52,706
Additions	—	18,252	18,252
Exchange difference	—	(28)	(28)
Termination of lease	—	(9,477)	(9,477)
As of December 31, 2025 and January 1, 2026	35,946	25,507	61,453
Additions	—	2,367	2,367
Termination of lease	—	(299)	(299)
As of April 30, 2026	35,946	25,575	63,521
Accumulated depreciation			
As of January 1, 2023	7,729	15,441	23,170
Depreciation	719	11,216	11,935
Termination of lease	—	(9,515)	(9,515)
As of December 31, 2023 and January 1, 2024	8,448	17,142	25,590
Depreciation	719	9,525	10,244
Acquisition through business combination	—	292	292
Termination of lease	—	(17,554)	(17,554)
As of December 31, 2024 and January 1, 2025	9,167	9,405	18,572
Depreciation	719	8,995	9,714
Termination of lease	—	(9,477)	(9,477)
As of December 31, 2025 and January 1, 2026	9,886	8,923	18,809
Depreciation	239	3,282	3,521
Termination of lease	—	(299)	(299)
As of April 30, 2026	10,125	11,906	22,031
Net carrying amount			
As of December 31, 2023	27,498	11,080	38,578
As of December 31, 2024	26,779	7,355	34,134
As of December 31, 2025	26,060	16,584	42,644
As of April 30, 2026	25,821	15,669	41,490

The Company

	Land use rights *RMB'000*	Office *RMB'000*	Total *RMB'000*
Costs			
As of January 1, 2023,	35,946	22,662	58,608
Additions	—	12,071	12,071
Termination of lease	—	(8,106)	(8,106)
As of December 31, 2023 and January 1, 2024	35,946	26,627	62,573
Additions	—	4,160	4,160
Termination of lease	—	(15,472)	(15,472)
As of December 31, 2024 and January 1, 2025	35,946	15,315	51,261
Additions	—	15,975	15,975
Termination of lease	—	(9,477)	(9,477)
As of December 31, 2025 and January 1, 2026	35,946	21,813	57,759
Termination of lease	—	(299)	(299)
As of April 30, 2026	35,946	21,514	57,460
Accumulated depreciation			
As of January 1, 2023	7,729	13,617	21,346
Depreciation	719	10,332	11,051
Termination of lease	—	(8,106)	(8,106)
As of December 31, 2023 and January 1, 2024	8,448	15,843	24,291
Depreciation	719	9,047	9,766
Termination of lease	—	(15,472)	(15,472)
As of December 31, 2024 and January 1, 2025	9,167	9,418	18,585
Depreciation	719	7,481	8,200
Termination of lease	—	(9,477)	(9,477)
As of December 31, 2025 and January 1, 2026	9,886	7,422	17,308
Depreciation	239	2,704	2,943
Termination of lease	—	298	298
As of April 30, 2026	10,125	9,828	19,953
Net carrying amount			
As of December 31, 2023	27,498	10,784	38,282
As of December 31, 2024	26,779	5,897	32,676
As of December 31, 2025	26,060	14,391	40,451
As of April 30, 2026	25,821	11,686	37,507

22. GOODWILL

The Group

	As of December 31,			As of April 30,
	2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	2026 *RMB'000*
Cost				
At the beginning of the year/period	96,830	99,933	117,085	117,085
Acquisition of subsidiaries	3,103	17,152	—	—
At the end of the year/period	99,933	117,085	117,085	117,085
Accumulated impairment losses	(2,870)	(2,870)	(2,870)	(2,870)
Net carrying amount				
At the end of the year/period	97,063	114,215	114,215	114,215

Goodwill mainly arose from the following four acquisitions of the Group:

In January 2012, the Group acquired Shanghai Share Software Co., Ltd, (BPO Project CGU). In January 2016, the Group acquired Shanghai Dimension Information Technology Co., Ltd. and Yangzhou Damei Investment Management Co., Ltd. (SAP Project CGU). In August 2023, Qian Hai WinKey Tech Co., Ltd. ("WinKey Tech") became the Company's subsidiary (Note 30) (WinKey Tech CGU). In January 2024, Shanghai Dingyi Information Technology Co., Ltd. ("Shanghai Dingyi") became the Company's subsidiary (Note 30) (Shanghai Dingyi CGU).

Goodwill was recognized as the positive balance between the Group's share of the fair value of the identifiable net assets and the acquisition cost and allocated to the respective CGU. Goodwill arose in the acquisition because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for the identifiable intangible assets.

None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

The carrying amount of goodwill allocated to each of the CGUs is as follows:

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
BPO Project CGU	42,157	42,157	42,157	42,157
SAP Project CGU	51,803	51,803	51,803	51,803
WinKey Tech CGU	3,103	3,103	3,103	3,103
Shanghai Dingyi CGU	—	17,152	17,152	17,152
	97,063	114,215	114,215	114,215

Impairment tests

Impairment reviews on the goodwill with an indefinite useful life of the Group have been conducted by the management according to IAS 36 "Impairment of assets". For the purposes of impairment review, the recoverable amounts of the respective CGUs are determined based on the value-in-use (VIU) calculation. As of December 31, 2023, 2024, 2025, and April 30, 2026, these calculations use cash flow projections based on financial budgets approved by management covering a five-year forecast period. Cash flows beyond the five-year period are extrapolated using an estimated terminal growth rate of 0%. The discount rates used are pre-tax and reflect specific risks relating to the relevant industry, the CGUs themselves and macro-environment of the relevant region. Key assumptions for the significant amount of goodwill are set out as follows:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	%	%	%	%
Annual growth rate of revenue for forecast period				
BPO Project CGU	5.06–10.00	3.04–5.13	3.00–4.99	3.00–4.99
SAP Project CGU	1.93–2.00	1.96–2.00	1.03–1.04	1.03–1.04
WinKey Tech CGU	2.00–4.98	2.00–4.75	5.00	4.81–4.85
Shanghai Dingyi CGU	N/A	2.95–38.00	5.00–20.00	5.00–10.00
Pre-tax discount rate				
BPO Project CGU	16.40	14.00	13.00	13.15
SAP Project CGU	16.40	14.00	13.00	13.15
WinKey Tech CGU	16.40	14.00	11.60–13.00	11.77–13.15
Shanghai Dingyi CGU	N/A	12.10	12.44	12.31

The headroom measured by the excess of the recoverable amount over the carrying amount of the above CGUs as follows:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
BPO Project CGU	385	264	5,795	5,160
SAP Project CGU	85,716	241,870	234,494	234,076
WinKey Tech CGU	812	1,566	4,019	4,771
Shanghai Dingyi CGU	N/A	2,843	4,553	4,899

A CGU to which goodwill has been allocated is tested for impairment by the management annually, and whenever there is an indication that the unit may be impaired.

The following table shows the amount that these two assumptions would need to be individually for the estimated recoverable amount to be equal to the carrying amount.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	%	%	%	%
Average annual growth rate of revenue for forecast period				
BPO Project CGU	7.90	4.29	3.55	3.22
SAP Project CGU	0.6	(1.7)	(2.26)	(3.31)
WinKey Tech CGU	3.09	3.68	2.55	1.68
Shanghai Dingyi CGU	N/A	12.04	11.23	8.30
Pre-tax discount rate				
BPO Project CGU	16.60	14.13	14.54	16.16
SAP Project CGU	23.22	32.11	29.03	35.50
WinKey Tech CGU	18.10	15.70	15.61	16.57
Shanghai Dingyi CGU	N/A	18.04	13.54	12.91

23. INVESTMENTS IN SUBSIDIARIES

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Investments in subsidiaries				
— Unlisted shares, at cost	723,429	767,521	783,521	783,521

The Company had direct and indirect equity interests in the following principal subsidiaries during the Track Record Period:

Name of subsidiaries	Date and place of incorporation/ establishment	Paid-in capital/ Registered capital	December 31, 2023		December 31, 2024		December 31, 2025		April 30, 2026		Principal business activities
			Direct %	*Indirect* %	*Direct* %	*Indirect* %	*Direct* %	*Indirect* %	*Direct* %	*Indirect* %	
Hand Japan Co. Ltd. (漢得日本株式會社) ("Hand Japan")	August 17, 2007, Japan	¥30,000,000	100	—	100	—	100	—	100	—	Provision of software services
Hand International Pte. Ltd. ("Hand International")	December 19, 2011, Singapore	USD14,000,000	100	—	100	—	100	—	100	—	Provision of software services
上海漢得微揚信息技術有限公司 Shanghai Hand Vyung Information Technology Co., Ltd. *(notes (i) (ii) (iii))*	March 23, 2015, Mainland China	RMB10,000,000	51	—	51	—	51	—	51	—	Software services
上海夏爾軟件有限公司 Shanghai Share Software Co., Ltd. *(notes (i) (ii) (iii))*	October 21, 2022, Mainland China	RMB20,000,000	—	100	—	100	—	100	—	100	Software services
上海得逸信息技術有限公司 Shanghai Deyi Information Technology Co., Ltd. *(notes (i) (ii) (iii))*	August 20, 2018, Mainland China	RMB20,000,000	75	—	75	—	75	—	75	—	Software services
西安漢得信息技術有限公司 Xian Hand Information Technology Co., Ltd. *(notes (i) (ii) (iii))*	October 18, 2022, Mainland China	RMB200,000,000	100	—	100	—	100	—	100	—	Software and Information Technology Services
上海甄鵬科技有限公司 Shanghai Zhenpeng Technology Co., Ltd. *(notes (i) (ii) (iii))*	July 2, 2021, Mainland China	RMB20,000,000	90	—	90	—	90	—	90	—	Software and Information Technology Services
上海億砹科技有限公司 Shanghai Yiai Technology Co., Ltd. *(notes (i) (ii) (iii))*	September 17, 2019, Mainland China	RMB11,111,110	54	—	54	—	54	—	54	—	Software services

Notes:

(i) The English names of these subsidiaries registered in the Mainland China are translated for identification only as they do not have official English names.

(ii) A limited liability company operating in the Mainland China.

(iii) The statutory financial statements of these subsidiaries for the years ended December 31, 2023, 2024 and 2025 were prepared in accordance with relevant accounting principles and financial regulations applicable in the PRC and were audited by BDO China Shu Lun Pan Certified Public Accountants LLP, respectively.

24. INVESTMENTS IN ASSOCIATES

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of the year/period	72,276	57,864	50,095	32,503
Additions	8,000	30,495	77	5,741
Disposals *(Note(i))*	(1,258)	(19,495)	(10,173)	—
Share of loss of associates, net	(30,493)	(19,871)	(7,718)	(4,054)
Gains on deemed disposal of investments in associates *(Note(ii))*	9,339	—	—	—
Others	—	1,102	222	(33)
End of the year/period	57,864	50,095	32,503	34,157

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of the year/period	47,801	33,727	25,029	13,919
Additions	8,000	11,000	—	5,741
Disposals	(920)	—	(4,383)	—
Share of loss of associates, net	(30,493)	(19,871)	(6,983)	(4,710)
Gains on deemed disposal of investments in associates *(Note(ii))*	9,339	—	—	—
Others	—	173	256	—
End of the year/period	33,727	25,029	13,919	14,950

Note:

(i) During the four months period ended April 30, 2026, the Group has disposed its remaining interest in an associate to the controlling holding company of the associate at a cash consideration of RMB69,000 and recorded a gain of disposal of RMB69,000. The net carrying amount of the associate is Nil on completion date of disposal.

(ii) During the year ended December 31, 2023, certain associates of the Company had capital injections from other investors. The proportion held by the Company of these associates has been diluted. The Company still adopts the equity method of accounting for these associates. The related effect of deemed disposal is recognised in profit or loss.

The directors of the Company considered that all investments in associates are not individually material. The carrying amount and the Group's share of the results of individually immaterial associates are shown in aggregate as below:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Aggregate carrying amount of the Group's associates in Historical Financial Information, using equity method	57,864	50,095	32,503	34,157
Aggregate amounts of the Group's share of:				
Loss from operations	(30,493)	(19,871)	(7,718)	(4,054)
Other comprehensive income	—	—	—	—
Total comprehensive expense	(30,493)	(19,871)	(7,718)	(4,054)

25. FINANCIAL ASSETS AT FVTPL, FVTOCI AND DERIVATIVE FINANCIAL INSTRUMENTS

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets				
Financial assets at FVTPL				
— Unlisted equity investments	52,657	58,800	61,403	61,543
Financial assets at FVTOCI				
— Unlisted equity investments *(Note i)*	634,601	651,680	683,970	688,319
Current assets				
Derivatives financial instruments				
— Foreign currency forward contracts *(Note ii)*	1,511	—	—	—
Financial assets at FVTPL *(Note iii)*	17,005	—	—	743,822
	18,516	—	—	743,822

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets				
Financial assets at FVTPL				
— Unlisted equity investments	52,657	58,800	61,403	61,543
Financial assets at FVTOCI				
— Unlisted equity investments *(Note i)*	344,951	347,030	369,260	373,109
Current assets				
Derivatives financial instrument				
Financial assets at FVTPL *(Note iii)*	—	—	—	430,691

Please refer to note 43 for the disclosures on the valuation basis and the sensitivity analysis of significant unobservable inputs of the above investments.

Note i: These investments are not held for trading, instead they are held for long-term strategic purposes. The directors of the Company have elected to designate these investments as accounted for financial assets at FVTOCI.

Note ii: In October 2023, the Group entered 2 foreign currency forward contracts designated as hedging instruments in cash flow hedges of forecast sales in United States Dollars (US$) and forecast purchases in RMB. The 2 contracts had a maturity period of 3 months. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

The Group has elected to adopt the hedge accounting requirements of IFRS 9 Financial Instruments. There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange forward contracts match the terms of the expected highly probable forecast sales and purchases transactions (i.e., notional amount and expected payment date). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risks of the foreign exchange forward contracts are identical to the hedged risk components. To measure the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Gains and losses recognised in the hedging reserve in equity on forward foreign exchange contracts as at December 31, 2023 are recognised in the consolidated statement of comprehensive income in the period or periods during which the hedged forecast transaction affects the consolidated statement of comprehensive income.

The derivative financial instruments are settled on gross basis with maximum exposure to credit risk at RMB60,673,000 as at December 31, 2023.

Note iii: The Group maintained a portfolio of structured deposit products issued by licensed banks. During the Track Record Period, interest income from the structured deposit products has recognized as fair value gains on financial assets at FVTPL, which are set out in note 8.

These structured deposit products have terms ranging from one to two months, and linked to indices performance and foreign exchange fluctuation.

26. TRADE AND BILLS RECEIVABLE AND PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables				
— Third parties	1,820,888	2,029,612	2,187,413	2,330,747
— Related parties	26,699	31,423	21,121	26,844
	1,847,587	2,061,035	2,208,534	2,357,591
Less: Impairment loss for trade receivables	(693,371)	(717,455)	(758,085)	(776,891)
Sub-total	1,154,216	1,343,580	1,450,449	1,580,700
Bills receivables				
— Commercial	1,146	—	—	—
— Bank	47,530	52,916	51,476	50,305
	48,676	52,916	51,476	50,305
Less: Impairment loss for bill receivables	(38)	—	—	—
Sub-total	48,638	52,916	51,476	50,305
Trade and bills receivables	1,202,854	1,396,496	1,501,925	1,631,005
Prepayment and other receivables				
— Current				
Deposits	59,675	54,444	52,673	55,239
Amounts due from related parties *(Note 46)*	25,430	—	5,695	238
Prepayments to suppliers	43,777	46,774	27,986	42,713
VAT recoverable	20,218	14,448	9,728	7,223
Interest receivable	7,510	7,200	1,610	1,415
Prepaid [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Others	10,564	9,801	9,384	7,830
	167,174	132,667	114,447	133,891
Less: Impairment loss for other receivables	(32,531)	(28,719)	(27,002)	(28,776)
	134,643	103,948	87,445	105,115
— Non-current				
Prepayment for long-term assets	12,007	—	—	—
Others	822	382	87	17
	12,829	382	87	17

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	
Trade receivables				
— Third parties	1,591,950	1,742,319	1,858,329	1,990,634
— Related parties	24,044	25,374	13,139	15,939
	1,615,994	1,767,693	1,871,468	2,006,573
Less: Impairment for trade receivables	(643,120)	(655,514)	(685,611)	(701,859)
	972,874	1,112,179	1,185,857	1,304,714
Bills receivables				
— Commercial	960	—	—	—
— Bank	39,305	43,505	42,107	40,805
	40,265	43,505	42,107	40,805
Less: Impairment loss for bill receivables	(29)	—	—	—
Sub-total	40,236	43,505	42,107	40,805
Total trade and bill receivables	1,013,110	1,155,684	1,227,964	1,345,519
Prepayment and other receivables				
— Current				
Deposits	52,476	48,297	46,342	47,840
Amounts due from related parties *(Note 46)*	25,457	—	5,410	238
VAT recoverable	12,461	—	—	—
Prepayments to suppliers	34,398	37,495	21,950	33,430
Interest receivable	6,690	3,783	663	53
Prepaid [REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Others	8,868	3,100	4,575	6,575
	140,350	92,675	86,311	107,497
Less: Impairment loss for other receivables	(26,725)	(21,873)	(21,575)	(22,467)
	113,625	70,802	64,736	85,030
— Non-current				
Prepayment for long-term assets	2,231	—	—	—
Others	752	366	87	17
	2,983	366	87	17

Details of the trade and other receivables due from related parties are set out in Note 46.

The Group

The credit period granted to customers is generally within 60 days during the Track Record Period. The following is aging analysis of trade receivables (net of impairment losses), presented based on the respective revenue recognition dates, at the end of each financial period during the Track Record Period:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	1,039,433	1,195,052	1,276,777	1,393,689
1 to 2 years	193,822	236,745	295,552	280,562
2 to 3 years	96,168	94,214	93,534	139,396
Over 3 years	518,164	535,024	542,671	543,944
	1,847,587	2,061,035	2,208,534	2,357,591
Less: Impairment loss for trade receivables	(693,371)	(717,455)	(758,085)	(776,891)
	1,154,216	1,343,580	1,450,449	1,580,700

Movements in lifetime ECL that have been recognized for trade receivables in accordance with the simplified approach set out in IFRS 9 during the Track Record Period:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of the year	634,688	693,371	717,455	758,085
Impairment losses recognized	98,837	46,981	74,517	19,074
Amounts written off as uncollectible	(40,517)	(27,194)	(33,835)	—
Exchange difference	363	4,297	(52)	(268)
At the end of the year	693,371	717,455	758,085	776,891

The Company

The following is aging analysis of trade receivables (net of allowance for impairment losses), presented based on the respective revenue recognition dates, at the end of each financial period during the Track Record Period:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	853,443	960,959	1,011,555	1,116,312
1 to 2 years	187,626	218,753	269,699	255,413
2 to 3 years	87,713	90,989	88,580	131,910
Over 3 years	487,212	496,992	501,634	502,889
	1,615,994	1,767,693	1,871,468	2,006,573
Less: Impairment loss for trade receivables	(643,120)	(655,514)	(685,611)	(701,859)
	972,874	1,112,179	1,185,857	1,304,714

Movement in lifetime ECL that has been recognized for trade receivables of the Company in accordance with the simplified approach set out in IFRS 9 during the Track Record Period:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of the year	591,511	643,120	655,514	685,611
Impairment losses recognized	92,126	38,348	63,932	16,248
Amounts written off as uncollectible	(40,517)	(25,954)	(33,835)	—
At the end of year	643,120	655,514	685,611	701,859

27. DEFERRED TAXATION

The following is a summary of the deferred tax balances of the Group for financial reporting purposes:

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred tax assets	191,863	209,599	222,962	224,668
Deferred tax liabilities	(106,119)	(115,299)	(117,029)	(116,943)
	85,744	94,300	105,933	107,725

The following are the major deferred tax assets and liabilities recognized and movements during the Track Record Period:

DEFERRED TAX ASSETS

	Impairment allowance	Share-based Payment	Deferred income	Unused Tax Losses	Provision	Unrealized intercompany profits	Lease Liabilities	Other	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As of January 1, 2023	118,288	5,946	832	15,557	—	—	1,584	749	142,956
Credited/(charged) to profit or loss	2,321	(2,450)	(231)	46,270	—	68	(1,584)	(152)	44,242
Movement through business combinations	76	—	—	—	—	—	—	—	76
Credited to reserve	—	—	—	4,589	—	—	—	—	4,589
As of December 31, 2023 and January 1, 2024	120,685	3,496	601	66,416	—	68	—	597	191,863
Credited/(charged) to profit or loss	1,272	11,585	(227)	4,211	—	291	730	(597)	17,265
Movement through business combinations	471	—	—	—	—	—	—	—	471
As of December 31, 2024 and January 1, 2025	122,428	15,081	374	70,627	—	359	730	—	209,599
Credited/(charged) to profit or loss	4,881	3,019	(275)	2,653	118	1,734	1,233	—	13,363
As of December 31, 2025 and January 1, 2026	127,309	18,100	99	73,280	118	2,093	1,963	—	222,962
Credited/(charged) to profit or loss	1,476	1,555	(23)	(238)	(104)	321	(676)	—	1,706
As of April 30, 2026	128,785	19,655	77	73,042	14	1,709	1,287	—	224,668

DEFERRED TAX LIABILITIES

	Investment in associates *RMB'000*	Financial assets at FVTOCI *RMB'000*	Unrealized profit on internal transactions *RMB'000*	Financial assets at FVTPL *RMB'000*	Appraisal increment of assets in business combinations under non-common control *RMB'000*	Right-of-use assets *RMB'000*	Total *RMB'000*
As of January 1, 2023	5,373	95,676	1,393	—	—	1,571	104,013
Charged/(credited) to profit or loss	415	(153)	(1,393)	4,004	158	(1,122)	1,909
Charged to other comprehensive income	—	45	—	—	—	—	45
Exchange difference	—	152	—	—	—	—	152
As of December 31, 2023 and January 1, 2024	5,788	95,720	—	4,004	158	449	106,119
Charged/(credited) to profit or loss	4,049	—	—	922	(974)	436	4,433
Charged to other comprehensive income	—	312	—	—	—	—	312
Movement through business combinations	—	—	—	—	4,435	—	4,435
As of December 31, 2024 and January 1, 2025	9,837	96,032	—	4,926	3,619	885	115,299
Charged/(credited) to profit or loss	(3,586)	—	—	16	(573)	1,274	(2,869)
Charged to other comprehensive income	—	4,599	—	—	—	—	4,599
As of December 31, 2025 and January 1, 2026	6,251	100,631	—	4,942	3,046	2,159	117,029
Charged/(credited) to profit or loss	—	—	—	432	(258)	(406)	(232)
Charged to other comprehensive income	—	146	—	—	—	—	146
As of April 30, 2026	6,251	100,777	—	5,374	2,788	1,753	116,943

The Company

The following is a summary of the deferred tax balances of the Company for financial reporting purposes:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Deferred tax assets	189,894	202,777	213,524	215,653
Deferred tax liabilities	(51,055)	(52,725)	(57,349)	(57,953)
	138,839	150,052	156,175	157,700

The following are the major deferred tax assets and liabilities recognized and movements during the Track Record Period:

DEFERRED TAX ASSETS

	Impairment allowance	Share-based Payment	Deferred income	Unused tax losses	Provision	Lease liabilities	Other	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As of January 1, 2023	110,461	5,946	828	10,164	—	1,370	749	129,518
Credited/(charged) to profit or loss	11,637	(2,450)	(227)	52,938	—	(1,370)	(152)	60,376
As of December 31, 2023 and January 1, 2024	122,098	3,496	601	63,102	—	—	597	189,894
Credited/(charged) to profit or loss	(1,985)	11,585	(227)	3,377	—	730	(597)	12,883
As of December 31, 2024 and January 1, 2025	120,113	15,081	374	66,479	—	730	—	202,777
Credited/(charged) to profit or loss	2,722	3,019	(274)	3,908	139	1,233	—	10,747
As of December 31, 2025 and January 1, 2026	122,835	18,100	100	70,387	139	1,963	—	213,524
Credited/(charged) to profit or loss	1,290	1,555	(22)	—	(18)	(676)	—	2,129
As of April 30, 2026	124,125	19,655	78	70,387	121	1,287	—	215,653

DEFERRED TAX LIABILITIES

	Financial assets at FVTOCI	Financial assets at FVTPL	Right-of-use assets	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As of January 1, 2023	46,559	—	1,356	47,915
(Credited)/charged to profit or loss	—	4,004	(908)	3,096
(Credited)/charged to other comprehensive income	44	—	—	44
As of December 31, 2023 and January 1, 2024	46,603	4,004	448	51,055
(Credited)/charged to profit or loss	—	921	437	1,358
(Credited)/charged to other comprehensive income	312	—	—	312
As of December 31, 2024 and January 1, 2025	46,915	4,925	885	52,725
(Credited)/charged to profit or loss	—	16	1,274	1,290
(Credited)/charged to other comprehensive income	3,334	—	—	3,334
As of December 31, 2025 and January 1, 2026	50,249	4,941	2,159	57,349
(Credited)/charged to profit or loss	—	432	(406)	26
(Credited)/charged to other comprehensive income	578	—	—	578
As of April 30, 2026	50,827	5,373	1,753	57,953

28. INVENTORIES

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Goods-in-transit	32,763	—	—	—
Work in progress	310,776	252,165	247,473	268,214
	343,539	252,165	247,473	268,214
Less: Impairment	(46,330)	(31,541)	(24,221)	(19,770)
	297,209	220,624	223,252	248,444

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Goods-in-transit	32,763	—	—	—
Work in progress	287,891	219,275	248,345	268,346
	320,654	219,275	248,345	268,346
Less: Impairment	(38,928)	(21,737)	(23,390)	(16,790)
	281,726	197,538	224,955	251,556

29. CONTRACT ASSETS

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Gross contract assets	310,240	315,721	320,769	367,286
Less: Impairment	(38,163)	(47,476)	(48,924)	(55,149)
	272,077	268,245	271,845	312,137
Impairment				
At the beginning of the year/period	61,095	38,163	47,476	48,924
Impairment losses (reversed)/recognized	(20,834)	9,417	2,015	6,225
Amounts written off as uncollectible	(2,098)	(104)	(567)	—
At the end of year/period	38,163	47,476	48,924	55,149

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Gross contract assets	306,465	307,480	316,603	363,882
Less: Impairment	(37,788)	(46,921)	(48,716)	(54,979)
	268,677	260,559	267,887	308,903
Impairment				
At the beginning of the year/period	60,834	37,788	46,921	48,716
Impairment losses (reversed)/recognized	(20,948)	9,234	2,362	6,263
Amounts written off as uncollectible	(2,098)	(101)	(567)	—
At the end of year/period	37,788	46,921	48,716	54,979

Contract assets are generally the service provided for some on-going contracts where the payment from customers is subject to the final completion of the full contract term and the final payments of revenue contracts which are due at the end of the quality assurance period. Contract assets are recorded as the Group has no right on these amounts of consideration when the revenue is recognized.

Details of contract assets with related parties are set out in Note 46.

30. BUSINESS COMBINATION

During the Track Record Period, the Group has completed several acquisitions of subsidiaries, of which are detailed as below:

(a) For the year ended December 31, 2023

Name of the subsidiary acquired	Vendor	Percentage of equity interests acquired	Principal activity	Date of completion
Qian Hai WinKey Tech Co., Ltd.	Independent third parties	51%	Provision of digital marketing products and marketing services	December 2023

Acquisition of Qian Hai WinKey Tech Co., Ltd. ("WinKey Tech")

In August 2023, the Company entered into an equity transfer agreement with the shareholder of WinKey Tech to acquire a total of 51% equity interests in WinKey Tech for a cash consideration of approximately RMB8,467,000.

Details of the fair value of identifiable assets and liabilities acquired are as follows:

	Fair value *RMB'000*
Cash and cash equivalents	6,935
Trade receivables	1,852
Prepayments, deposits and other receivables	1,356
Inventories	1,861
Other non-current assets	1,586
Trade payables	(409)
Other payables and accruals	(1,173)
Contract liabilities	(1,333)
Other non-current liabilities	(158)
Net identifiable assets acquired	10,517
Cash consideration paid	8,467
Add: Non-controlling interests	5,153
Less: Fair value of net identifiable assets acquired	(10,517)
Goodwill as of acquisition date *(Note 22)*	3,103
Net cash outflow arising on acquisition of a subsidiary:	
Cash consideration paid	8,467
Less: Cash and cash equivalents acquired	(6,935)
	1,532

The fair value of trade and other receivables at the date of acquisition amounted to approximately RMB2,881,000. The gross contractual amounts of those trade and other receivables acquired amounted to approximately RMB3,428,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was RMB547,000. Goodwill reflected the expected synergies from integrating the acquired companies' specialised digitalization and intelligenisation solution know-how with the Group's existing business, the value of the assembled workforce, and other intangible assets that do not qualify for separate recognition, including established customer relationships and the future growth potential from business cooperation initiatives.

The non-controlling interests recognised at the acquisition date were measured at 49% of the net assets acquired.

From the date of the acquisition to December 31, 2023, WinKey Tech did not contribute any revenue and profit to the Group as the acquisition was completed in December 2023. Had the acquisition of Winkey Tech been completed on January 1, 2023, revenue for the year of the Group would have been RMB2,991,159,000, and loss for the year would have been RMB12,879,000. The [REDACTED] information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on January 1, 2023, nor is it intended to be a projection of future results.

(b) For the year ended December 31, 2024

Acquisition of Shanghai Dingyi Information Technology Co., Ltd. ("Shanghai Dingyi")

In January 2024, The Company entered into a debt-to-equity conversion agreement with the shareholder of Shanghai Dingyi to convert its receivables due from Shanghai Dingyi to equity of Shanghai Dingyi. The gross amount and carrying amount of receivables due from Shanghai Dingyi was approximately RMB38,091,000 and RMB25,326,000, respectively, representing 35.24% of the enlarged equity subsequent to the conversion.

The acquisition was completed in January 2024. The Company previously held 27.85% equity interest in the investee. Upon the completion, the Company holds 63.09% equity interest of the investee and obtained control.

Name of the subsidiary acquired	Vendor	Percentage of equity interests acquired	Principal activity	Date of completion
Shanghai Dingyi Information Technology Co., Ltd.	Independent third parties	35.24%	Provision of digital operating products and service to hospital	January 2024

Details of the fair value of identifiable assets and liabilities acquired are as follows:

	Fair value *RMB'000*
Cash and cash equivalents	1,776
Trade receivables	9,924
Prepayments, deposits and other receivables	212
Inventories	16,927
Intangible assets	33,018
Other assets	1,699
Borrowings	(5,686)
Trade payables	(3,300)
Other payables and accruals	(4,267)
Contract liabilities	(3,725)
Deferred tax liabilities	(4,435)
Other liabilities	(785)
Net identifiable assets acquired	41,358
Fair value of amount due from Shanghai Dingyi	25,326
Fair value of the 43% equity previously held	19,495
Add: Non-controlling interests	13,689
Less: Fair value of net identifiable assets acquired	(41,358)
Goodwill as of acquisition date *(Note 22)*	17,152
Net cash inflow arising on acquisition of a subsidiary:	
Cash consideration paid	—
Less: Cash and cash equivalents acquired	(1,776)
	(1,776)

The fair value of trade and other receivables at the date of acquisition amounted to approximately RMB10,128,000. The gross contractual amounts of those trade and other receivables acquired amounted to approximately RMB14,749,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was RMB4,621,000. Goodwill reflected the expected synergies from integrating the acquired companies' specialised digitalization and intelligenisation solution know-how with the Group's existing business, the value of the assembled workforce, and other intangible assets that do not qualify for separate recognition, including established customer relationships and the future growth potential from business cooperation initiatives.

The non-controlling interests recognised at the acquisition date was measured at 36.91% of the net assets acquired, with the adjustment of paid in capital by each shareholders.

Since the acquisition date, Shanghai Dingyi has contributed approximately RMB39,548,000 to the Group's revenue and a net profit of approximately RMB3,696,000 to the overall result of the Group for the year ended December 31, 2024. Had the acquisition of Shanghai Dingyi been completed on January 1, 2024, revenue for the year of the Group would have been RMB3,230,668,000, and profit for the year would have been RMB189,145,000. The [REDACTED] information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on January 1, 2024, nor is it intended to be a projection of future results.

31. CASH AND CASH EQUIVALENTS, RESTRICTED BANK DEPOSITS, TIME DEPOSITS AND CERTIFICATES OF DEPOSTS

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	1,202,592	1,095,782	1,721,420	835,511
Restricted bank deposits	1,512	3,008	5,139	5,853
Term deposits and certificates of deposits	335,791	518,968	282,386	302,719
	1,539,895	1,617,758	2,008,945	1,144,083

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	521,661	586,688	1,013,723	448,039
Restricted bank deposits	1,350	2,560	3,090	3,738
Term deposits and certificates of deposits	66,932	85,000	—	20,000
	589,943	674,248	1,016,813	471,777

Cash at banks earns interest at floating rates based on daily bank deposit rates. Majority of the term deposits and certificates of deposits are made for varying periods of between one months and six months depending on the immediate cash requirements of the Group, and earn interest at the respective time deposits and certificates of deposits rates.

32. TRADE, OTHER PAYABLES AND ACCRUALS

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables				
— Third parties	46,138	58,069	82,474	64,886
— Related parties	7,538	1,949	1,318	419
Trade and bills payables	53,676	60,018	83,792	65,305
Other payables and accruals:				
Salary and bonus payables	248,713	220,582	234,526	163,760
Other taxes payable	47,475	36,154	67,244	37,302
Accrued expense	40,212	38,741	25,673	29,211
Payable related to 2023 ESOP	31,360	53,710	—	—
Other	15,769	17,542	22,075	21,348
	383,529	366,729	349,518	251,621
Total trade and other payables and accruals	437,205	426,747	433,310	316,926

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables				
— Third parties	32,778	34,570	48,609	42,213
— Related parties	—	—	1,318	420
	32,778	34,570	49,927	42,633
Other payables and accruals:				
Salary and bonus payables	169,987	142,103	148,926	103,566
Other taxes payable	22,734	17,633	38,064	15,152
Accrued expense	68,750	30,672	18,262	22,582
Payable related to 2023 ESOP	—	53,710	—	—
Other	9,528	10,128	17,210	16,344
	270,999	254,246	222,462	157,644
Total trade and other payables and accruals	303,777	288,816	272,389	200,277

Details of the trade and other payables due to related parties are set out in Note 46.

The following is an aging analysis of trade payables presented based on transaction date at the end of each of the reporting year/period:

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	51,738	55,553	72,824	54,816
Over 1 year	1,938	4,465	10,968	10,489
	53,676	60,018	83,792	65,305

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	32,110	30,607	41,641	33,830
Over 1 year	668	3,963	8,286	8,803
	32,778	34,570	49,927	42,633

Credit period with suppliers are mainly within 60 days.

33. CONTRACT LIABILITIES

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
— Third parties	156,238	176,101	160,768	160,587
— Related parties	153	85	—	—
	156,391	176,186	160,768	160,587

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
— Third parties	132,795	135,168	139,203	139,771

Usually 20% to 30% of contract sum is received upon signing the contracts with customers with revenue recognising based on a point in time. These deposits are recognised as contract liabilities until the related performance obligation is performed and the corresponding balance is transferred to revenue.

Details of contract liabilities with related parties are set out in Note 46.

34. BORROWINGS

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current bank borrowings, unsecured	396,000	398,798	426,204	577,412

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current bank borrowings, unsecured	396,000	398,798	421,204	570,412

The carrying amounts of the Group's and the Company's current interest-bearing bank borrowings approximate to their fair values.

As at December 31, 2023, 2024, 2025, and April 30, 2026, the borrowings of the Group of RMB10,000,000, RMB148,000, RMB55,000,000 and RMB104,543,426 are subject to variable interest rate ranged from 3.00% to 3.20%, 2.45% to 2.65%, 2.10% to 2.70% and 2.11% to 2.70%, respectively.

As at December 31, 2023, 2024, 2025, and April 30, 2026, the borrowings of the Company of RMB10,000,000, RMB148,000, RMB50,000,000 and RMB99,543,426 are subject to variable interest rate ranged from 3.00% to 3.20%, 2.45% to 2.65%, 2.10% to 2.11% and 2.11% to 2.65%, respectively.

As at December 31, 2023, 2024, 2025, and April 30, 2026, the fixed annual interest rate on the remaining borrowing balances of the Group and the Company were ranged from 2.10% to 3.20%, 1.25% to 3.65%, 1.40% to 2.20% and 1.40% to 2.70%, respectively.

35. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's and the Company's lease liabilities at the end of each reporting period:

The Group

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	6,210	3,807	7,584	7,525
More than one year but within two years	1,844	1,867	7,144	4,601
More than two years but within five years	554	957	886	716
Total lease payments	8,608	6,631	15,614	12,842
Interest	(484)	(295)	(386)	(311)
	8,124	6,336	15,228	12,531
Less: Amounts due for settlement within 12 months shown under current liabilities	6,004	3,624	7,314	7,289
Amount due for settlement after 12 months shown under non-current liabilities	2,120	2,712	7,914	5,242

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	5,874	3,487	6,570	5,822
More than one year but within two years	1,844	1,538	6,654	2,893
More than two years but within five years	554	—	138	46
Total lease payments	8,272	5,025	13,362	8,761
Interest	(477)	(157)	(273)	(177)
	7,795	4,868	13,089	8,584
Less: Amounts due for settlement within 12 months shown under current liabilities	5,675	3,355	6,356	5,675
Amount due for settlement after 12 months shown under non-current liabilities	2,120	1,513	6,733	2,909

The Group and the Company have lease contracts for offices used generally have lease terms between 1 year and 6 years in its operations. Lease terms are negotiated on an individual basis. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable. The lease contracts of factories comprise only fixed payments over the lease terms and do not include any extension nor termination options.

Lump sum payments were made upfront to acquire the leased land from the owners with no ongoing payments will be made under the terms of these land leases. The lease period of the land is 50 years.

36. CONVERTIBLE BONDS

The Group and the Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Liability component as of January 1	827,917	—	—	—
Interest accrual	10,663	—	—	—
Interest payment	—	—	—	—
Conversion	(835,654)	—	—	—
Repayment during the year	(2,926)	—	—	—
Liability component as of December 31/April 30	—	—	—	—

On November 23, 2020, the Company issued 9,371,500 convertible bonds for an aggregate principal amount of RMB937 million. The interest rate of the convertible bonds is as below:

First year:	0.40%
Second year:	0.60%
Third year:	1.00%
Fourth year:	1.50%
Fifth year:	2.00%
Sixth year:	2.50%

The maturity date of the convertible bonds is the sixth anniversary from the issuance date (November 22, 2026) and can be convertible to ordinary shares of the Company at the holder's option at the conversion price of RMB9.72 per share during the period from May 27, 2021 to the maturity date of the convertible bonds, but subject to the adjustment following the conversion terms if the Company triggers anti-dilution provisions. As of December 31, 2022 and April 27, 2023, the adjusted conversion rate was RMB9.82 per share and RMB9.82 per share, respectively.

During their conversion period, if the closing prices of the Company's A-shares are no less than 130% (inclusive) of the conversion price for at least 15 trading days in 30 consecutive trading days, the Company has the right to redeem all or part of the outstanding convertible bonds at their par value plus the current accrued interest.

During the last 2 years of conversion period, if the closing prices of the Company's A-shares are lower than 70% (inclusive) of the conversion price for at least 30 trading days, the holders of the convertible bond have the right to require the Company to redeem all or part of the outstanding convertible bonds at their par value plus the current accrued interest.

The early redemption option is considered as closely related to the host debt. The initial fair value of the liability portion of the convertible bonds was determined using a market interest rate for an equivalent non-convertible bond at the issue date. The liability is sub-sequently recognized on an amortized cost basis until extinguished on conversion or maturity of the convertible bonds. The remainder of the proceeds (RMB170,120,000) is allocated to the conversion option and recognized in other reserve and not subsequently remeasured. The effective interest rate of convertible bonds is 4.89%.

During the years ended December 31, 2023, 9,338,495 convertible bonds with principal amount of RMB933,850,000 were converted into 95,094,710 A shares of the Company.

On April 6, 2023, the early redemption condition has been fulfilled and the Company exercised its right to redeem the remaining convertible bonds. On April 28, 2023, the convertible bonds were fully redeemed upon 28,939 convertible bonds were redeemed for an aggregate amount of RMB2,926,000.

37. DEFERRED INCOME

The Group and the Company

	Assets related *RMB'000*	Income related *RMB'000*	Total *RMB'000*
Non-current:			
As of January 1, 2023	4,962	556	5,518
Credited to profit or loss	(1,234)	(278)	(1,512)
As of December 31, 2023 and January 1, 2024	3,728	278	4,006
Credited to profit or loss	(1,235)	(278)	(1,513)
As of December 31, 2024 and January 1, 2025	2,493	—	2,493
Credited to profit or loss	(1,830)	—	(1,830)
As of December 31, 2025 and January 1, 2026	663	—	663
Credited to profit or loss	(151)	—	(151)
As of April 30, 2026	512	—	512

Note: The amounts primarily consist of incentives provided by local authorities. These funds are recognized as deferred income and systematically released to statement of profit or loss over the estimated useful lives of the related property, plant and equipment or the designated period. For grants related to income, the amounts received are recognized in profit or loss over the periods necessary to match them with the related costs they are intended to compensate.

38. SHARE CAPITAL

The Group and Company

	Number of ordinary shares *'000*	*RMB'000*
Ordinary shares of RMB1.00 each		
As of January 1, 2023	867,927	867,927
— Upon exercise of options under share option scheme *(note 40)*	21,320	21,320
— Upon conversion of convertible bonds *(note 36)*	95,095	95,095
As of December 31, 2023 and January 1, 2024	984,342	984,342
— Upon exercise of options under share option scheme *(note 40)*	504	504
As of December 31, 2024 and January 1, 2025	984,846	984,846
— Upon exercise of options under share option scheme *(note 40)*	37,657	37,657
As of December 31, 2025 and January 1 2026	1,022,503	1,022,503
— Upon exercise of options under share option scheme *(note 40)*	969	969
As of April 30, 2026	1,023,472	1,023,472

39. TREASURY SHARES AND RESERVES

The Group and Company

Treasury Shares

	As of December 31,						As of April 30,	
	2023		2024		2025		2026	
	Number of shares	*RMB'000*	*Number of shares*	*RMB'000*	*Number of shares*	*RMB'000*	*Number of shares*	*RMB'000*
Opening balance	7,264,018	69,792	12,541,690	81,529	12,541,690	58,593	541,690	4,883
Repurchase of shares *(note i)*	5,277,672	48,083	—	—	—	—	—	—
2023 ESOP *(note ii)*	—	(36,346)	—	(22,936)	(12,000,000)	(53,710)	—	—
Closing balance	12,541,690	81,529	12,541,690	58,593	541,690	4,883	541,690	4,883

Treasury shares are own equity instruments which are held by the Company or the Group and are recognized directly in equity at cost. No gain or loss is recognized in the consolidated statements of profit or loss and other comprehensive income on the purchase, sale, issue or cancelation of the Group's own equity instruments.

Notes:

(i) During the year ended December 31, 2023, the Company has acquired shares in the open market for distribution of dividend.

(ii) During the years ended December 31, 2023 and 2024, amounts of RMB36,346,000 and RMB22,936,000, representing the difference between repurchase cost by the Company and subscription price, were transferred from share premium to treasury shares upon granting 7,000,018 and 4,999,982 shares under 2023 ESOP. During the year ended December 31, 2025, an amount of RMB53,710,000 was released to share premium from treasury shares upon fulfilment of relevant conditions.

Description of each of the reserve

Notes:

(a) Other reserve

The amount mainly represents reserve created upon issuance of convertible bonds and group reorganization in prior years.

(b) Share option reserve

Balance represents accumulated value of services received from employees in exchange for share options granted as part of a share-based compensation plan.

(c) Translation reserve

The amount represents exchange differences arising upon translation of the net assets of foreign operations into presentation currency of the Company.

(d) Investment revaluation reserve

The amount represents surplus of deficits arising from the fair value changes or financial assets measured at FVOCI.

(e) Cash flow hedge reserve

The changes in the fair value relating to the effective portion of hedging instruments that are designated and qualified as cash flow hedges is recognized in other comprehensive income and accumulated in hedging reserve in equity.

(f) Statutory reserve

In accordance with the articles of association of subsidiaries established in the PRC, these subsidiaries are required to transfer 10% of the profit after taxation in accordance to China Accounting Standards for Business Enterprises to the statutory reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve shall be made before distributing dividends to equity holders. The statutory reserve can be used to make up for previous years' losses, expand the existing operations or convert into additional capital of the subsidiaries.

(g) Retained earnings

Cumulative income and expenditure, including net gains and losses recognized in profit or loss.

40. SHARE-BASED PAYMENT

During the Track Record Period, the Company operated several restricted share schemes, share option schemes and employee share ownership plan. The schemes and plan are designed to provide an incentive to attract and retain employees of the Group and to align the long-term interests of employees and shareholders. Eligible participants of these restricted share schemes include directors, senior management, core technical personnel, and key staff in management, technology, and business fields of the Group. Under these schemes and plan, restricted shares or options are granted to eligible participants subject to vesting conditions basing on the Group's performance and individual appraisal results.

The Group uses the Black-Scholes valuation model to determine the estimated fair value for each of the restricted share and option granted.

	2021 Share Option Scheme	2021 Second Share Option Scheme	2024 Restricted Share Scheme
Share price on grant date	RMB6.97	RMB8.72	RMB6.33
Exercise price/subscription price	RMB7.77	RMB7.77	RMB3.36 and 3.38
Expected volatility *(note i)*	17.94%–21.74%	17.78%–22.27%	—
Expected life	1–3 years	1–3 years	1–2 years
Risk-free rate	1.50%–2.75%	1.50%–2.75%	—
Expected dividend yield	1.099%	—	—
Weighted average fair value on grant date	RMB0.45	RMB1.44	RMB3.04

Note (i): Expected volatility of 2021 share option scheme and 2021 Second Share Option scheme is based on the historical volatility of Shenzhen Stock Exchange Component Index and Shenzhen Stock Exchange Growth Enterprise Index, respectively.

Note (ii): The risk-free interest rate is based on the China Bond Government Bond Yield Curve at the time of grant for the period equal to the expected life.

Note (iii): Dividend yield is based on the estimate of annual dividends expected to be paid at the time of grant.

2021 Share Option Scheme

As approved by shareholders meeting on February 1, 2021, the Company granted 51,200,000 share options of ordinary shares to 912 employees at an exercise price of RMB7.77 per share ("2021 Share Option Scheme").

The lock-up periods, performance target and allocation basis of the 2021 Share Option are summarised in the table below:

Unlocking period	Performance target	Allocation
— From the first trading date after 12-month period from date of grant to the last trading date of the 24-month from the date of grant	— Net profit growth in 2022 compared to 2019 is not less than 15%	50%
— From the first trading date after 24-month period from date of grant to the last trading date of the 36-month from the date of grant	— Net profit growth in 2023 compared to 2019 is not less than 25%	30%
— From the first trading date after 36-month period from date of grant to the last trading date of the 48-month from the date of grant	— Net profit growth in 2024 compared to 2019 is not less than 35%	20%

2021 Second Share Option Scheme

As approved by shareholders meeting on December 23, 2021 and directors meeting on January 14, 2022, the Company granted 49,370,000 share options of ordinary shares to 153 directors and employees at a grant price of RMB7.77 per share ("2021 Second Share Option Scheme").

The lock-up periods, performance target and allocation basis of the 2021 Second Share Option are summarised in the table below:

Unlocking period	Performance target	Allocation
— From the first trading date after 12-month period from date of grant to the last trading date of the 24-month from the date of grant	— Net profit growth in 2022 compared to 2020 is not less than 80%	30%
— From the first trading date after 24-month period from date of grant to the last trading date of the 36-month from the date of grant	— Net profit growth in 2023 compared to 2020 is not less than 100%	30%
— From the first trading date after 36-month period from date of grant to the last trading date of the 48-month from the date of grant	— Net profit growth in 2024 compared to 2020 is not less than 120%	40%

2024 Restricted Share Scheme

As approved by shareholders meeting on May 6, 2024 and directors meeting on June 3, 2024, the Company granted 33,980,000 restricted ordinary shares (par value of RMB1 per share) to 268 employees at a grant price of RMB3.38 per share. On September 30, 2024, the directors further granted 8,000,000 restricted ordinary shares (par value of RMB1 per share) to 63 employees at a grant price of RMB3.36 per share. The restricted ordinary shares of 41,980,000 granted on June 3, 2024 and September 30, 2024 were collectively referred as 2024 Restricted Share Scheme.

The lock-up periods, the allocation basis of the 2024 Restricted Share Scheme are summarised in the table below:

Unlocking period	Allocation
From the first trading date after 12-month period from date of grant to the last trading date of the 24-month from the date of grant	50%
From the first trading date after 24-month period from date of grant to the last trading date of the 36-month from the date of grant	50%

2023 Employee Share Ownership Plan

On October 30, 2023 shareholders meeting of the Company, an employee share ownership plan was approved to 4 senior management, with a scale not exceeding 12,000,000 shares at a purchase price of RMB4.48 per share ("2023 ESOP"). The shares granted by the Company under the 2023 ESOP are subject to a 12-month lock-up period. At the end of the lock-up period, the shares will be distributed to the participants subject to meeting relevant performance evaluation criteria. During the years ended December 31, 2023 and 2024, shares of 7,000,018 and 4,999,982 have been repurchased in the market and transferred to a designated accounts as treasury share, respectively. Those shares have been subscribed by participants at RMB4.48 per share and RMB4.47 per share at the respective years. On May 28, 2025, 12,000,000 shares under 2023 ESOP become exercisable upon the directors of the Company approving all the conditions of the 2023 ESOP have been met. Fair value of shares under 2023 ESOP is estimated with reference to market price on grant date.

Set out below are details of the movements of the outstanding share options granted under the share option schemes restricted share scheme and 2023 ESOP during the Track Record Period:

	As of December 31,							
	2023		2024		2025		2026	
	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number
2021 Share Option Scheme								
Outstanding at the beginning of the year/period	7.77	27,639,352	7.77	10,498,965	—	—	—	—
Vested and exercised	7.77	(14,278,370)	7.77	(233,427)	—	—	—	—
Forfeited	7.77	(2,862,017)	7.77	(10,265,538)	—	—	—	—
Outstanding at the end of the year/period	7.77	10,498,965	—	—	—	—	—	—
Remaining contractual life	N/A	13 month	N/A	1 month	—	—	—	—
Exercisable option at the end of the year/period	N/A	3,312,965	—	—	—	—	—	—
2021 Second Share Option Scheme								
Outstanding at the beginning of the year/period	7.77	49,370,000	7.77	41,028,100	7.77	18,940,000	7.77	969,000
Granted	—	—	—	—	—	—	—	—
Vested and exercised	7.77	(7,041,900)	7.77	(270,084)	7.77	(17,899,000)	7.77	(969,000)
Forfeited	7.77	(1,300,000)	7.77	(21,818,016)	7.77	(72,000)	—	—
Outstanding at the end of the year/period	7.77	41,028,100	7.77	18,940,000	7.77	969,000	—	—
Remaining contractual life	N/A	25 months	N/A	13 months	N/A	1 month	—	—
Exercisable option at the end of the year/period	N/A	7,379,100	N/A	—	N/A	969,000	—	—

	As of December 31,							
	2023		2024		2025		2026	
	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number	Weighted average exercise price *RMB*	Number
2024 Restricted Share Scheme								
Outstanding at the beginning of the year/period	—	—	—	—	3.38	41,980,000	3.38	20,952,000
Granted	—	—	3.38	41,980,000	—	—	—	—
Vested	—	—	—	—	3.38	(19,758,000)	—	—
Forfeited	—	—	—	—	3.37	(1,270,000)	—	—
Outstanding at the end of the year/period	—	—	3.38	41,980,000	3.38	20,952,000	3.38	20,952,000
Remaining contractual life	N/A	—	N/A	18–21 months	N/A	6–9 months	N/A	2–5 months
2023 ESOP								
Outstanding at the beginning of the year/period	—	—	4.48	7,000,018	4.48	12,000,000	—	—
Granted and subscribed	4.48	7,000,018	4.47	4,999,982	—	—	—	—
Exercised	—	—	—	—	4.48	(12,000,000)	—	—
Outstanding at the end of the year/period	—	7,000,018	4.48	12,000,000	—	—	—	—

41. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities comprising the Group will be able to continue as going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged throughout the Track Record Period.

The capital structure of the Group consists of lease liabilities, borrowings (net of cash and cash equivalents), convertible bonds and equity attributable to owners of the Company (comprising capital and reserves).

Management of the Group regularly reviews the capital structure on a continuous basis taking into account the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debts.

42. OVERVIEW OF THE GROUP'S EXPOSURE TO CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. At the end of each reporting period, the Group's maximum exposure to credit risk which causes a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognized financial assets as stated in the consolidated statements of the financial position.

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's history of making payments when due and current ability to pay and consider information specific to the customer as well as pertaining to the economic environment in which the customer operates. Normally, the Group does not obtain collaterals from customers.

The Group measures impairment for trade receivables at an amount equal to lifetime ECLs, which is assessed for impairment on individual basis and collective basis based on different credit risk characteristics. For collective group basis, as there are three different customer segments which have different loss patterns, the Group measures impairment of the three different customer segments separately.

Trade receivables and contract assets are categorized as follows for assessment purpose:

Group 1 — individual: credit impaired receivables and contract assets
Group 2 — collective: other trade receivables and contract assets from state-owned enterprise customer
Group 3 — collective: other trade receivables and contract assets from other customers
Group 4 — collective: others

As of December 31, 2023, 2024, 2025, and April 30, 2026, the gross amount of trade receivables and contract assets in these categories are as follows:

		As of December 31,			As of April 30,
		2023	2024	2025	2026
Group 1	Trade receivables	49,230	47,961	75,778	75,420
	Contract assets	5,096	6,900	5,086	5,147
Group 2	Trade receivables	618,808	752,240	730,036	830,476
	Contract assets	119,586	121,179	125,965	154,320
Group 3	Trade receivables	1,165,933	1,253,446	1,393,880	1,434,723
	Contract assets	185,558	187,642	189,718	207,819
Group 4	Trade receivables	13,616	7,388	8,840	16,972

The Group individually assessed the recoverability of the balance with customers under Group 1 which are considered credit impaired with 100%, 86%, 65% and 67% of the gross amount were impaired as of December 31, 2023, 2024, 2025, and April 30, 2026, respectively.

The impairment of Group 2 as of December 31, 2023, 2024, 2025, and April 30, 2026 was determined as follows:

	As of December 31, 2023			
	Gross amount			
	Trade receivables	Contract assets	Loss allowance	Expected loss rate
	RMB'000	*RMB'000*	*RMB'000*	*%*
Within 1 year	399,389	97,446	14,905	3%
1–2 year	103,941	12,386	17,449	15%
2–3 year	27,756	6,929	12,140	35%
3–4 year	23,805	2,825	17,309	65%
4–5 year	22,110	—	17,688	80%
Over 5 years	41,807	—	41,808	100%
	618,808	119,586	121,299	16%

	As of December 31, 2024			
	Gross amount			
	Trade receivables	Contract assets	Loss allowance	Expected loss rate
	RMB'000	*RMB'000*	*RMB'000*	*%*
Within 1 year	491,149	92,997	17,524	3%
1–2 year	118,661	12,475	19,670	15%
2–3 year	48,163	6,634	19,179	35%
3–4 year	16,401	6,248	14,721	65%
4–5 year	19,338	2,825	17,730	80%
Over 5 years	58,528	—	58,529	100%
	752,240	121,179	147,353	17%

	As of December 31, 2025			
	Gross amount			
	Trade receivables	Contract assets	Loss allowance	Expected loss rate
	RMB'000	*RMB'000*	*RMB'000*	*%*
Within 1 year	481,471	102,551	17,521	3%
1–2 year	98,164	9,760	16,189	15%
2–3 year	39,697	4,643	15,519	35%
3–4 year	32,869	1,209	22,150	65%
4–*5 year*	12,478	5,180	14,127	80%
Over 5 years	65,357	2,622	67,979	100%
	730,036	125,965	153,485	18%

	As of April 30, 2026			
	Gross amount			
	Trade receivables	Contract assets	Loss allowance	Expected loss rate
	RMB'000	*RMB'000*	*RMB'000*	*%*
Within 1 year	555,711	126,914	20,479	3%
1–2 year	125,928	13,229	20,874	15%
2–3 year	36,842	4,895	14,608	35%
3–4 year	31,529	1,289	21,332	65%
4–*5 year*	12,606	2,142	11,799	80%
Over 5 years	67,860	5,851	73,710	100%
	830,476	154,320	162,802	17%

The impairment of Group 3 as of December 31, 2023, 2024, 2025, and April 30, 2026 was determined as follows:

	As of December 31, 2023			
	Gross amount			
	Trade receivables	Contract assets	Loss allowance	Expected loss rate
	RMB'000	*RMB'000*	*RMB'000*	*%*
Within 1 year	626,428	163,483	39,497	5%
1–2 year	78,155	12,453	45,305	50%
2–3 year	53,465	7,686	61,151	100%
3–4 year	57,408	1,936	59,344	100%
4–5 year	106,393	—	106,393	100%
Over 5 years	244,084	—	244,084	100%
	1,165,933	185,558	555,774	41%

	As of December 31, 2024			
	Gross amount			
	Trade receivables	Contract assets	Loss allowance	Expected loss rate
	RMB'000	*RMB'000*	*RMB'000*	*%*
Within 1 year	687,774	159,753	42,377	5%
1–2 year	116,002	15,608	65,805	50%
2–3 year	34,080	5,949	40,029	100%
3–4 year	45,612	4,636	50,248	100%
4–5 year	51,758	1,696	53,454	100%
Over 5 years	318,220	—	318,220	100%
	1,253,446	187,642	570,133	40%

	As of December 31, 2025			
	Gross amount			
	Trade receivables	Contract assets	Loss allowance	Expected loss rate
	RMB'000	*RMB'000*	*RMB'000*	*%*
Within 1 year	786,466	154,742	47,060	5%
1–2 year	152,393	24,727	88,560	50%
2–3 year	52,230	686	52,916	100%
3–4 year	30,730	4,267	34,997	100%
4–5 year	41,414	3,863	45,277	100%
Over 5 years	330,647	1,433	332,080	100%
	1,393,880	189,718	600,890	38%

	As of April 30, 2026			
	Gross amount			
	Trade receivables	Contract assets	Loss allowance	Expected loss rate
	RMB'000	*RMB'000*	*RMB'000*	*%*
Within 1 year	820,960	173,685	49,732	5%
1–2 year	148,389	16,991	82,690	50%
2–3 year	61,878	6,803	68,681	100%
3–4 year	30,852	4,237	35,090	100%
4–5 year	35,817	3,866	39,683	100%
Over 5 years	336,827	2,237	339,064	100%
	1,434,723	207,819	614,940	37%

The expected loss rate of customers in Group 4 is assessed at 1%.

For customers in Group 2, 3 and 4, expected loss rates are calculated based on actual loss pattens over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. Expected credit loss of customers in Group 1 is assessed individually by taking account of the severity of credit-impaired events, advice from legal counsel and financial background of counterparties.

For other receivables, the management makes periodic individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. Except for the credit-impaired other receivables, there are no significant increase in credit risk of the remaining other receivables since initial recognition and the Group provided impairment based on 12m ECL.

43. FINANCIAL INSTRUMENTS

a) Categories of financial instruments

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Amortized cost				
Trade and bills receivables	1,202,854	1,396,496	1,501,925	1,631,005
Restricted bank deposits	1,512	3,008	5,139	5,853
Cash and cash equivalents	1,202,592	1,095,782	1,721,420	835,511
Term deposits and certificates of deposits	335,791	518,968	282,386	302,719
Other receivables	18,074	17,001	10,994	32,499
	2,760,823	3,031,255	3,521,864	2,807,587
Financial assets at FVTOCI:				
Equity investment measured at FVOCI	634,601	651,680	683,970	688,319
Financial assets at FVTPL	69,662	58,800	61,403	805,365
Derivative financial instruments	1,511	—	—	—
	705,774	710,480	745,373	1,493,684
Total	3,466,597	3,741,735	4,267,237	4,301,271

The Group

	As of December 31,			As of April 30,
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities				
Amortized cost				
Trade and other payables	396,993	388,006	407,637	287,715
Borrowings	396,000	398,798	426,204	577,412
Lease liabilities — current	6,004	3,624	7,314	7,289
Lease liabilities — non-current	2,120	2,712	7,914	5,242
Total	801,117	793,140	849,069	877,658

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets				
Amortized cost				
Trade and bills receivables	1,013,110	1,155,684	1,227,964	1,345,519
Amount due from subsidiaries	1,287,743	1,355,033	1,337,660	1,336,105
Cash and cash equivalents	521,661	586,688	1,013,723	448,039
Restricted bank deposits	1,350	2,560	3,090	3,738
Term deposits and certificates of deposits	66,932	85,000	—	20,000
Other receivables	15,558	6,883	5,238	6,628
	2,906,354	3,171,848	3,587,675	3,160,029
Financial assets at FVTOCI:				
Equity investment measured at FVOCI	344,951	347,030	369,260	373,109
Financial assets at FVTPL	52,657	58,800	61,403	492,234
	397,608	405,830	403,663	865,343
Total	3,303,962	3,577,678	4,018,338	4,025,372

The Company

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities				
Amortized cost				
Amount due to subsidiaries	525,433	568,339	600,916	575,675
Trade and other payables	235,027	258,144	254,127	177,695
Borrowings	396,000	393,798	421,204	570,412
Lease liabilities — current	5,675	3,355	6,356	5,675
Lease liabilities — non-current	2,120	1,513	6,733	2,909
Total	1,164,255	1,255,149	1,289,336	1,332,366

b) Financial risk management objectives and policies

The Group's major financial instruments include trade, bills and other receivables, cash and cash equivalents, restricted bank deposits, term deposits and certificates of deposits, financial assets at FVTPL, financial assets at FVTOCI, financial derivative instruments, trade and other payables, borrowings, convertible bonds and lease liabilities. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group and the Company manage and monitor these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Market risk

The Group's activities expose it primarily to currency risk and interest rate risk. There has been no change in the Group's exposure to these risks or the manner in which it managed and measured the risks during each of the reporting period.

(a) Foreign currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, daily expenditures, and cash and cash equivalents, which expose the Group to foreign currency risk.

The carrying amounts of the Group's foreign currencies denominated monetary assets and liabilities at the end of each reporting period are as follows:

The Group

	Assets			
	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
USD	417,561	500,168	542,638	362,163
SGD	307,162	303,855	307,450	305,429
JPY	77,463	98,470	86,279	81,901
Total	802,186	902,493	936,367	749,493

	Liabilities			
	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
USD	1,201	2,352	7,408	2,060
SGD	1,674	3,120	2,045	2,601
JPY	7,019	11,219	7,520	5,453
Total	9,894	16,691	16,973	10,114

The Company

	Assets			
	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
USD	221,666	398,769	423,550	247,102
SGD	49,089	20,087	—	—
JPY	26,989	51,607	11,256	14,097
Total	297,744	470,463	434,806	261,199

	Liabilities			
	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
USD	1,249	6,027	189	—
SGD	22,879	20,067	—	—
JPY	659	2,356	—	—
Total	24,787	28,450	189	—

Sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against USD, SGD and JPY 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding USD, SGD and JPY denominate monetary items for a 5% change in the foreign currency rates against RMB at the end of each of the reporting period during the Track Record Period. The negative number below indicates an increase in loss before taxation/a decrease in profit before tax and equity where RMB strengthen 5% against USD, SGD and JPY. For a 5% weakening of RMB against USD, SGD and JPY there would be an equal and opposite impact on the (loss)/profit before tax and equity with positive numbers.

The Group

	Increase/ (decrease) by	Impact on profit/(loss) before tax	Impact on equity
As of December 31, 2023			
USD	5%	20,818	17,695
USD	(5%)	(20,818)	(17,695)
SGD	5%	15,274	12,983
SGD	(5%)	(15,274)	(12,983)
JPY	5%	3,522	2,994
JPY	(5%)	(3,522)	(2,994)
As of December 31, 2024			
USD	5%	24,891	21,157
USD	(5%)	(24,891)	(21,157)
SGD	5%	15,037	12,781
SGD	(5%)	(15,037)	(12,781)
JPY	5%	4,363	3,708
JPY	(5%)	(4,363)	(3,708)
As of December 31, 2025			
USD	5%	26,761	22,747
USD	(5%)	(26,761)	(22,747)
SGD	5%	15,270	12,980
SGD	(5%)	(15,270)	(12,980)
JPY	5%	3,938	3,347
JPY	(5%)	(3,938)	(3,347)
As of April 30, 2026			
USD	5%	18,005	15,304
USD	(5%)	(18,005)	(15,304)
SGD	5%	15,141	12,870
SGD	(5%)	(15,141)	(12,870)
JPY	5%	3,822	3,249
JPY	(5%)	(3,822)	(3,249)

The Company

	Increase/ (decrease) by	Impact on profit/(loss) before tax	Impact on equity
As of December 31, 2023			
USD	5%	11,021	9,368
USD	(5%)	(11,021)	(9,368)
SGD	5%	1,311	1,114
SGD	(5%)	(1,311)	(1,114)
JPY	5%	1,317	1,119
JPY	(5%)	(1,317)	(1,119)
As of December 31, 2024			
USD	5%	19,637	16,692
USD	(5%)	(19,637)	(16,692)
SGD	5%	1	1
SGD	(5%)	(1)	(1)
JPY	5%	2,463	2,093
JPY	(5%)	(2,463)	(2,093)
As of December 31, 2025			
USD	5%	21,168	17,993
USD	(5%)	(21,168)	(17,993)
JPY	5%	563	478
JPY	(5%)	(563)	(478)
As of April 30, 2026			
USD	5%	12,355	10,502
USD	(5%)	(12,355)	(10,502)
JPY	5%	705	599
JPY	(5%)	(705)	(599)

(b) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to its restricted bank deposits, term deposits and certificates of deposits, cash and cash equivalents, convertible bonds and lease liabilities. The Group and the Company are exposed to cash flow interest rate risk in relation to variable-rate bank borrowings. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and economic outlook. The management will review the proportion of borrowings in fixed and variable rates and ensure they are within reasonable range.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of each reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of each reporting period were outstanding for the whole year. A 100 basis point increase or decrease in variable-rate bank borrowings are used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis point higher/lower and all other variables were held constant, the Group and the Company's post-tax profit for the year/period would decrease/increase by RMB85,000, RMB1,000, RMB468,000 and RMB296,000 for the years ended December 31, 2023, 2024, 2025, and four months ended April 30, 2026, respectively. This is mainly attributable to the Group's exposure to interest rates on its variable-rate borrowings.

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's and the Company's counterparties default on their contractual obligations resulting in financial losses to the Group and the Company. The Group's and the Company's credit risk exposures are primarily attributable to trade, bills and other receivables, financial assets at FVTPL, restricted bank deposits, cash and cash equivalents, term deposits and certificates of deposits. The Group and the Company do not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Trade receivables arising from contracts with customers and bills receivables

In order to minimize the credit risk, the management of the Group and the Company have delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In this regard, the management considers that the Group's and the Company's credit risk is significantly reduced.

The Group has concentration of credit risk as 5.58%, 4.17%, 4.89% and 6.44% of the total trade receivables was due from the Group's largest debtor as of December 31, 2023, 2024, 2025, and April 30, 2026, respectively. The Group has concentration of credit risk as 14.70%, 10.46%, 12.78% and 14.87% of the total trade receivables was due from the Group's top five largest debtors as of December 31, 2023, 2024, 2025, and April 30, 2026, respectively.

For trade receivables, the Group and the Company has applied the simplified approach of IFRS 9 to measure the loss allowance at lifetime ECL. Except for items that are subject to individual evaluation, which are assessed for impairment individually, the remaining trade receivables are grouped based on shared credit risk characteristics by reference to the Group's ageing of outstanding balances. Details of the quantitative disclosures are set out below in note 42.

For bills receivables, the Group has applied the simplified approach of IFRS 9 to measure the loss allowance at lifetime ECL. All bills receivables are held at reputable financial institutions and there is no significant concentration risk to a single counterparty and there is no history of defaults from these counterparties. Therefore, based on the counterparties are reputable financial institutions with no default history in recent years, the lifetime ECL on bills receivables is considered to be insignificant and therefore minimal impairment was recognized.

Other receivables

For other receivables, the management makes periodic individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group and the Company provided impairment based on 12 months ECL. The Group individually assessed the recoverability of the balance other receivables which are considered credit impaired with 34%, 45%, 42% and 45% of the gross amount were impaired as of December 31, 2023, 2024, 2025, and April 30, 2026, respectively.

Restricted bank deposits/time deposits/certificates of deposits held/bank deposits

The Group expects that there is no significant credit risk associated with restricted bank deposits, time deposits, certificates of deposits held and bank deposits since they are substantially deposited at state-owned banks and other medium or large-sized listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

The Group also expects that there is no significant credit risk associated with amounts due from related parties since counterparties are mainly related parties with good reputation.

Liquidity risk

In the management of the liquidity risk, the Group and the Company monitor and maintains a level of bank balances and cash deemed adequate by the management to finance the operations of the Group and the Company, and mitigate the effects of fluctuations in cash flows. The management monitors the utilization of borrowings, if necessary.

The following tables detail the Group's and the Company's remaining contractual maturity for its financial liabilities and lease liabilities. The tables have been drawn up based on the undiscounted cash flows of and financial liabilities and lease liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived based on management's best estimates at the end of each reporting period.

The Group

As of December 31, 2023	**On demand or less than one year** *RMB'000*	**Within one to two years** *RMB'000*	**Two to five years** *RMB'000*	**More than five years** *RMB'000*	**Total undiscounted cash flow** *RMB'000*	**Carrying amount** *RMB'000*
Trade and other payables	396,993	—	—	—	396,993	396,993
Borrowings	396,000	—	—	—	396,000	396,000
Lease liabilities	6,210	1,844	554	—	8,608	8,124
Total	799,203	1,844	554	—	801,601	801,117

As of December 31, 2024	**On demand or less than one year** *RMB'000*	**Within one to two years** *RMB'000*	**Two to five years** *RMB'000*	**More than five years** *RMB'000*	**Total undiscounted cash flow** *RMB'000*	**Carrying amount** *RMB'000*
Trade and other payables	388,006	—	—	—	388,006	388,006
Borrowings	398,798	—	—	—	398,798	398,798
Lease liabilities	3,807	1,867	957	—	6,631	6,336
Total	790,611	1,867	957	—	793,435	793,140

As of December 31, 2025	**On demand or less than one year** *RMB'000*	**Within one to two years** *RMB'000*	**Two to five years** *RMB'000*	**More than five years** *RMB'000*	**Total undiscounted cash flow** *RMB'000*	**Carrying amount** *RMB'000*
Trade and other payables	407,637	—	—	—	407,637	407,637
Borrowings	426,204	—	—	—	426,204	426,204
Lease liabilities	7,584	7,144	886	—	15,614	15,228
Total	841,425	7,144	886	—	849,455	849,069

As of April 30, 2026	**On demand or less than one year** *RMB'000*	**Within one to two years** *RMB'000*	**Two to five years** *RMB'000*	**More than five years** *RMB'000*	**Total undiscounted cash flow** *RMB'000*	**Carrying amount** *RMB'000*
Trade and other payables	287,715	—	—	—	287,715	287,715
Borrowings	577,412	—	—	—	577,412	577,412
Lease liabilities	7,520	4,601	713	—	12,834	12,531
Total	872,647	4,601	713	—	877,961	877,658

The Company

As of December 31, 2023	On demand or less than one year *RMB'000*	Within one to two years *RMB'000*	Two to five years *RMB'000*	More than five years *RMB'000*	Total undiscounted cash flow *RMB'000*	Carrying amount *RMB'000*
Amount due to subsidiaries	525,433	—	—	—	525,433	525,433
Trade and other payables	235,027	—	—	—	235,027	235,027
Borrowings	396,000	—	—	—	396,000	396,000
Lease liabilities	5,874	1,844	554	—	8,272	7,795
Total	1,162,334	1,844	554	—	1,164,732	1,164,255

As of December 31, 2024	On demand or less than one year *RMB'000*	Within one to two years *RMB'000*	Two to five years *RMB'000*	More than five years *RMB'000*	Total undiscounted cash flow *RMB'000*	Carrying amount *RMB'000*
Amount due to subsidiaries	568,339	—	—	—	568,339	568,339
Trade and other payables	258,144	—	—	—	258,144	258,144
Borrowings	393,798	—	—	—	393,798	393,798
Lease liabilities	3,487	1,538	—	—	5,025	4,868
Total	1,223,768	1,538	—	—	1,225,306	1,225,149

As of December 31, 2025	On demand or less than one year *RMB'000*	Within one to two years *RMB'000*	Two to five years *RMB'000*	More than five years *RMB'000*	Total undiscounted cash flow *RMB'000*	Carrying amount *RMB'000*
Amount due to subsidiaries	600,916	—	—	—	600,916	600,916
Trade and other payables	253,203	—	—	—	253,203	253,203
Borrowings	421,204	—	—	—	421,204	421,204
Lease liabilities	6,570	6,654	138	—	13,362	13,089
Total	1,281,893	6,654	138	—	1,288,685	1,288,412

As of April 30, 2026	On demand or less than one year *RMB'000*	Within one to two years *RMB'000*	Two to five years *RMB'000*	More than five years *RMB'000*	Total undiscounted cash flow *RMB'000*	Carrying amount *RMB'000*
Amount due to subsidiaries	575,675	—	—	—	575,675	575,675
Trade and other payables	176,891	—	—	—	176,891	176,891
Borrowings	570,412	—	—	—	570,412	570,412
Lease liabilities	5,822	2,894	46	—	8,762	8,584
Total	1,328,800	2,894	46	—	1,331,740	1,331,562

Fair value measurement

c) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in Historical Financial Information. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under IFRS.

(i) Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of each reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(ii) Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(iii) Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The carrying amounts of the financial assets and liabilities, which are measured at amortized cost, approximated their fair value as of December 31, 2023, 2024, 2025, and April 30, 2026.

The following table presents the Group's financial assets that are measured at fair value as of December 31, 2023, 2024, 2025, and April 30, 2026, respectively.

As of December 31, 2023	**Level 1** *RMB'000*	**Level 2** *RMB'000*	**Level 3** *RMB'000*	**Total** *RMB'000*
— Financial assets at FVTPL	—	17,005	52,657	69,662
— Financial assets at FVTOCI	—	—	634,601	634,601
— Derivative financial instruments	—	1,511	—	1,511
Total	—	18,516	687,258	705,774

As of December 31, 2024	**Level 1** *RMB'000*	**Level 2** *RMB'000*	**Level 3** *RMB'000*	**Total** *RMB'000*
— Financial assets at FVTPL	—	—	58,800	58,800
— Financial assets at FVTOCI	—	—	651,680	651,680
Total	—	—	710,480	710,480

As of December 31, 2025	**Level 1** *RMB'000*	**Level 2** *RMB'000*	**Level 3** *RMB'000*	**Total** *RMB'000*
— Financial assets at FVTPL	—	—	61,403	61,403
— Financial assets at FVTOCI	—	—	683,970	683,970
Total	—	—	745,373	745,373

As of April 30, 2026	**Level 1** *RMB'000*	**Level 2** *RMB'000*	**Level 3** *RMB'000*	**Total** *RMB'000*
— Financial assets at FVTPL	—	743,822	61,543	805,365
— Financial assets at FVTOCI	—	—	688,319	688,319
Total	—	743,822	749,862	1,493,684

During the Track Record Period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

d) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the movements in Level 3 items for the years ended December 31, 2023, 2024, 2025, and four months ended April 30, 2026.

	As of December 31,			**As of April 30,**
	2023 *RMB'000*	**2024** *RMB'000*	**2025** *RMB'000*	**2026** *RMB'000*
Opening balance	657,767	687,258	710,480	745,373
Additions	2,500	15,000	7,500	—
Disposal	—	—	—	(250)
Change in fair value of financial assets at FVTPL	26,696	6,143	103	390
Change in fair value of financial assets at FVOCI	295	2,079	27,290	4,349
Closing balance	687,258	710,480	745,373	749,862

The fair values of financial assets at FVTPL and financial assets at FVTOCI have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and to calculate an appropriate price multiple, such as enterprise value to sales ("EV/S") and enterprise value to research and development expenses ("EV/R&D") multiple and price to earnings ("P/E") multiple, for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings measure of the equity investments to measure the fair value. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss, are reasonable at the end each of the reporting year/period during the Track Record Period.

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of foreign exchange forward contracts in Level 2 is determined by discounting the difference between the contractual forward price and the current forward price of foreign exchange rate. The discount rate used is derived from the relevant government bond yield curve as at the end of the reporting period plus an adequate constant credit spread.

The fair value of structured deposits in Level 2 is determined by using a discounted cash flow valuation based on observable market interest rates and yield curve adjusted with credit risk of counterparties.

Valuation techniques and inputs used in Level 3 fair value measurements

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at December 31, 2023, 2024, 2025, and April 30, 2026:

Items	Valuation technique	Significant unobservable input	Range
Financial assets at FVTPL	Market comparable companies	Average EV/S multiple of peers	2023: 3%–12% 2024: 1%–12% 2025: 3%–25% April 30,2026: 4%–27%
		Average P/E multiple of peers	2023: 29% 2024: — 2025: — April 30,2026: —
		Discount for lack of marketability (DLOM)	2023: 32% 2024: 26%–34% 2025: 31%–34% April 30,2026: 31%–36%

The fair value of unlisted financial assets at FVTPL is determined using the EV/S or P/E multiple of comparable listed companies. The fair value measurement is positively correlated to average EV/S multiple of peers. As at December 31, 2023, 2024, 2025, and April 30, 2026, it is estimated that with all other variables held constant, an increase in average EV/S multiple of peers by 5% would have increased the Group's profit or loss by RMB10,070,000, RMB49,209,000, RMB20,231,000 and RMB32,282,000, respectively. The fair value measurement is positively correlated to average P/E multiple of peers. As at December 31, 2023, it is estimated that with all other variables held constant, an increase in average P/E multiple of peers by 5% would have increased the Group's profit or loss by RMB31,318,000. The fair value measurement is negatively correlated to the DLOM. As at December 31, 2023, 2024, 2025, and April 30, 2026, it is estimated that with all other variables held constant, an increase in DLOM by 5% would have decreased the Group's profit or loss by RMB46,209,000, RMB44,358,000, RMB28,976,000 and RMB55,534,000, respectively.

Items	Valuation technique	Significant unobservable input	Range
Financial assets at FVTOCI	Market comparable companies	Average EV/S multiple of peers	2023: 16%–31% 2024: 2%–5% 2025: 2%–9% April 30, 2026: 3%–11%
		Average EV/R&D multiple of peers	2023: 15%–30% 2024: 18%–36% 2025: 22%–49% April 30, 2026: 24%–51%
		DLOM	2023: 32% 2024: 34% 2025: 27%–31% April 30, 2026: 26%–36%

The fair values of unlisted financial assets at FVTOCI are determined using EV/S multiple and EV/R&D multiple of comparable listed companies. The fair value measurement is positively correlated to average EV/S multiple of peers. As at December 31, 2023, 2024, 2025, and April 30, 2026, it is estimated that with all other variables held constant, an increase in average EV/S multiple of peers by 5% would have increased the Group's other comprehensive income by RMB2,921,000, RMB3,509,000, RMB5,686,000 and RMB5,472,000, respectively. The fair value measurement is positively correlated to average EV/R&D multiple of peers. As at December 31, 2023, 2024, 2025, and April 30, 2026, it is estimated that with all other variables held constant, an increase in average EV/R&D multiple of peers by 5% would have increased the Group's other comprehensive income by RMB30,448,000, RMB35,291,000, RMB39,936,000 and RMB37,047,000, respectively. The fair value measurement is negatively correlated to the DLOM. As at December 31,

2023, 2024, 2025, and April 30, 2026, it is estimated that with all other variables held constant, an increase in DLOM by 5% would have decreased the Group's other comprehensive income by RMB91,626,000, RMB48,962,000, RMB65,373,000 and RMB71,790,000, respectively.

44. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statements of cash flows as cash flows from financing activities.

	Borrowings *RMB'000*	**Lease liabilities** *RMB'000*	**Dividend payables** *RMB'000*	**Total** *RMB'000*
As of January 1, 2023	437,665	10,355	—	448,020
Proceeds from borrowings	840,464	—	—	840,464
Repayment of borrowings	(882,129)	—	—	(882,129)
Repayment of leases liabilities	—	(14,146)	—	(14,146)
Dividends paid to the Company's shareholders	—	—	(57,755)	(57,755)
Non-cash movement	—	11,915	57,755	69,670
As of December 31, 2023 and January 1, 2024	396,000	8,124	—	404,124
Proceeds from borrowings	705,823	—	—	705,823
Repayment of borrowings	(708,711)	—	—	(708,711)
Repayment of leases liabilities	—	(8,069)	—	(8,069)
Dividends paid to the Company's shareholders	—	—	(19,636)	(19,636)
Dividends paid to non-controlling interests in subsidiaries	—	—	(3,933)	(3,933)
Non-cash movement	5,686	6,281	23,569	35,536
As of December 31, 2024 and January 1, 2025	398,798	6,336	—	405,134
Proceeds from borrowings	591,999	—	—	591,999
Repayment of borrowings	(576,126)	—	—	(576,126)
Repayment of leases liabilities	—	(9,669)	—	(9,669)
Dividends paid to the Company's shareholders	—	—	(47,182)	(47,182)
Dividends paid to non-controlling interests in subsidiaries	—	—	(3,840)	(3,840)
Non-cash movement	11,533	18,561	51,022	81,116
As of December 31, 2025	426,204	15,228	—	441,432
As of January 1, 2025	398,798	6,336	—	405,134
Proceeds from borrowings	145,435	—	—	145,435
Repayment of borrowings	(83,880)	—	—	(83,880)
Repayment of leases liabilities	—	(1,901)	—	(1,901)
Non-cash movement	(52)	312	—	260
As of April 30, 2025 (unaudited)	460,301	4,747	—	465,048
As of January 1, 2026	426,204	15,228	—	441,432
Proceeds from borrowings	255,543	—	—	255,543
Repayment of borrowings	(105,000)	—	—	(105,000)
Repayment of leases liabilities	—	(5,196)	—	(5,196)
Non-cash movement	665	2,499	—	3,164
As of April 30, 2026	577,412	12,531	—	589,943

For the years ended December 31, 2023, 2024, 2025, and four months ended April 30, 2026, non-cash movements in borrowings were primarily due to set-offs against term deposits and exchange differences, movements in lease liabilities resulted from new lease contracts and exchange fluctuations, and movements in dividend payables result from dividend declared.

45. CAPITAL COMMITMENTS

At the end of each reporting period, capital commitments contracted but not provided for purchase of property, plant and equipment, intangible assets and land-use-rights assets at the end of reporting period in the Track Record Period are as follows:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Capital expenditure contracted for but not provided	2,931	1,300	64	—

46. RELATED PARTY TRANSACTIONS AND BALANCES

The Group

During the reporting period, the following parties are identified as related parties to the Group and the respective relationships are set out below:

Names of related parties	Relationship
上海漢得知雲軟件有限公司(漢得知雲) (Knowledge Platform Pte.Ltd.)	Associate prior to November 21, 2023 as Mr. Huang Yiquan retired as the Chairman of 漢得知雲 on that date
上海甄實建築科技有限公司(上海甄實) (Shanghai Zhenshi Construction Technology Co., Ltd.)	Associate
上海甄一科技有限公司(上海甄一) (Shanghai Zhenyi Technology Co., Ltd.)	Associate
上海甄零科技有限公司(上海甄零) (Shanghai Zhenling Technology Co., Ltd.)	Associate
ARK Systems Co., Ltd. (ARK Systems)	Associate
上海鼎醫信息技術有限公司(上海鼎醫) (Shanghai Dingyi Information Technology Co., Ltd.)	A subsidiary except the period from January 1, 2023 to January 31, 2024 which 上海鼎醫 was an associate
上海甄知科技有限公司(上海甄知) (Shanghai Zhenzhi Technology Co., Ltd.)	Associate
共享智能鑄造產業創新中心有限公司(共享智能) (Shared Intelligent Casting Industry Innovation Center Co., Ltd.)	Mr. Huang Yiquan, the director of the Company, is also a director of 共享智能
北京百度網訊科技有限公司(百度網訊) (Beijing Baidu Netcom Science and Technology Co., Ltd.)	百度網訊 was no longer a shareholder of the Company with 5% or more shareholding with effective from January 1, 2023

Note: The English names of the related parties registered in the PRC mentioned above are for identification purpose only as they do not have official English names.

(a) Transactions with related parties

(i) Revenue from related parties

The Group

Name of related party	Year ended December 31, 2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	Four months ended April 30, 2025 *RMB'000* (unaudited)	2026 *RMB'000*
Shanghai Zhenshi Construction Technology Co., Ltd.	26	—	—	—	15
Shanghai Zhenling Technology Co., Ltd.	2,424	4,645	9,095	1,121	4,937
Shanghai Zhenyi Technology Co., Ltd.	742	5,589	4,258	343	1,133
Shanghai Dingyi Information Technology Co., Ltd.	2,060	—	—	—	—
Shanghai Zhenzhi Technology Co., Ltd.	5,236	5,410	1,988	1,394	—
ARK Systems	—	—	207	92	—
Shared Intelligent Casting Industry Innovation Center Co., Ltd.	—	66	67	—	79
	10,488	15,710	15,615	2,950	6,164

(ii) Fees paid to related parties for services/goods

The Group

Name of related party	Year ended December 31, 2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	Four months ended April 30, 2025 *RMB'000* (unaudited)	2026 *RMB'000*
Knowledge Platform Pte.Ltd.	259	259	—	—	—
Shanghai Zhenling Technology Co., Ltd.	7,034	10,347	9,119	1,302	1,137
Shanghai Zhenyi Technology Co., Ltd.	2,572	3,778	4,830	1,187	584
Shanghai Dingyi Information Technology Co., Ltd.	3,105	—	—	—	—
Shanghai Zhenzhi Technology Co., Ltd.	7,157	7,760	5,681	2,450	—
	20,127	22,144	19,630	4,938	1,721

(b) Related party balances

(i) Gross trade receivables

The Group

Name of related party	As at December 31, 2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	As of April 30, 2026 *RMB'000*
Knowledge Platform Pte.Ltd	8,761	8,761	—	—
Shanghai Zhenshi Construction Technology Co., Ltd	6,854	6,854	6,854	6,854
Shanghai Zhenling Technology Co., Ltd	726	3,333	9,075	13,198
Shanghai Zhenyi Technology Co., Ltd	1,422	4,328	5,192	6,792
Shanghai Dingyi Information Technology Co., Ltd.	3,152	—	—	—
Shanghai Zhenzhi Technology Co., Ltd.	5,784	8,147	—	—
	26,699	31,423	21,121	26,844

The balances are unsecured, non-interest bearing and aged within one year as at December 31, 2023, 2024, 2025, and April 30, 2026.

(ii) Gross Contract assets

The Group

	As at December 31,			As of April 30,
	2023	2024	2025	2026
Name of related party	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Shanghai Zhenling Technology Co., Ltd.	288	—	1,197	1,704
Shanghai Zhenyi Technology Co., Ltd.	525	1,938	1,883	797
Shanghai Dingyi Information Technology Co., Ltd.	143	—	—	—
Shanghai Zhenzhi Technology Co., Ltd.	—	625	—	—
Shared Intelligent Casting Industry Innovation Center Co., Ltd.	—	—	—	29
	956	2,563	3,080	2,530

(iii) Other receivables

The Group

	As at December 31,			As of April 30,
	2023	2024	2025	2026
Name of related party	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Shanghai Zhenling Technology Co., Ltd.	—	—	5,695	146
Shanghai Dingyi Information Technology Co., Ltd.	25,430	—	—	—
Shanghai Zhenyi Technology Co., Ltd.	—	—	—	87
Shanghai Zhenshi Technology Co., Ltd.	—	—	—	5
	25,430	—	5,695	238

(iv) Prepayments

The Group

	As at December 31,			As of April 30,
	2023	2024	2025	2026
Name of related party	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Shanghai Zhenling Technology Co., Ltd.	—	5,560	5,000	8,850
Shanghai Zhenzhi Technology Co., Ltd.	—	395	—	—
	—	5,955	5,000	8,850

(v) Trade payables

The Group

Name of related party	As at December 31, 2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	As of April 30, 2026 *RMB'000*
Shanghai Zhenling Technology Co., Ltd.	757	1,599	35	69
Shanghai Zhenyi Technology Co., Ltd.	585	350	1,283	350
Shanghai Dingyi Information Technology Co., Ltd.	5,608	—	—	—
Shanghai Zhenzhi Technology Co., Ltd.	588	—	—	—
	7,538	1,949	1,318	419

The balances are unsecured, non-interest bearing and aged within one year as at December 31, 2023, 2024, 2025, and April 30, 2026.

(vi) Gross contract liabilities

The Group

Name of related party	As at December 31, 2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	As of April 30, 2026 *RMB'000*
Shanghai Zhenyi Technology Co., Ltd.	—	85	—	—
Shanghai Zhenzhi Technology Co., Ltd.	153	—	—	—
	153	85	—	—

(vii) Other payables

The Group

Name of related party	As at December 31, 2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	As of April 30, 2026 *RMB'000*
Knowledge Platform Pte.Ltd.	266	66	—	—
Shanghai Zhenshi Construction Technology Co., Ltd.	1	1	—	—
Shanghai Zhenling Technology Co., Ltd.	154	134	—	—
Shanghai Zhenyi Technology Co., Ltd.	427	95	86	86
Shanghai Zhenzhi Technology Co., Ltd.	—	2	—	—
	848	298	86	86

(c) The Group as a lessor

Name of related party	Year ended December 31, 2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	Four months ended April 30, 2025 *RMB'000* (unaudited)	2026 *RMB'000*
Shanghai Zhenling Technology Co., Ltd.	—	—	153	—	102
Shanghai Zhenyi Technology Co., Ltd.	—	—	40	—	26
Shanghai Zhenshi Construction Technology Co., Ltd.	—	22	27	—	15
	—	22	220	—	144

(d) The Group as a lessee

Name of related party	Year ended December 31, 2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	Four months ended April 30, 2025 *RMB'000* (unaudited)	2026 *RMB'000*
Shanghai Zhenyi Technology Co., Ltd.	4,587	4,587	—	—	—

(e) Compensation of key management personnel

The remuneration of directors and supervisors of the Company and other members of key management of the Group during the Track Record Period is as follows:

The Group

	Year ended December 31, 2023 *RMB'000*	2024 *RMB'000*	2025 *RMB'000*	Four months ended April 30, 2025 *RMB'000* (unaudited)	2026 *RMB'000*
Fees, salaries and other benefits	2,451	2,263	2,420	781	790
Share-based payment expenses	1,455	10,941	3,908	3,270	233
Social security costs and housing benefits	371	401	232	85	71
	4,277	13,605	6,560	4,136	1,094

47. LITIGATION

On April 15, 2025, the Company filed a lawsuit against 南京祿口國際機場空港科技有限公司 (Nanjing Lukou International Airport Airport Technology Co., Ltd. or the "Defendent") at the Jiangning Economic and Technological Development Zone People's Court for overdue service fees of RMB37,676,000, penalty of RMB1,884,000 and legal fees of RMB1,000,000, respectively.

The court has heard the lawsuit but has not yet rendered a judgment. With reference to a legal letter of the Company's legal advisor, the Director considers the Company has a high probability in winning the lawsuit and being compensated.

As at December 31, 2025 and April 30, 2026, impairment loss of RMB11,303,000 and RMB13,187,000 associated with the overdue trade receivable was individually assessed under Group 1 category of customers (Note 42), respectively, taking into account the legal advice and the financial position of the Defendant.

48. SUBSEQUENT FINANCIAL STATMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to April 30, 2026.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

This Appendix is primarily intended to provide potential [REDACTED] with an overview of the Articles of Association. The following information is a summary and therefore may not contain all the information that is material to potential [REDACTED].

1. ISSUANCE OF SHARES

The shares of the Company shall be issued in an open, fair, and equal manner. Each share of the same class shall rank *pari passu* with each other. Shares of a class in each issuance shall be issued under the same terms and at the same price. Each of the shares shall be subscribed for at the same price by any entity or individual.

2. INCREASE, DECREASE AND REPURCHASE OF SHARES

The Company may, in accordance with applicable laws and regulations and subject to a resolution adopted by the General Meeting, increase its share capital as required for its business operations and development by one or more of the following means:

(i) issuing shares to unspecified investors;

(ii) issuing shares to specific investors;

(iii) distributing bonus shares to existing shareholders;

(iv) converting capital reserves into share capital; and/or

(v) any other methods permitted by law, administrative regulations, the Hong Kong Listing Rules, and other regulatory authorities (such as the China Securities Regulatory Commission (CSRC) and the Hong Kong Securities and Futures Commission).

The Company may decrease the registered share capital. When the Company reduces its registered capital, it shall comply with the procedures stipulated in the Company Law, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, other relevant regulations, and this Articles of Association.

The Company shall not acquire its own shares, save as under any one of the following circumstances:

(i) to reduce the registered capital of the Company;

(ii) to merge with another company that holds the shares of the Company;

(iii) to use the shares for Employee Shareholding Plan or as equity incentive;

(iv) the Shareholders disagreeing with the merger or separation resolution made by the Shareholders' general meeting to request the Company to acquire their shares;

(v) to apply the shares in the conversion of the convertible corporate bonds issued by the Company;

(vi) necessary for the Company to maintain corporate value and Shareholders' interests;

(vii) any other methods permitted by law, administrative regulations, the Hong Kong Listing Rules, and other regulatory authorities (such as the China Securities Regulatory Commission (CSRC) and the Hong Kong Securities and Futures Commission).

3. TRANSFER OF SHARES

The shares of the Company shall be transferred in accordance with laws.

The Company shall not accept its own shares as collateral.

Shares issued prior to the [REDACTED] of shares of the Company shall not be transferred within one year from the date on which the shares of the Company are [REDACTED] and [REDACTED] on the stock exchange. The Directors and senior management of the Company shall declare the number of shares held by them and the relevant changes. The shares transferred by them during each year of their tenures as determined at the time of appointment shall not exceed 25% of their total holdings of shares in the same class of the Company. The shares of the Company held by them shall not be transferred within one year from the date on which the Company's shares are [REDACTED] for [REDACTED]. The shares of the Company held by them shall not be transferred within half a year from their departure from the Company.

Where the Hong Kong Listing Rules or the relevant securities regulatory rules of the place where the Company's shares are [REDACTED] provide otherwise with respect to the restrictions on the transfer of overseas-[REDACTED] shares, those provisions shall prevail.

Directors, senior management personnel, and shareholders holding more than five percent of the Company's shares who sell the Company's shares or other equity securities within six months after purchase, or repurchase such securities within six months after sale, shall have any resulting profits revert to the Company. The Company's Board of Directors shall recover such profits. However, this shall not apply where a securities company holds more than five percent of the shares due to [REDACTED] and purchasing the remaining shares after sale, or where other circumstances specified by the China Securities Regulatory Commission exist.

The shares or other equity-based securities held by the directors, senior management personnel, and natural person shareholders referred to in the preceding paragraph shall include those held by their spouses, parents, children, or those held through accounts of others.

Where the board of directors fails to comply with the provisions set forth above, shareholders shall have the right to demand that the board of directors comply within thirty days. Where the board of directors fails to comply within the aforementioned period, shareholders shall have the right to directly file a lawsuit with the people's court in their own name for the benefit of the company.

4. FINANCIAL ASSISTANCE FOR THE ACQUISITION OF SHARES IN OUR COMPANY

The Company or its subsidiaries (including affiliates of enterprises) shall not offer financial assistance in forms of gifts, loans, guarantees or borrowings for others to acquire the shares of the Company or its parent company, except for those implemented by employee stock ownership plans by the Company. Upon the resolution of the Shareholders' meeting or the resolution adopted by the board of directors as authorized by the Articles of Association of the Company or by the Shareholders' meeting, the Company may provide financial assistance for other persons to acquire shares in the Company or its parents for the benefit of the Company, provided that the aggregate amount of such financial assistance shall not exceed 10% of the total issued share capital of the Company. The resolution of the board of directors shall be passed by two-thirds or more of all the directors.

5. SHAREHOLDERS

The Company shall establish a register of shareholders based on the records provided by the securities registration and clearing institution. The register of shareholders shall serve as conclusive evidence of shareholders' shareholdings in the Company. Shareholders shall enjoy rights and assume obligations in accordance with the class of shares they hold. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations.

Shareholders of the Company shall enjoy the following rights:

(i) to receive dividends and other forms of distribution of interest in proportion to their respective shareholdings;

(ii) to legally request to hold, self-convene, preside over, attend, or dispatch Shareholder's agent to attend the general meetings and exercise the corresponding rights to speak and vote;

(iii) to supervise, make suggestions or inquiries on the operation of the Company;

(iv) to transfer, bestow or pledge the shares they hold according to the laws, administrative regulations and the provisions of the Articles of Association;

(v) to inspect and copy the Articles of Association, the register of Shareholders, Shareholders' meeting minutes, resolutions of meetings of the board of directors and financial and accounting reports; Shareholders who meet the requirements may inspect the Company's accounting books and accounting vouchers;

(vi) to participate in the distribution of the Company's remaining assets in proportion to their shareholdings upon termination or liquidation of the Company;

(vii) to request the Company to repurchase their shares if they object to resolutions of the shareholders' general meeting regarding mergers or divisions of the Company; and

(viii) other rights provided by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, or the relevant securities regulatory rules at the place where the Company's shares are [REDACTED], or the Articles of Association.

Any Shareholder requesting to inspect or make copies of the relevant materials of the Company shall comply with the provisions of the Company Law, the Securities Law and other laws and administrative regulations, the Hong Kong Listing Rules and other regulatory rules at the place where the Company's shares are [REDACTED].

Any Shareholder who individually or collectively hold more than three percent of the Company's shares for a continuous period of one hundred and eighty days or more requesting to inspect of the Company's accounting books and accounting vouchers shall submit a written request to the Company stating the purpose. If the Company has a reasonable basis to believe that the Shareholder's inspection of accounting books and accounting vouchers has an improper purpose and may harm the legitimate interests of the Company, it may refuse to provide such inspection, and shall reply to the Shareholder in writing and explain the reasons within 15 days from the date of the Shareholder's written request. If the Company refuses to provide access to the records, the Shareholders may file a lawsuit with the People's Court.

The obligations of Shareholders are as follows:

(i) to abide by laws, administrative regulations and the Articles of Association;

(ii) to provide Share capital according to the Shares subscribed and the subscription methods;

(iii) not to withdraw Share capital unless prescribed otherwise in laws and regulations;

(iv) not to abuse Shareholder's rights to infringe upon the interests of the Company or other Shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of Shareholders to damage the interests of the Company's creditors;

(v) To perform other duties prescribed in laws, administrative regulations, the Hong Kong Listing Rules, or the relevant securities regulatory rules of the place where the Company's shares are [REDACTED] and the Articles of Association.

Shareholders of a company who abuse the independent legal person status of the company and limited liability of Shareholders to evade debts and cause damage to the interests of the creditors of the company shall bear joint liability for the company's debt.

The controlling Shareholder and actual controller of the company shall exercise their rights and perform their obligations in accordance with laws, administrative regulations, the provisions of the CSRC, and the rules of securities regulatory authorities where the Company's shares are [REDACTED], and shall safeguard the interests of the [REDACTED] company.

6. SHAREHOLDERS' MEETING

a) General Provisions for Shareholders' Meetings

The Shareholders' meeting of the Company comprises all Shareholders. The Shareholders' meeting is the organ of authority of the Company, which exercises its powers in accordance with the laws:

(i) to elect or replace non-employee representative directors and to decide on matters relating to the remuneration of directors;

(ii) to examine and approve reports of the board of directors;

(iii) to examine and approve the Company's proposals for profit distribution plans and loss recovery plans;

(iv) to decide on any increase or decrease of the Company's registered capital and the issuance of any type of shares, warrants, and other similar securities;

(v) to decide on the issue of corporate bonds by the Company;

(vi) to decide on matters such as merger, division, dissolution and liquidation or change of corporate form of the Company;

(vii) to amend the Articles of Association;

(viii) resolution on the Company's appointment and dismissal of an accounting firm undertaking audit business of the Company;

(ix) to examine and approve the guarantees stipulated in the Articles of Association;

(x) to examine matters relating to the purchases and sales of the Company's material assets within one year, which exceed thirty percent of the Company's latest audited total assets;

(xi) to examine and approve matters relating to changes in the use of [REDACTED];

(xii) to examine and approve the equity incentive plans and employee stock ownership plans;

(xiii) the annual general meeting of Shareholders may authorize the Board of directors to decide on issuing shares to specific parties with a total financing amount not exceeding RMB300 million and not exceeding 20% of the net assets at the end of the most recent fiscal year. This authorization shall expire on the date of the next annual general meeting;

(xiv) to examine other matters as required by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, or the securities regulatory rules of the place where the Company's shares are [REDACTED] or the Articles of Association, which shall be decided by the Shareholders' meeting.

The Shareholders' meeting may authorize the Board of directors to make resolutions on issuance of bonds by the Company.

The following acts of external guarantee of the Company shall be submitted to the Shareholders' meeting for deliberation and approval:

(i) any guarantee to be provided after the total amount of external guarantees provided by the Company and holding subsidiaries of the Company has exceeded 50% of the Company's audited net assets in the latest period;

(ii) any guarantee to be provided after the total amount of external guarantees provided by the Company and holding subsidiaries of the Company has exceeded 30% of the Company's audited total assets in the latest period;

(iii) any guarantee provided by the Company to others within one year that exceeds 30% of the Company's audited total assets in the latest period;

(iv) any guarantee to be provided for a party whose ratio of liabilities to assets exceeds 70% (when determining whether the guaranteed party's ratio of liabilities to assets exceeds 70%, the higher value between the guaranteed party's audited financial statements in the latest period or the financial statement data in the latest period shall prevail);

(v) the guarantee to be provided to a Shareholder, or to an actual controller or related party thereof;

(vi) the total amount of guarantee provided by a company exceeds 50% of the latest audited net assets of the company within twelve consecutive months and the absolute amount exceeds RMB50 million;

(vii) the single guarantee for an amount more than 10% of the Company's audited net assets in the latest period;

(viii) other guarantees required by the laws, administrative regulations, the Hong Kong Listing Rules, the Hong Kong Securities and Futures Commission, CSRC, the Shenzhen Stock Exchange, the Hong Kong Stock Exchange, and other securities regulatory rules of the place where the Company's shares are [REDACTED] or the Articles of Association.

If the Company provides guarantees for wholly-owned subsidiaries, or guarantees for controlled subsidiaries where other shareholders of such subsidiaries provide guarantees in proportion to their respective equity interests, and such guarantees fall under the circumstances specified in items (i), (iv), (v), or (vii) of the preceding paragraph, submission for review by the shareholders' meeting may be waived.

If the Company provides guarantees for its subsidiaries and, due to the large number of guarantees required annually and the frequent need to enter into guarantee agreements, it is impractical to submit each agreement for review by the Board of Directors or the Shareholders' Meeting, the Company may separately estimate the total new guarantee amount for the next twelve months for two categories of subsidiaries: those with a debt-to-asset ratio of 70% or higher and those with a debt-to-asset ratio below 70%. This estimate shall be submitted to the Shareholders' Meeting for review.

When the Board of Directors deliberates on guarantee matters, approval must be obtained from more than two-thirds of the directors present at the Board meeting. When the Shareholders' Meeting deliberates on guarantee matters under item (3) of the preceding paragraph, approval must be obtained from shareholders holding more than two-thirds of the voting rights present at the meeting.

When the shareholders' meeting deliberates on a proposal to provide guarantees for shareholders, actual controllers, or their related parties, the shareholder concerned or any shareholder controlled by such actual controller shall not participate in the relevant vote. Such vote shall be approved by a majority of the voting rights held by other shareholders present at the shareholders' meeting.

Any guarantee provided by the Company to a related party shall be disclosed promptly after approval by the Board of directors and submitted to the Shareholders' meeting for deliberation. If a guarantee is provided to a controlling Shareholder, de facto controller and his/her/its related party(ies) by the Company, such controlling Shareholder, de facto controller and his/her/its related party(ies) shall provide a counter-guarantee.

The Shareholders' meetings are divided into annual Shareholders' meetings and extraordinary Shareholders' meetings. The annual Shareholders' meeting shall be convened once a year and be held within six months after the end of the previous fiscal year.

The Company shall convene an extraordinary Shareholders' meeting within two months from the date of the occurrence of any of the following circumstances:

(i) The number of directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in the Articles of Association;

(ii) The uncovered losses of our Company reach one-third of its total share capital;

(iii) A request from Shareholders who separately or jointly hold ten percent or more shares (including preference shares with restored voting rights) in the Company;

(iv) The board of directors considers it necessary;

(v) The Audit Committee proposes that such a meeting shall be held;

(vi) Other circumstances stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Stock Exchange, and other securities regulatory rules of the place where the Company's shares are [REDACTED] or the Articles of Association.

b) Convening of Shareholders' Meetings

The Board of directors shall convene the Shareholders' meeting on time within the prescribed period. The independent directors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting upon the approval of more than half of all independent directors. Upon receiving a proposal from the independent directors to convene an extraordinary general meeting, the Board of Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and the securities regulatory rules of the place where the Company's shares are [REDACTED], and the Articles of Association, provide written feedback indicating whether it agrees to convene the extraordinary general meeting within ten (10) days of receiving such a proposal. If the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of the general meeting within five (5) days after the resolution of the Board is made. If the board of directors disagrees to convene an extraordinary Shareholders' meeting, it shall state the reasons and make an announcement.

Where the Audit Committee propose to the board of directors to convene an extraordinary Shareholders' meeting, it shall submit such proposal in writing to the board of directors. The board of directors shall, in accordance with the provisions of laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and this Articles of Association, provide a written response within 10 days of receipt, indicating whether it agrees or disagrees to convene an extraordinary Shareholders' meeting.

If the board of directors agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within five days after making the board resolution. Any changes to the original proposal in the notice shall be subject to the consent of the Audit Committee. If the board of directors disagrees to convene an extraordinary Shareholders' meeting, or fails to provide feedback within ten days of receipt, it shall be deemed that the board of directors is unable or fails to perform its duty to convene the Shareholders' meeting. In such cases, the Audit Committee may convene and preside over the meeting on its own.

Shareholders who individually or collectively hold more than ten percent of the Company's shares and requests the board of directors to convene an extraordinary Shareholders' meeting shall submit such request in writing to the board of directors. The board of directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are [REDACTED] and the Company's Articles of Association, provide a written response within ten days of receipt, indicating whether it agrees or disagrees to convene an extraordinary Shareholders' meeting.

If the board of directors agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within five days after making the board resolution. Any changes to the original request in the notice shall be subject to the consent of the relevant Shareholders. If the board of directors disagrees to convene an extraordinary Shareholders' meeting, or fails to provide feedback within ten days of receipt, Shareholders who individually or collectively hold more than ten percent of the Company's shares (including preference share with restored voting rights) and propose to the Audit Committee to convene an extraordinary Shareholders' meeting shall submit such request in writing to the Audit Committee.

If the Audit Committee agrees to convene an extraordinary Shareholders' meeting, it shall issue a notice of the Shareholders' meeting within five days after receiving the request. Any changes to the original request in the notice shall be subject to the consent of the relevant Shareholders.

If the Audit Committee fails to issue a notice of the Shareholders' meeting within the prescribed period, it shall be deemed that the Audit Committee does not convene and preside over the Shareholders' meeting. In such cases, Shareholders who individually or collectively hold more than ten percent of the Company's shares (including preference shares with restored voting rights) for a continuous period of 90 days or more may convene and preside over the meeting on their own.

Where the Audit Committee or Shareholders decide to convene a Shareholders' meeting on their own, a written notice must be given to the board of directors and a record must be filed with the stock.

c) Proposals and Notices of Shareholders' Meetings

The Company may convene a Shareholders' meeting, and the board of directors, the Audit Committee, as well as Shareholders who individually or collectively hold more than one percent of the Company's shares, have the right to submit proposals to the Company.

Shareholders who individually or collectively hold more than one percent of the Company's shares may submit a temporary proposal in writing to the convener ten days prior to the Shareholders' meeting. The convener shall issue a supplementary notice of the Shareholders' meeting within two days after receiving the proposal, announcing the content of the temporary proposal, and submit such temporary proposal to the Shareholders' meeting for

review. However, this does not apply if the temporary proposal violates the provisions of laws, administrative regulations, or the Company's Articles of Association, or if it is not within the scope of the Shareholders' meeting's authority.

Except for the circumstances specified in the preceding paragraph, after the convener has issued the notice of the Shareholders' meeting, it shall not modify the proposals already listed in the notice or add new proposals.

The Shareholders' meeting shall not vote on or make resolutions regarding proposals that are not listed in the notice of the Shareholders' meeting or that do not comply with the provisions of the Company's Articles of Association.

The convener shall notify each Shareholder by announcement at least twenty days before the annual Shareholders' meeting, and at least fifteen days before the extraordinary Shareholders' meeting.

A notice of a Shareholders' meeting shall include the following:

(i) the time, venue and duration of the meeting;

(ii) matters and proposals submitted to the meeting for consideration;

(iii) a prominent written statement that all Shareholders of ordinary and Shareholders holding shares with special voting rights are entitled to attend Shareholders' meeting and are entitled to appoint in writing a proxy to attend and vote at the meeting and that such proxy need not be a Shareholder of the Company;

(iv) the shareholding registration date of the Shareholders entitled to attend the general meeting;

(v) the name and telephone number of the permanent contact person for the meeting;

(vi) the time and procedure for voting online or through other means; and

(vii) Other requirements stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Stock Exchange, and other securities regulatory rules of the place where the Company's shares are [REDACTED] or the Articles of Association.

d) Holding of Shareholders' Meetings

All shareholders of record on the record date or their proxies shall be entitled to attend the shareholders' meeting and exercise their voting rights in accordance with applicable laws, regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are [REDACTED], and these Articles of Association.

Any shareholder entitled to attend the shareholders' meeting and exercise voting rights may attend in person or appoint one or more persons (who need not be shareholders) as their proxy to attend and vote on their behalf.

The shareholders' meeting shall be chaired by the Chairman. If the Chairman is unable to perform his duties or fails to perform them, the meeting shall be chaired by a director jointly nominated by a majority of the directors.

If the Shareholders' meeting is convened by the Audit Committee, it shall be presided over by the convenor of the Audit Committee. If the convenor of the Audit Committee is unable or fails to perform his duties, one member of the Audit Committee shall be elected by a majority of members of the Audit Committee to preside over the meeting.

If the Shareholders' meeting is convened by the Shareholders themselves, the convenor or a representative elected by the conveners shall preside over the meeting. If the presiding officer of the meeting violates the rules of procedure and prevents the meeting from proceeding, upon the agreement of more than half of the Shareholders present and entitled to vote, the Shareholders' meeting may elect one person to serve as the presiding officer to continue the meeting.

The Company shall establish rules of procedure for the Shareholders' meeting, which shall detail the procedures for holding, convening and voting at the Shareholders' meeting, including notification, registration, review of proposals, voting, counting of votes, announcement of voting results, formation of resolutions, record-keeping and signing, and announcement. The rules shall also specify the principles and specific content of the authorization granted by the Shareholders' meeting to the board of directors.

e) Voting at the Shareholders' Meeting

The resolutions of the Shareholders' meeting are divided into ordinary resolutions and special resolutions. An ordinary resolution at a Shareholders' meeting shall be passed by more than half of the voting rights held by the Shareholders present at the Shareholders' meeting. A special resolution at a Shareholders' meeting shall be passed by at least two-thirds of the voting rights held by the Shareholders present at the Shareholders' meeting.

The following matters shall be approved by the Shareholders' meeting through ordinary resolutions:

(i) Work reports of the board of directors;

(ii) Plans of earnings distribution and recovery of losses schemes drafted by the board of directors;

(iii) Appointment or dismissal of the members of the board of directors, their remunerations and the payment method;

(iv) The Company's proposed annual financial budget and final accounts;

(v) annual report of the Company;

(vi) The engagement, remuneration, or method of determining remuneration for the accounting firm;

(vii) Reviewing and approving changes in the use of raised funds;

(viii) Authorizing the Board of Directors to decide on issuing shares to specific entities with a total financing amount not exceeding RMB300 million and not exceeding 20% of the net assets at the end of the most recent fiscal year (this authorization expires on the date of the next annual shareholders' meeting);

(ix) Other matters other than those approved by special resolution stipulated in the laws, administrative regulations, the Hong Kong Listing Rules, and securities regulatory rules of the place where the Company's Shares are [REDACTED] or the Articles of Association.

The following matters shall be approved by way of special resolution at a general meeting:

i. the increase or reduction of the registered capital of the Company and the issuance of any type of shares, warrants, or other similar securities;

ii. The issuance of corporate bonds;

iii. the merger, division, spin-off, dissolution, or liquidation of the Company;

iv. amendments to the Articles of Association;

v. the purchase or sale of significant assets, or provision of guarantees to others within one year, the value of which exceeds thirty percent (30%) of the Company's latest audited total assets;

vi. Equity incentive plans and employee share ownership plans;

vii. Other matters required by laws, administrative regulations, the Hong Kong Listing Rules, securities regulatory rules of the place where the Company's Shares are [REDACTED], or the Articles of Association; or matters determined by the shareholders' meeting through an ordinary resolution to have a material impact on the Company and requiring approval by a special resolution.

Shareholders shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share.

Related shareholders and their closely associated persons (as defined in the Hong Kong Listing Rules) shall not participate in the voting, and the number of shares with voting rights represented by them shall not be counted in the total valid votes cast. The announcement of the shareholders' meeting resolution shall fully disclose the voting results of non-related shareholders.

When the Shareholders' meeting reviews matters related to related-party transactions, associated Shareholders and their closely associated persons (as defined in the Hong Kong Listing Rules) shall not participate in the voting, and the number of shares they represent with voting rights shall not be included in the total number of valid votes; the announcement of the Shareholders' meeting resolution shall fully disclose the voting situation of non-associated Shareholders.

7. BOARD OF DIRECTORS

Directors may concurrently serve as senior management personnel; however, the number of Directors concurrently holding senior management positions and those serving as employee representatives shall not in aggregate exceed one-half (1/2) of the total number of Directors of the Company.

The Company shall establish a Board of Directors, which shall consist of nine directors, including one director representing employees and four independent directors. The Board shall appoint one Chairman. The Chairman shall be elected by a majority vote of all directors on the Board.

At all times, the number of independent directors shall not be less than three and shall constitute at least one-third of the total membership of the Board. Independent directors shall meet the requirements of the Hong Kong Listing Rules and other securities regulatory rules applicable to the Company's [REDACTED] location.

Independent directors may report directly to the shareholders' meeting and other relevant authorities.

The Board shall exercise the following duties and powers:

(i) to convene Shareholders' meetings and report its work to the Shareholders' meetings;

(ii) to implement the resolutions of the Shareholders' meetings;

(iii) to resolve business operation plans and investment plans of the Company;

(iv) to formulate the profit distribution plans and plans for recovery of losses of the Company;

(v) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and [REDACTED];

(vi) to draft plans for significant acquisitions of the Company, the purchase of Shares of the Company, merger, division, dissolution or change of the form of the Company;

(vii) Within the scope of authorization granted by the shareholders' meeting, the Board of Directors shall determine on such matters as the external investments, purchase or sale of assets, assets mortgage, external guarantee, entrusted wealth management, connected transactions of the Company in accordance with the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's Shares are [REDACTED];

(viii) to determine the internal management structure of the Company;

(ix) to determine the appointment or dismissal of the president of the Company, the Board secretary and other senior management, and decide their remuneration, awards and penalties; and based on the nomination of the president, to determine the appointment or dismissal of the senior management including vice president and chief financial officer of the Company and determine their remuneration, rewards and penalties;

(x) to formulate the basic management system of the Company;

(xi) to formulate proposals for any amendment of the Articles of Association;

(xii) to manage the information disclosure of the Company;

(xiii) to propose to the Shareholders' meeting for appointment or replacement of the accounting firms which provide audit services to the Company;

(xiv) to listen to work reports of the president of the Company and review his/her work;

(xv) other duties conferred by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, securities regulatory rules of the place where the shares of the Company are [REDACTED], the Articles of Association or the Shareholders' meeting.

Matters beyond the scope of such authorization shall be submitted to the Shareholders' meeting for consideration.

The Board of Directors shall establish specialized committees including Strategy and Sustainable Development, Nominations, Auditing, and Remuneration and Appraisal Committee. These committees shall perform their duties in accordance with laws, administrative regulations, the China Securities Regulatory Commission (CSRC), the Hong Kong Listing Rules, other securities regulatory rules of the place where the shares of the Company are [REDACTED], the Articles of Association, and authorizations granted by the Board. Proposals from specialized committees shall be submitted to the Board for deliberation and decision. The Board shall be responsible for formulating the working procedures of specialized committees.

Independent directors shall constitute a majority of the Nomination Committee and the Remuneration and Appraisal Committee, and shall serve as conveners of these committees.

Where laws, administrative regulations, the CSRC, the Hong Kong Listing Rules, or other securities regulatory rules of the place where the shares of the Company are [REDACTED] provide otherwise, such provisions shall prevail.

8. SENIOR MANAGEMENT MEMBERS

The Company shall have one General Manager, who shall be appointed or dismissed by resolution of the Board of Directors. The Company may have several Deputy General Managers, who shall also be appointed or dismissed by resolution of the Board of Directors. The Company's General Manager, Deputy General Manager, Board Secretary, and Chief Financial Officer are senior management personnel.

The General Manager shall be accountable to the Board of Directors and shall exercise the following functions and powers:

(i) to preside over the Company's production and business management activities, implement the resolutions of the board of directors, and report work to the board of directors;

(ii) to implement the Company's annual business plan and investment programs;

(iii) to draft proposals for the establishment of internal management institutions of the Company;

(iv) to draft the Company's basic management systems;

(v) to formulate specific regulations of the Company;

(vi) to propose to the board of directors the appointment or dismissal of Deputy General Manager and the Chief Financial Officer;

(vii) to decide on the appointment or dismissal of management personnel other than those who should be appointed or dismissed by the board of directors;

(viii) depending on the actual circumstances of the company's production and operations, the General Manager has the authority to decide on matters that do not meet the criteria specified in Articles 114 and 115 of these Articles of Association for deliberation by the Board of Directors;

(ix) other powers granted by the Company's Articles of Association or the board of directors.

The General Manager shall attend the meetings of the board of directors.

Senior management personnel of the Company shall faithfully perform their duties and safeguard the maximum interests of the Company and all Shareholders. If senior management personnel fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and the public Shareholders, they shall be liable for compensation in accordance with the law.

9. FINANCIAL ACCOUNTING SYSTEM, DISTRIBUTION OF PROFITS AND AUDIT

a) Financial Accounting System

The Company shall formulate its financial and accounting systems in accordance with laws, administrative regulations and the requirements of relevant regulatory authorities of the PRC. Where the Hong Kong Listing Rules or the securities regulatory authority of the place where the Company's shares are [REDACTED] provide otherwise, such provisions shall prevail.

The Company shall submit and disclose its annual report to the Shanghai Regulatory Bureau of CSRC and the Shenzhen Stock Exchange within four months after the end of each fiscal year. It shall submit and disclose its interim report to the Shanghai Regulatory Bureau of CSRC and the Shenzhen Stock Exchange within two months after the end of the first half of each fiscal year. Where the Hong Kong Listing Rules or the securities regulatory authority where the Company's shares are [REDACTED] provide otherwise, such provisions shall prevail.

The Company shall prepare its annual financial accounting report within four months after the end of each fiscal year and its interim financial accounting report within two months after the end of the first half of each fiscal year. The aforementioned financial accounting reports shall be prepared in accordance with the relevant laws, administrative regulations, departmental rules, CSRC, the Shenzhen Stock Exchange, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are [REDACTED].

The Company shall not establish the statutory account books accounts other than those provided by law. Any assets of the Company shall not be kept under any account opened in the name of any individual.

b) Internal Audit

The company implements an internal audit system, clearly defining the leadership structure, responsibilities and authority, staffing, funding support, utilization of audit results, and accountability for internal audit work.

The internal audit institution shall be accountable to the board of directors.

c) Appointment of an Accounting Firm

The Company shall appoint such accounting firm which has complied with the Securities Law, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the shares of the Company are [REDACTED] for carrying out the audit for the accounting statements, net asset verification, and other relevant consultancy services. The term of appointment shall be 1 year and can be re-appointed.

The appointment, dismisses or non-renewal appointment of accounting firm by the Company shall be decided by Shareholders' meetings. The Board shall not appoint accounting firm before the approval of the Shareholders' meeting.

The Company guarantees that it shall provide the appointed accounting firm with true and complete accounting proofs, accounting books, financial and accounting reports and other accounting information, and that it engages without any refusal, withholding, and misrepresentation.

10. MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

a) Merger, Division, Capital Increase, and Capital Reduction

Merger of the Company may take the form of absorption or establishment of a new company. In case of merger by absorption, a company absorbs any other company and the absorbed company is dissolved. In case of merger by new establishment, two or more companies merge into a new one and the parties to the merger are dissolved.

If the Company is involved in a merger, the parties to the merger shall enter into a merger agreement, and shall prepare a balance sheet and a property list. The Company shall notify its creditors within ten days as of the date of the resolution for the merger and shall publish an announcement on the press designated by CSRC or the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統) within thirty days as of the date of such resolution.

A creditor may within thirty days as of the receipt of the notice or, in case where he/she fails to receive such notice within forty-five days of the date of the announcement, to demand the Company to repay its debts or provide guarantees for such debts.

When the Company is merged, the claims and debts of each party to the merger shall be succeeded to by the company surviving the merger or the new company established subsequent to the merger.

Where there is a division of the Company, its assets shall be divided accordingly. Where there is a division of the Company, a balance sheet and property list shall be prepared. The Company shall notify its creditors within ten days as of the date of the resolution for the division and shall publish an announcement on the press designated by CSRC or the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統) within thirty days as of the date of such resolution. The debts of the Company prior to the division shall be undertaken by the companies after division, save as otherwise specified in the written agreement on debt repayment reached between the Company and its creditors before the division.

b) Dissolution and Liquidation

The Company shall be dissolved upon the occurrence of the following events:

(i) expiry of the term of business provided in the Articles of Association or other cause of dissolution as specified therein;

(ii) a resolution on dissolution is passed by a Shareholders' meeting;

(iii) dissolution is required due to the merger or division of the Company;

(iv) the business license of the Company is revoked or the Company is ordered to close down or dissolved in accordance with the laws;

(v) the Company suffers significant hardships in operation and management, and its continued existence would cause significant losses to Shareholders' interests, and such issues cannot be resolved through other means, Shareholders representing ten percent or above of the voting rights of the Company may plead the court to dissolve the Company.

In the event of the dissolution of the Company as specified in the preceding paragraph, it shall announce the dissolution of the company through the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統) within ten days. If the Company is dissolved due to the provisions mentioned in items 196 (1), (2), (4), or (5) of the preceding paragraph, a liquidation shall be conducted. The directors shall be the obligors for the Company's liquidation and must form a liquidation group within fifteen days from the date the cause for dissolution arises to carry out the liquidation.

The liquidation group is composed of directors, unless otherwise provided by the Articles of Association or the Shareholders' meeting decides to elect another person.

If the liquidation obligor fails to perform liquidation obligations in a timely manner and causes losses to the Company or creditors, he shall be liable for compensation.

The liquidation group shall notify the creditors within ten days from the date of its establishment and announce it in the newspapers designated by CSRC or the National Enterprise Credit Information Publicity System within sixty days. Creditors shall declare their claims to the liquidation group within thirty days from the date of receiving the notice, or within forty-five days from the date of the announcement if they have not received the notice.

When declaring claims, creditors shall specify the relevant matters of the claims and provide supporting documents. The liquidation group shall register the claims.

Upon the completion of the Company's liquidation, the liquidation group shall prepare a liquidation report, submit it to the Shareholders' meeting or the court for confirmation, and file it with the Company registration authority to apply for the cancellation of the Company registration.

If the Company is declared bankrupt in accordance with the law, the bankruptcy liquidation shall be carried out in accordance with the relevant laws on enterprise bankruptcy.

11. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall amend its Articles of Association under any of the following circumstances:

i. after amendments are made to the PRC Company Law or other relevant laws, administrative regulations, the Hong Kong Listing Rules and regulatory rules at the place where the shares of the Company are [REDACTED], the matters stipulated in the Articles of Association are in conflict with the provisions of the revised laws, administrative regulations, the Hong Kong Listing Rules and regulatory rules at the place where the shares of the Company are [REDACTED];

ii. if certain changes of the Company occur resulting in the inconsistency with certain terms specified in the Articles of Association;

iii. the Shareholders' meeting has resolved to amend the Articles of Association.

Where the amendments to the Articles of Association passed by resolutions of the Shareholders' meetings require approval of the competent authorities, the amendments shall be submitted to the relevant authorities for approval. Where the amendments involve registration matters of the Company, the involved changes shall be registered in accordance with the laws.

The Board shall amend the Articles of Association in accordance with the resolution of the Shareholders' meetings on amendment to the Articles of Association and the examination and approval opinions from relevant authorities.

Any amendment to the Articles of Association that is required to be disclosed in accordance with laws, regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are [REDACTED] shall be announced in accordance with provisions thereof.

This Appendix contains a summary of laws and regulations on companies and securities in the PRC, certain major differences between the PRC Company Law and Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Companies Ordinance as well as the additional regulatory provisions of the Stock Exchange on joint stock limited companies of the PRC. The principal objective of this summary is to provide potential [REDACTED] with an overview of the principal laws and regulations applicable to us. This summary is with no intention to include all the information which may be important to the potential [REDACTED]. For discussion of laws and regulations specifically governing the business of the Company, please see section entitled "Regulatory Overview" in this Document.

PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the PRC (《中華人民共和國憲法》) (the "**Constitution**") and is made up of written laws, administrative regulations, local regulations, separate regulations, autonomous regulations, rules and regulations of departments, rules and regulations of local governments, international treaties of which the PRC government is a signatory, and other regulatory documents. Court verdicts do not constitute binding precedents. However, they may be used as judicial reference and guidance.

According to the Constitution and the Legislation Law of the PRC (《中華人民共和國立法法》), or the "Legislation Law," lastly amended by NPC on March 13, 2023 and effective on March 15, 2023, the NPC and the SCNPC are empowered to exercise the legislative power of the State. The NPC has the power to formulate and amend basic laws governing criminal and civil matters, state organs and other matters. The SCNPC is empowered to formulate and amend laws other than those required to be enacted by the NPC and to supplement and amend any parts of laws enacted by the NPC during the adjournment of the NPC, provided such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of state administration and has the power to formulate administrative regulations based on the Constitution and laws. The people's congresses of provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual needs of their respective administrative areas, provided that such local regulations do not contravene any provisions of the Constitution, laws or administrative regulations. The people's congresses of cities divided into districts and their standing committees may formulate local regulations on matters such as urban and rural construction and management, environmental protection and historical and cultural protection based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of such provinces or autonomous regions. Where laws have other stipulations on matters of local regulations formulated by cities divided into districts, such stipulations shall prevail. The local regulations of cities divided into autonomous regions shall be submitted for approval before implementation.

The standing committees of the people's congresses of provinces or autonomous regions shall examine the legality of local regulations submitted for approval, and such approval should be granted within four months if they are not in conflict with the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in the light of the political, economic and cultural characteristics of the nationality (nationalities) in the areas concerned. The ministries, commissions, PBOC, National Audit Office of the State Council and institutions with administrative functions directly under the State Council may formulate rules and regulations within the jurisdiction of their respective departments based on the laws and the administrative regulations, decisions and rulings of the State Council.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations or rules may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of the rules enacted by the people's governments of the provinces and autonomous regions is greater than that of the rules enacted by the people's governments of the cities divided into districts within their respective administrative regions.

The NPC has the power to amend or annul any inappropriate laws formulated by the SCNPC, and to annul any autonomous regulations and separate regulations which have been approved by the SCNPC but which contravene the Constitution and the Legislation Law. The SCNPC has the power to annul administrative regulations that contravene the Constitution and laws, to annul local regulations that contravene the Constitution, laws and administrative regulations, and to annul autonomous regulations and separate regulations which have been approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the Central Government, but which contravene the Constitution and the Legislation Law. The State Council has the power to amend or annul any inappropriate ministerial rules and rules of local governments. The people's congresses of provinces, autonomous regions and municipalities directly under the Central Government have the power to alter or annul any inappropriate local regulations enacted or approved by their respective standing committees. The standing committees of the local people's congresses have the power to annul inappropriate rules enacted by the people's governments at the corresponding level. The people's governments of provinces and autonomous regions have the power to amend or annul any inappropriate rules enacted by the people's governments at a lower level.

According to the Constitution and the Legislation Law, the power to interpret laws belongs to the SCNPC. According to the Decision of the SCNPC Regarding the Strengthening of Interpretation of Laws (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) passed by the SCNPC and effective on June 10, 1981, the SCNPC shall give interpretation and make provisions by means of decrees on issues related to the further clarification or supplement of laws or decrees. The Supreme People's Court shall give interpretations on questions involving the specific application of laws and decrees in court trials. The Supreme People's Procuratorate shall interpret all issues involving the specific application of laws and decrees in the procuratorial work. If there are principled differences in the interpretation of the Supreme People's Court and the Supreme People's Procuratorate, they shall be submitted to the SCNPC for interpretation or decision. Interpretation of questions involving the specific application of laws and decrees in areas unrelated to judicial and procuratorial work shall be provided by the State Council and competent authorities.

Where the scope of local regulations needs to be further defined or additional stipulations need to be made, the standing committees of the people's congresses of provinces, autonomous regions and municipalities which have enacted these regulations shall provide interpretations or make the stipulations. Interpretation of questions involving the specific application of local regulations shall be provided by the competent departments of the people's governments of provinces, autonomous regions and municipalities.

PRC JUDICIAL SYSTEM

According to the Constitution and the Law of the PRC of Organization of the People's Courts (《中華人民共和國人民法院組織法》) lastly amended by the SCNPC on October 26, 2018 and effective on January 1, 2019, the People's Court is made up of the Supreme People's Court, the local people's courts, and other special people's courts. The local people's courts are divided into three levels, namely the basic people's courts, the intermediate people's courts and the higher people's courts. The basic people's courts may set up certain people's tribunals based on the status of the region, population and cases. The Supreme People's Court shall be the highest judicial organ of the state.

The Supreme People's Court shall supervise the administration of justice by the local people's courts at all levels and by the special people's courts. The people's courts at higher levels shall supervise the judicial work of the people's courts at lower levels.

According to the Constitution and the Law of Organization of the People's Procuratorate of the PRC (《中華人民共和國人民檢察院組織法》) lastly amended by SCNPC on October 26, 2018 and effective on January 1, 2019, the People's Procuratorate is the law supervision organ of the state. The Supreme People's Procuratorate shall be the highest procuratorial organ. The Supreme People's Procuratorate shall direct the work of the local people's procuratorates at all levels and of the special people's procuratorates; the people's procuratorates at higher levels shall direct the work of those at lower levels.

The people's courts employ a two-instance trial system, and judgments or rulings of the second instance at the people's courts are final. A party may appeal against the judgment or ruling of the first instance of a local people's courts. The people's procuratorate may present a protest to the people's courts at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's courts become final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court and those of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court or the people's courts at the next higher level finds any definite errors in a legally effective final judgment or ruling of the people's court at a lower level, or if the president of a people's court at any level finds any definite errors in a legally effective final judgment or ruling of such court, the case can be retried according to judicial supervision procedures.

The PRC Civil Procedure Law (《中華人民共和國民事訴訟法》), or the "Civil Procedure Law" lastly amended by the SCNPC on September 1, 2023 and effective on January 1, 2024 sets forth the requirements for instituting a civil action, the jurisdiction of the people's courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the Mainland China must comply with the Civil Procedure Law. Civil cases are generally heard by the courts where the defendants are located. The court of jurisdiction in a civil action may be chosen by express agreement between the parties, provided that the court is located at a place that has direct connection with the dispute, such as the plaintiff's or the defendant's place of domicile, the place where the contract is performed or signed, or the object of the action is located. However, the choice of the court cannot conflict with the regulations of different jurisdictions and exclusive jurisdictions in any case.

A foreign individual, a person without nationality, a foreign enterprise or a foreign organization must have the same litigation rights and obligations as a PRC citizen, legal person or other organizations when initiating or defending any proceedings at a people's court. If a foreign court limits the litigation rights of PRC citizens, legal person or other organizations, the PRC court may apply the same limitations to the citizens, legal person or other organizations of such foreign country. A foreign individual, a person without nationality, a foreign-invested enterprise or a foreign organization must engage a lawyer from Mainland China if such person needs to engage a lawyer in initiating or defending any proceedings at a people's court. Under an international treaty or the principle of reciprocity signed or acceded to by the Mainland China, the people's court and foreign courts may require each other to act on their behalf to serve documents, conduct investigations, collect evidence and take other actions on behalf of each other. If the request by a foreign court would result in the violation of the PRC's sovereignty, security or public interest, the people's court shall decline the request.

All parties involved must comply with legally effective civil judgments and rulings. If any party to a civil action refuse to comply with a judgment or order made by a people's court or an award made by an arbitration tribunal, the other party may apply to the people's court for enforcement

within two years. Suspension or disruption of the time limit for applying for such enforcement shall comply with the provisions of the applicable law concerning the suspension or disruption of the time-barring of actions.

When a party applies to a people's court for enforcing an effective judgment or ruling by a people's court against a party who is not located within the territory of the Mainland China or whose property is not within the Mainland China, the party may apply to a foreign court with proper jurisdiction for recognition and enforcement of the judgment or ruling. A foreign judgment or ruling may also be recognized and enforced by the people's court according to the Mainland China enforcement procedures if the Mainland China has entered into, or acceded to, an international treaty with the relevant foreign country, which provides for such recognition and enforcement, or if the judgment or ruling satisfies the court's examination according to the principle of reciprocity, unless among other exceptions, the people's court finds that the recognition or enforcement of such judgment or ruling will result in a violation of the basic legal principles of the Mainland China, its sovereignty or security, or for reasons of social and public interests.

THE PRC COMPANY LAW, OVERSEAS LISTING TRIAL MEASURES AND GUIDELINES FOR ARTICLES OF ASSOCIATION

A joint stock limited company established in Mainland China seeking a listing on Hong Kong Stock Exchange is mainly subject to the following laws and regulations of Mainland China.

The Company Law was lastly revised on December 29, 2023 and came into effect on July 1, 2024.

The Overseas Listing Trial Measures and its five interpretative guidelines were promulgated by the CSRC on February 17, 2023 and came into effect on March 31, 2023 and were applicable to the direct and indirect overseas offering and listing of PRC domestic companies' securities.

According to the Overseas Listing Trial Measures and its interpretative guidelines, where a domestic company directly conducts offering and listing overseas, it shall formulate its articles of association in line with the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》), or the "Guidelines for Articles of Association", which was lastly amended by the CSRC and came into effect on March 28, 2025.

Set out below is a summary of the major provisions of the Company Law, the Overseas Listing Trial Measures and the Guidelines for Articles of Association which are applicable to our Company.

General Provisions

A joint stock limited company refers to an enterprise legal person incorporated under the Company Law with its registered capital divided into shares of equal par value. The liability of its shareholders is limited to the amount of shares held by them and the company is liable to its creditors for an amount equal to the total value of its assets.

A joint stock limited company shall conduct its business in accordance with laws and regulations as well as public and commercial ethics, be honest and trustworthy and accept the supervision of the government and the public. A company may invest in other companies. If it is prescribed by any law that a company shall not become a capital contributor that shall bear the joint and several liability for the debts of the enterprises it invests in, such provisions shall prevail.

Incorporation

A joint stock limited company may be incorporated by promotion or subscription. A joint stock limited company may be incorporated by a minimum of one but not more than 200 Promoters, and at least half of the Promoters must have residence within the Mainland China.

The Promoters of subscription of a joint stock company shall convene an inaugural meeting of the company within 30 days after the share capital has been paid up and shall notify all subscribers of the date of the meeting or make an announcement in this regard 15 days before the meeting. The inaugural meeting may be held only with the presence of subscribers holding more than 50% of the voting rights. The convening and voting procedures for the inaugural meeting of a joint stock limited company incorporated by promotion shall be stipulated in the agreement of the Promoters. Powers to be exercised at the inaugural meeting include but are not limited to the adoption of articles of association and the election of members of the board of directors and the supervisory committee of a company. The aforesaid matters shall be resolved by more than 50% of the votes to be casted by subscribers presented at the meeting.

Within 30 days after the conclusion of the inaugural meeting, the board of directors shall apply to the registration authority for registration of the incorporation of the joint stock limited company. A company is formally established and has the status of a legal person after the business license has been issued by the relevant registration authority.

Registered Shares

Under the Company Law, shareholders may make capital contributions in cash, or with non-monetary property that may be valued in money and legally transferred, such as contribution in kind or with an intellectual property right, land use rights, shareholding or claims.

The Overseas Listing Trial Measures provides that domestic enterprises that are listed overseas may raise funds and distribute dividends in foreign currencies or Renminbi.

Under the Company Law, a joint stock limited company is required to maintain a register of shareholders, detailing the following information: (i) the name and domicile of each shareholder; (ii) the class and number of shares subscribed for by each shareholder; (iii) the serial number of shares if issued in paper form; and (iv) the date on which each shareholder acquired the shares.

Allotment and Issue of Shares

All issues of shares of a joint stock limited company shall be based on the principles of equality and fairness. The same class of shares must carry equal rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price. A joint stock limited company may issue shares at a par value or at a premium, but it may not issue shares below the par value.

Domestic enterprises issued and listed overseas shall file with the CSRC in accordance with the Overseas Listing Trial Measures, submit filing reports, legal opinions and other relevant materials, and truthfully, accurately and completely explain shareholders information and other information. Where a domestic enterprise directly issues and is listed overseas, the issuer itself shall file with the CSRC.

Increase of Share Capital

Under the Company Law, in the case of a joint stock limited company issuing new shares, resolutions shall be passed at the shareholders' meeting in respect of the class and number of new shares, the issue price of the new shares, the commencement and end dates for the issuance of new shares and the class and number of the new shares proposed to be issued to original shareholders, if any. If no par value stock is issued, more than one-half of the proceeds from the issuance of the new stocks shall be included in the registered capital. Additionally, if a company intends to make public [REDACTED] of shares, it is required to complete the registration with the securities regulatory authority of the State Council and announce the document.

Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law: (i) to prepare a balance sheet and a property list; (ii) a company makes a resolution at shareholders' meeting to reduce its registered capital; (iii) a company shall inform its creditors within 10 days and publish an announcement in newspapers or the National Enterprise Credit Information Publicity System within 30 days after the approval of resolution of reducing registered capital; (iv) the creditors shall have the right to require a company to repay its debts or provide corresponding guarantees within 30 days after receiving the notice or within 45 days after the announcement if the creditors have not received the notice; (v) when a company reduces its registered capital, it shall register the change with a company registration authority in accordance with the law.

When a company reduces its registered capital, it must reduce the amount of capital contribution or shares in proportion to the capital contribution or shares held by the shareholders, unless otherwise prescribed by any law, or agreed upon by all the shareholders of a limited liability company, or as specified in the articles of association of a joint stock limited company.

Repurchase of Shares

Under the Company Law, a company shall not purchase its own shares. Except for any following circumstances:

(i) reducing the registered capital; (ii) merging with other company that holds the shares of the company; (iii) using the shares for employee stocks plan or equity incentives; (iv) with respect to shareholders voting against any resolution adopted at the shareholders' meeting on the merger or division of our Company, the right to demand our Company to acquire the shares held by them; (v) using the shares for the conversion of convertible corporate bonds issued by the listed company; (vi) as required for maintenance of the corporate value and shareholders' rights and interests of a listed company.

The purchase of shares of a company for reasons specified in the case of (i) to (ii) above shall be subject to the resolution of the shareholders' meeting; the purchase of shares of a company for reasons specified in the case of (iii), (v) and (vi) above shall be subject to the resolution of the board meetings attended by more than two-thirds of the directors in accordance with the provisions of the articles of association or the authorization from the meeting.

Following the purchase of a company's shares by a company in accordance with the above provisions, such shares shall be canceled within 10 days from the date of buy-back in the case of item (i) above; such shares shall be transferred or canceled within six months in the case of items (ii) and (iv) above; the total numbers of share of our Company held by a company shall not exceed 10% of the total issued shares of our Company, and shall be transferred or canceled within three years in the case of items (iii), (v) and (vi) above.

Transfer of Shares

Shares held by a shareholder may be transferred according to the law. Under the Company Law, a shareholder of a joint stock limited company should affect a transfer of his shares on securities exchange established according to the law or by any other means as required by the State Council. Registered shares may be transferred by endorsement of shareholders or by other means stipulated by laws or administrative regulations. After the transfer, a company shall record the name and address of the transferee in the register of shareholders. No changes of registration in the share register provided in the foregoing requirement shall be affected during a period of 20 days prior to the convening of shareholders' meeting or 5 days prior to the record date for a company's distribution of dividends. However, where there are separate provisions by law on alternation of registration in the share register of listed companies, those provisions shall prevail.

Under the Company Law, shares issued by a company prior to the [REDACTED] of shares shall not be transferred within one year from the date on which the shares of the company are [REDACTED] and [REDACTED] on a securities exchange. The directors, supervisors and senior management of the company should declare to the company the shares they hold and the changes thereof. During the term of office as determined when they assume the posts, the shares transferred each year should not exceed 25% of the total shares they hold of the company. Shares of a company held by them shall not be transferred within one year from the date of a company's [REDACTED] on a securities exchange, nor within six months after their resignation from their positions with a company.

If the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee cannot exercise the pledge right within such restricted transfer period.

Shareholders

Under the Company Law and the Articles of Association Guidelines, the rights of holders of ordinary shares of a joint stock limited company include:

- the right to attend or appoint a proxy to attend general meetings and to vote thereat;
- the right to transfer shares in accordance with laws, administrative regulations and provisions of the articles of association;
- the right to inspect the Company's articles of association, share register, counterfoil of Company debentures, minutes of general meetings, resolutions of meetings of the board of directors, resolutions of meetings of the supervisory committee and financial and accounting reports and to make proposals or enquiries on the Company's operations;
- the right to bring an action in the people's court to rescind resolutions passed by general meetings and board of directors where the articles of association is violated by the above resolutions;
- the right to receive dividends and other forms of profit distribution according to the proportion of shares they hold;
- in the event of the termination or liquidation of the Company, the right to participate in the distribution of the residual properties of the Company in proportion to the number of shares held; and
- other rights granted by laws, administrative regulations, other regulatory documents and the Company's articles of association.

The obligations of a shareholder include the obligation to abide by the Company's articles of association, to pay the subscription moneys in respect of the shares subscribed for and in accordance with the form of making capital contributions, to be liable for the Company's debts and liabilities to the extent of the amount of his or her subscribed shares and any other shareholders' obligation specified in the Company's articles of association.

Shareholders' Meetings

Under the Company Law, the shareholders' meeting of a joint stock limited company is made up of all shareholders. The shareholders' meeting is the organ of authority of a company, which exercises the following functions and powers: (i) to elect and replace directors and supervisors and to decide on matters relating to the remuneration of directors and supervisors; (ii) to examine and approve reports of the board of directors; (iii) to examine and approve reports of the supervisory committee; (iv) to examine and approve a company's profit distribution plans and loss recovery plans; (v) to resolve on the increase or reduction of a company's registered capital; (vi) to resolve on

the issuance of corporate bonds; (vii) to resolve on the merger, division, dissolution, liquidation or change of corporate form of a company; (viii) to amend the company's articles of association; (ix) other functions and powers specified in provision of the articles of association.

Under the Company Law, annual shareholders' meetings are required to be held once every year. An interim shareholders' meeting is required to be held within two months after the occurrence of any of the following circumstances: (i) the number of directors is less than the number stipulated in the Company Law or less than two-thirds of the number specified in the articles of association; (ii) when the unrecovered losses of a company amount to one-third of the total paid-up share capital; (iii) shareholders individually or jointly holding 10% or more of the company's shares request; (iv) when deemed necessary by the board of directors; (v) the supervisory committee proposes to convene the meeting; (vi) other circumstances as stipulated in the articles of association.

Shareholders' meeting shall be convened by the board of directors and presided over by the chairperson of the board of directors. In the event that the chairperson is incapable of performing or not performing his duties, the meeting shall be presided over by the vice chairperson. In the event that the vice chairperson is incapable of performing or not performing his duties, a director nominated by more than half of directors shall preside over the meeting.

If the board of directors is incapable of performing or is not performing its duties to convene the general meeting, the supervisory board should convene and preside over shareholders' meeting in a timely manner. If the supervisory board fails to convene and preside over shareholders' meeting, shareholders individually or in aggregate holding 10% or more of the company's shares for 90 days or more consecutively may unilaterally convene and preside over shareholders' meeting.

If the shareholders who separately or aggregately hold more than 10% of the shares of the company request to convene an interim shareholders' meeting, the board of directors and the board of supervisors should, within 10 days after the receipt of such request, decide whether to hold an interim shareholders' meeting and reply to the shareholders in writing.

Notice of meeting shall state the time and venue of and matters to be considered at the meeting and shall be given to all shareholders 20 days before the meeting. A notice of interim meeting shall be given to all shareholders 15 days prior to the meeting.

Shareholders who individually or jointly hold more than 1% of the company's shares may put forward interim proposals and submit them to the board of directors in writing 10 days before the shareholders' meeting. The board of directors shall notify other shareholders within two days after receiving the proposal and submit the interim proposal to the shareholders' meeting for consideration.

Under the Company Law, a shareholder may entrust a proxy to attend a shareholders' meeting, and it should clarify the matters, power and time limit of the proxy. The proxy shall present a written power of attorney issued by the shareholder to a company and shall exercise his voting rights within the scope of authorization. There is no specific provision in the Company Law regarding the number of shareholders constituting a quorum in a shareholders' meeting.

Under the Company Law, shareholders present at a shareholders' meeting have one vote for each share they hold, except the shareholders of classified shares. However, shares held by the company itself are not entitled to any voting rights.

The cumulative voting system may be adopted for the election of directors and supervisors at the shareholders' meeting in accordance with the provisions of the articles of association or the resolutions of the shareholders' meeting. Under the accumulative voting system, each share shall have the same number of voting rights as the number of directors or supervisors to be elected at the shareholders' meeting, and shareholders may consolidate their voting rights when casting a vote.

Under the Company Law and the Guidelines for Articles of Association, the passing of any resolution requires affirmative votes of shareholders representing more than half of the voting rights represented by the shareholders who attend the shareholders' meeting. Matters relating to merger, division or dissolution of a company, increase or reduction of registered capital, change of corporate form or amendments to the articles of association must be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

Board

Under the Company Law, a joint stock limited company should have a board of directors, which consists of more than three members. The term of office of a director shall be stipulated in the articles of association, but each term of offices hall not exceed three years. Directors may serve consecutive terms if re-elected.

Meetings of the board of directors shall be convened at least twice a year. All directors and supervisors shall be notified 10 days before the meeting for every meeting. The board of directors exercises the following functions and powers: (i) to convene shareholder's general meetings and report its work to the shareholder's general meetings; (ii) to implement the resolutions of the shareholder's general meeting; (iii) to decide on a company's business plans and investment plans; (iv) to formulate a company's profit distribution plan and loss recovery plan; (v) to formulate proposals for the increase or reduction of a company's registered capital and the issue of corporate bonds; (vi) to formulate plans for cake, division, dissolution or change of corporate form of a company; (vii) to decide on the internal management structure of a company; (viii) to decide on the appointment or dismissal of the manager of a company and their remuneration; to decide on the appointment or dismissal of the deputy manager and financial officer of a company based on the nomination of the manager and as well as remuneration; (ix) to formulate a company's basic management system; (x) other functions and powers specified in the articles of association or granted by the shareholders' meeting.

The board meetings shall be held only if more than half of the directors are present. If a director is unable to attend a board meeting, he/she may appoint another director by a power of attorney specifying the scope of the authorization for another director to attend the meeting on his behalf. If a resolution of the board of directors violates the laws, administrative regulations or the articles of association, and as a result of which the company suffers serious losses, the directors participating in the resolution shall be liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director may be exempt from such liability.

Under the Company Law, a person may not serve as a director of a company if he/she is: (i) a person without capacity or with restricted capacity; (ii) a person who has been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property, or disrupting the order of the socialist market economy, or has been deprived of political rights due to a crime, where a five-year period has not elapsed since the date of completion of the sentence; if he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension period; (iii) a person who was a director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise; (iv) a person who was legal representative of a company or enterprise which had its business license revoked due to violation of the law and had been closed down by order, and who were personally liable, where less than three years have elapsed since the date of the revocation of the business license of the company or enterprise or the order for closure; and (v) being listed as one of "dishonest persons subject to enforcement" by the people's court due to his/her failure to pay off a relatively large amount of due debts.

The board of directors shall have one chairperson, who shall be elected by more than half of all the directors. The chairperson shall exercise the following functions and powers (including but not limited to): (i) to preside over shareholders' meetings and convene and preside over board meetings; and (ii) to examine the implementation of resolutions of the board of directors; (iii) to exercise other powers conferred by the board of directors.

Supervisory Committee

A joint stock limited company may establish an audit committee composed of directors of the board of directors in accordance with the company's bylaw which exercises the functions of the board of supervisors specified in this Law and is not required to have a board of supervisors or supervisors.

A joint stock limited company that is small or has a small number of shareholders is not required to establish a board of supervisors but shall have one supervisor who exercises the functions of the board of supervisors as provided for in this Law.

Except for the above-mentioned two special circumstances, a joint stock limited company shall have a supervisory committee composed of not less than three members. The supervisory committee is made up of representatives of the shareholders and an appropriate proportion of representatives of the employees of the company. The actual proportion shall be stipulated in the articles of association, provided that the proportion of representatives of the employees shall not be less than one third of the supervisors. Representatives of the employees of the company in the supervisory committee shall be democratically elected by the employees at the employees' representative assembly, employees' general meeting or otherwise. A director and a senior officer of the company shall not serve concurrently as a supervisor.

The supervisory committee shall have a chairman and may have a vice chairman. The chairman and deputy chairman of the supervisory committee shall be elected by more than half of all supervisors. The chairman of the supervisory committee shall convene and preside over the meetings of the supervisory committee. Where the chairman of the supervisory committee is unable or fails to perform his/her duties, the vice chairman of the supervisory committee shall convene and preside over the meetings of the supervisory committee. Where the vice chairman is unable or fails to perform his/her duties, the meetings shall be convened and presided over by a supervisor jointly nominated by more than half of all the supervisors.

Each term of a supervisor shall be three years, and a supervisor may continue to serve his post if he is re-elected. A supervisor shall continue to perform his duties in accordance with the laws, administrative regulations and articles of association until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his term of office, or if the resignation of supervisors' results in the number of supervisors being less than the quorum.

The supervisory committee shall convene a meeting at least every six months. According to the Company Law, the supervisory committee shall make resolutions with the consent of a majority of all supervisors.

The supervisory committee exercises the following functions and power:

- to review the company's financial position;
- to supervise the directors and senior management in the performance of their duties and to propose the dismissal of directors or senior management who violate laws, regulations, the articles of association or resolutions of the general meeting;
- when the acts of directors and senior management are harmful to the company's interests, to require correction of those acts;

- to propose the convening of extraordinary general meetings and to convene and preside over general meetings when the board of directors fails to perform the duty of convening and presiding over general meetings under the Company Law;
- to initiate proposals for resolutions to general meetings;
- to initiate proceedings against directors and senior management;
- other powers and functions stipulated by the articles of association; and

The supervisors may attend the meetings of the board and may inquire about or put forth proposals on matters covered by resolutions of the board. The supervisory committee may initiate investigations into any irregularities identified in the operation of the company and, where necessary, may engage an accounting firm to assist their work at the company's expense.

According to Guidelines for Articles of Association, the company's board of directors shall establish an audit committee to exercise the supervisory authority stipulated by the "Company Law".

Manager and Senior Management

Pursuant to the Company Law, a company shall have a manager who shall be appointed or removed by the board of directors. The manager shall exercise his/her powers in accordance with the company's articles of association or the authorization of the board of directors. Other provisions in the articles of association on the manager's powers shall also be complied with.

The manager shall be present at meetings of the board of directors. However, the manager shall have no voting rights at meetings of the board of directors unless he/she concurrently serves as a director.

According to the Company Law, senior management shall mean the manager, deputy manager(s), person-in-charge of finance, board secretary (in case of a listed company) of a company and other personnel as stipulated in the articles of association.

Duties of Directors, Supervisors and Senior Management

Directors, supervisors and senior management of the company are required under the Company Law to comply with the relevant laws, regulations and the articles of association, and have fiduciary and diligent duties to the company. The directors, supervisors and senior management are prohibited from:

- embezzling the property of the company and misappropriating the funds of the company;
- depositing the company's capital into accounts under his own name or the name of other individuals;
- taking advantage of power to accept bribes or other illegal income;
- accepting and possessing commissions paid by a third party for transactions conducted with the company;
- unauthorized divulgence of confidential business information of the company;
- other acts in violation of the duty of loyalty to the company;

Where directors, supervisors and senior management who directly or indirectly contract or conduct a transaction with the company shall report to the board of directors or the shareholders' meeting on matters related to the contracting or conducting the transaction, and seek approval by resolution of the board of directors or the shareholders' meeting in accordance with the company's

bylaw. If the close relatives of directors, supervisors, and senior management, enterprises under direct or indirect control of directors, supervisors, senior management, or their close relatives, and affiliates in any other affiliation relationship with directors, supervisors, and senior management contract or conduct transactions with the company, the provisions of the preceding paragraph shall report to the board of directors or the shareholders' meeting on matters related to the contracting or conducting the transaction, and seek approval by resolution of the board of directors or the shareholders' meeting in accordance with the company's articles of association.

Directors, supervisors and senior management shall not take advantage of his position to take a business opportunity belonging to the company for himself or another person, except under any of the following circumstances:

- which has been reported to the board of directors or the shareholders' meeting and received approval by resolution of the board of directors or the shareholders' meeting according to the Company's articles of association.
- the company is unable to take the business opportunity according to laws, administrative regulations, or the company's articles of association.

Directors, supervisors and senior management shall not conduct the same kind of business as the company on his own account or on the account of another person, without reporting to the board of directors or the shareholders' meeting, without approval by resolution of the board of directors or the shareholders' meeting according to the company's articles of association.

Directors, supervisors and senior management who contravene any law, regulation or the company's articles of association in the performance of his/her duties and result in any loss to the company shall be personally liable to the company.

The Guidance for Articles of Association provides that a company's directors and senior management shall have duties of diligence towards the company, for example, the directors shall be prudent, serious and diligent in exercising the authority conferred by the company to ensure that the business activities of the company comply with state's laws, administrative regulations and various economic policy requirements and that the business activities do not go beyond the scope of business activities specified in the company's business license; the directors shall treat all shareholders equally; the shareholders shall keep abreast of the company's business management status; both the directors and the senior management shall sign written statements confirming periodic reports of the company and ensure that the information disclosed by the company is true, accurate and complete; both the directors and the senior management shall provide accurate information and materials to the board of supervisors and shall not interfere with the performance of duties by the board of supervisors or individual supervisors; both the directors and the senior management shall have other diligence duties prescribed by laws, administrative regulations, departmental rules and the company's articles of association.

Finance and Accounting

Under the Company Law, a company shall establish its financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council. At the end of each fiscal year, the company shall prepare financial and accounting reports which shall be audited by an accounting firm in accordance with the law. The financial and accounting reports shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial department of the State Council.

Under the Company Law, a joint stock limited company shall make its financial and accounting reports available at the company for inspection by the shareholders 20 days before the convening of an annual meeting of shareholders. A joint stock limited company issuing its shares in public must publish its financial and accounting reports.

When distributing each year's after-tax profits, the company shall set aside 10% of its profits into its statutory reserve fund. The company can no longer withdraw statutory reserve fund if it has accumulated to more than 50% of the registered capital. If the statutory reserve fund of the company is insufficient to make up for the losses of the previous years, the current year profits shall be used to make up for the losses before making allocations to the statutory reserve in accordance with the preceding paragraph. After the company has made an allocation to the statutory reserve fund from its after-tax profit, it may also make an allocation to the discretionary reserve fund from its after-tax profit upon a resolution of the shareholders' meeting.

A joint stock limited company may distribute profits in proportion to the number of shares held by its shareholders, except for profit distributions that are not in proportion to the number of shares held in accordance with the provisions of the articles of association of the joint stock limited company.

The premium over the nominal value of the shares of a joint stock limited company from the issue of shares, the amount of share proceeds from the issuance of no-par shares that have not been credited to the registered capital and other incomes required by the financial department of the State Council to be treated as the capital reserve fund shall be accounted for as the capital reserve fund of the company.

The reserve fund of the company shall be used to make up losses of the company, expand the production and operation of the company or increase the capital of the company. Where the reserve fund of a company is used for making up losses, the discretionary reserve and statutory reserve shall be firstly used. If losses still cannot be made up, the capital reserve can be used according to the relevant provisions. When the statutory reserve fund is converted to increase registered capital, the balance of the statutory reserve shall not be less than 25% of the registered capital before such conversion.

The company shall not keep accounts other than those provided by law.

Appointment and Retirement of Accounting Firms

Pursuant to the Company Law, the engagement or dismissal of an accounting firm responsible for the company's auditing shall be determined by a shareholders' meeting, the board of directors or the board of supervisors in accordance with the articles of association. The accounting firm should be allowed to make representations when the shareholders' meeting, the board of directors or the board of supervisors conduct a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification of information.

According to the Guidelines for Articles of Association, the company shall guarantee to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the hired accounting firm, and shall not refuse, conceal or make false reports. The audit fee of an accounting firm shall be decided by the shareholders' meeting.

Distribution of Profits

According to the Company Law, a company shall not distribute profits before losses are covered and the statutory common reserve is drawn.

Amendments to Articles of Association

Any amendments to the company's articles of association must be made in accordance with the procedures set out in the company's articles of association. In the event of a company registration, the amendments to the articles of association shall be registered with the relevant registration

authorities. Pursuant to the Company Law, the resolution of a shareholders' meeting regarding any amendment to a company's articles of association requires affirmative votes by more than two-thirds of the votes held by shareholders attending the meeting.

Pursuant to the Guidance for Articles of Association, the company shall amend its articles of association under any of the following circumstances: (i) where, after any amendment to the Company Law or any other applicable law or administrative regulation, the provisions of the articles of association conflict with the law and/or administrative regulations amended; (ii) where the company's circumstances change to such an extent that they are inconsistent with what is recorded in the articles of association; and (iii) where the shareholders' general meeting decides to amend the articles of association.

Dissolution and Liquidation

According to the Company Law, a company shall be dissolved for the following reasons: (i) the term of business stipulated in the articles of association has expired or other events of dissolution specified in the articles of association have occurred; (ii) the shareholders' meeting resolves to dissolve the company; (iii) dissolution is necessary due to a merger or division of the company; (iv) the business license is revoked, or the company is ordered to close down or is revoked in accordance with laws; (v) where the company encounters serious difficulties in its operation and management and its continuance shall cause a significant loss in the interest of shareholders, and where this cannot be resolved through other means, shareholders who hold more than 10% of the total shareholders' voting rights of the company may present a petition to a people's court for the dissolution of the company.

If any of the situations as mentioned in the preceding paragraph arises, a company shall publicize the situations through the National Enterprise Credit Information Publicity System within ten days.

Where the company is dissolved in accordance with item (i) above, it may carry on its existence by amending its articles of association or upon a resolution of the shareholders' meeting, which must be approved by more than two-thirds of the voting rights held by the shareholders present at the shareholders' meeting. Where the company is dissolved pursuant to items (i), (ii), (iv) or (v) above, it shall be liquidated. The directors, who are the liquidation obligors of the company, shall form a liquidation group to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution. The liquidation group shall be composed of the directors, unless it is otherwise provided for in the company's articles of association or it is otherwise elected by the shareholders' meeting. The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the company or the creditors.

The liquidation group fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the people's court to designate relevant persons to form a liquidation group to conduct liquidation. The people's court shall accept such request and organize a liquidation group to carry out the liquidation in a timely manner.

The liquidation group shall exercise the following functions and powers during the liquidation period: (i) to liquidate the company's property and respectively prepare balance sheet and list of property; (ii) to notify creditors by notice or public announcement; (iii) to deal with the outstanding business of the company involved in the liquidation; (iv) to pay all outstanding taxes and taxes arising in the course of liquidation; (v) to liquidate claims and debts; (vi) to distribute the remaining property of the company after paying off debts; (vii) to participate in civil litigations on behalf of the company.

The liquidation group shall notify the company's creditors within ten days as of its formation and shall make a public announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall file their proofs of claim with the liquidation group within 30 days as of the receipt of the notice or within 45 days as of the issuance of the public announcement in the case of failing to receive such notice.

The remaining property of the company after the payment of liquidation expenses, employees' wages, social insurance expenses and statutory compensation, outstanding taxes and the company's debts, shall be distributed to shareholders in proportion to their shareholdings. During the liquidation period, the company shall continue to exist but shall not carry out any business activities unrelated to the liquidation. The company's assets shall not be distributed to the shareholders before the liquidation in accordance with the preceding paragraph.

If the liquidation group, having thoroughly examined the company's assets and having prepared a balance sheet and an inventory of assets, discovers that the company's assets are insufficient to pay its debts in full, it shall file an application to a people's court for bankruptcy liquidation. After the people's court accepts the application for bankruptcy, the liquidation group shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

Upon completion of the liquidation, the liquidation group shall prepare a liquidation report to be submitted to the shareholders' meeting or the people's court for confirmation, and submit to the company registration authority to apply for cancellation of the company's registration.

The members of the liquidation group performing their duties of liquidation are obliged to loyalty and diligence. Any member of the liquidation group who neglects to fulfill his/her liquidation duties, thus causing any loss to the company shall be liable for compensation, and any member of the liquidation group who cause any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Where, after three years since the business license of a company is revoked, or the company is ordered to close down or is revoked, the company fails to apply for its deregistration with the company registration authority, the said authority may announce the company's deregistration through the National Enterprise Credit Information Publicity System for a period of no less than 60 days. If there is no objection after the announcement period expires, the company registration authority may deregister the company.

Overseas Listing

According to the Overseas Listing Trial Measures, the domestic enterprise shall report the application documents for issuance and listing to the CSRC for record-filing within three working days after submission of the application documents for issuance and listing overseas. If an issuer issues securities in the same overseas market after overseas issuance and listing, it shall file with the CSRC within 3 working days after the completion of the issuance. If an issuer issues and lists in other overseas markets after overseas issuance and listing, it shall be filed in accordance with the provisions of the first paragraph of Article 16 of the Overseas Listing Trial Measures.

Suspension and Termination of Listing

The Company Law has deleted provisions governing suspension and termination of listing. The Securities Law has also deleted provisions regarding suspension of listing. Where listed securities fall under the delisting circumstances stipulated by the stock exchange, the stock exchange shall terminate its listing and trading in accordance with the business rules.

According to the Overseas Listing Trial Measures, in case of active or compulsory termination of listing, the issuer shall report the specific situation to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters.

Merger and Demerger

A merger agreement shall be signed by merging companies and the involved companies shall prepare respective statements of financial position and inventory of assets. The companies shall within 10 days of the date of passing the resolution approving the merger notify their respective creditors and publicly announce the merger in newspapers or the National Enterprise Credit Information Publicity System within 30 days. A creditor may, within 30 days of receipt of the notification, or within 45 days of the date of the announcement if he has not received the notification, request the company to settle any outstanding debts or provide relevant guarantees. In case of a merger, the credits and debts of the merging parties shall be assumed by the surviving or the new company.

In case of a division, the company's assets shall be divided and a statement of financial position and an inventory of assets shall be prepared. When a resolution regarding the company's division is approved, the company should notify all its creditors within 10 days of the date of passing such resolution and publicly announce the division in newspapers or the National Enterprise Credit Information Publicity System within 30 days. Unless an agreement in writing is reached with creditors before the company's division in respect of the settlement of debts, the liabilities of the company which have accrued prior to the division shall be jointly borne by the divided companies.

Changes in the business registration of the companies as a result of the merger or division shall be registered with the relevant administration authority for industry and commerce.

In accordance with the laws, cancelation of a company shall be registered when a company is dissolved and incorporation of a company shall be registered when a new company is incorporated.

SECURITIES LAW AND REGULATIONS

The Securities Law of the People's Republic of China, which was promulgated by the SCNPC on December 29, 1998, and was latest amended on December 28, 2019 and took effect on March 1, 2020, comprehensively regulating activities in the PRC securities market including issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities, etc. The Securities Law further regulates that a domestic enterprise issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council and for subscription and trading of shares of domestic companies using foreign currencies, detailed measures shall be stipulated by the State Council separately. The CSRC is the securities regulatory body set up by the State Council to supervise and administer the securities market according to law, maintain order in the market, and ensure the market operates in a lawful manner. Currently, the issue and trading of H shares are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

According to the Securities Law of the PRC (2019 Revision) (《中華人民共和國證券法(2019修訂)》) and the Administrative Measures on Acquisition of Listed Companies (《上市公司收購管理辦法》), where the shares held by an investor (including an overseas investor) through securities transactions on a stock exchange or jointly with others through an agreement or other arrangements attain 5% of the issued voting rights shares (including A-shares and H-shares) of a listed company, the investor shall submit a written report to the CSRC and SZSE within three days, notify the listed company and make an announcement. Whenever the investor's shares with voting rights in the said listed company are increased or reduced by 1%, the investor shall notify the listed company on the day following such occurrence, and make an announcement.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

Under the Arbitration Law of the PRC (《中華人民共和國仲裁法》), or the Arbitration Law, last amended by the SCNPC on September 1, 2017 and effective on January 1, 2018, the Arbitration Law is applicable to economic disputes involving foreign parties, and all parties have entered into a written agreement to refer the matter to an arbitration committee constituted in accordance with the Arbitration Law. An arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with relevant regulations under the Arbitration Law and the Civil Procedure Law. Where both parties have agreed to settle disputes by means of arbitration, the people's court will refuse to take legal action brought by a party in the people's court.

Under the Arbitration Law, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the people's court for enforcement according to the Civil Procedure Law. If there is evidence to prove that any of the following circumstances exists: the parties have not stipulated an arbitration clause in the contract or have not reached a written arbitration agreement afterwards; the respondent has not been notified of the appointment of the Court of Arbitration or the arbitration proceedings or failed to present views for other reasons for which the respondent is not responsible; the composition of the arbitral tribunal or the arbitration procedures are not in accordance with the arbitration rules; the matters awarded are outside the scope of the arbitration agreement, or the arbitration committee has no jurisdiction to arbitrate, the people's court may rule not to enforce such award. A party seeking to enforce an arbitral award of foreign arbitration commission against a party who or whose property is not within the Mainland China shall apply to a foreign court with jurisdiction over the case for recognition and enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognized and enforced by the people's court in accordance with the principles of reciprocity or any international treaty concluded or acceded to by the PRC.

According to the Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》) promulgated by the Supreme People's Court on January 24, 2000 and effective on February 1, 2000, and the Supplementary Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》) promulgated by the Supreme People's Court on November 26, 2020 and effective on November 27, 2020, awards made by arbitral authorities in Mainland China can be applied for enforcement in Hong Kong, and Hong Kong arbitration awards can also be applied for enforcement in the Mainland China.

Judicial Judgment and its Enforcement

According to the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland China and of the Hong Kong Special Administrative Region (《最高人民法院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》) promulgated by the Supreme People's Court on January 25, 2024 and implemented on January 29, 2024, in the case of effective judgment of a civil and commercial case or civil damages in a criminal case made by the court of China and the court of the Hong Kong Special Administrative Region, any party concerned may apply to the People's Court of China or the court of the Hong Kong Special Administrative Region for recognition and enforcement based on this arrangement.

The taxation of income and capital gains of holders of H Shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of H Shares are residents or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current effective laws and practices, and no predictions are made about changes or adjustments to relevant laws or policies, and no comments or suggestions will be made accordingly. The discussion has no intention to cover all possible tax consequences resulting from the investment in H Shares, nor does it take the specific circumstances of any particular investor into account, some of which may be subject to special regulations. Accordingly, you should consult your own tax advisor regarding the tax consequences of an investment in H Shares.

The discussion is based upon laws and relevant interpretations in effect as of the date of this document, which is subject to change or adjustment and may have retrospective effect. No issues on PRC or Hong Kong taxation other than income tax, capital appreciation and profit tax, business tax/appreciation tax, stamp duty and estate duty were referred in the discussion. Prospective [REDACTED] are urged to consult their financial advisors regarding the PRC, Hong Kong and other tax consequences of owning and disposing of H Shares.

THE PRC TAXATION

Taxation on Dividends

Individual Investor

Pursuant to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》), or the Individual Income Tax Law, lastly amended by the SCNPC on August 31, 2018 and effective on January 1, 2019, and the Implementation Rules of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法實施條例》) lastly amended by the State Council on December 18, 2018 and effective on January 1, 2019, dividends paid by Mainland China companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonus of Listed Companies (《關於上市公司股息紅利差別化個人所得税政策有關問題的通知》) jointly issued by the MOF, the SAT and the CSRC on September 7, 2015 and effective on September 8, 2015, where an individual holds the shares of a listed company obtained from the public offering and market transfer, if the holding period is more than one year, the dividends and bonus income shall be temporarily exempted from individual income tax. Where an individual holds shares of a listed company from the public offering and market transfer, if the holding period is within one month (inclusive), the dividend income shall be included in the taxable income in full; if the holding period is more than one month but less than one year (inclusive), the dividend income shall be included in the taxable income at the rate of 50%; the aforesaid income shall be subject to individual income tax at a uniform rate of 20%.

Pursuant to the Circular on Questions Concerning the Collection of Individual Income Tax Following the Repeal of Guo Shui Fa [1993] No. 045 (《關於國税發[1993]045號文件廢止後有關個人所得税徵管問題的通知》) (Guo Shui Han [2011] No. 348) (國税函[2011]348號) dated June 28, 2011, issued by the SAT, dividends paid to non-PRC resident individual holders of H Shares are generally subject to individual income tax of the PRC at the withholding tax rate of 10%, depending on whether there is any applicable tax treaty between the PRC and the jurisdiction in which the non-PRC resident individual holder of H Shares resides as well as the tax arrangement between the PRC and Hong Kong. Non-PRC resident individual holders who reside in jurisdictions that have not entered into tax treaties with the PRC are subject to a 20% withholding tax on dividends received from us.

Enterprise Investor

In accordance with the Corporate Income Tax Law of the PRC (《中華人民共和國企業所得税法》) issued by NPC on March 16, 2007 and latest amended on December 29, 2018 and the Implementation Provisions of the Corporate Income Tax Law of the PRC (《中華人民共和國企業所

得税法實施條例》) issued by the State Council on December 6, 2007, came into effect on January 1, 2008 and amended on December 6, 2024 (hereinafter collectively referred to as the "**CIT Law**"), the rate of enterprise income tax shall be 25%. A non-resident enterprise is generally subject to a 10% corporate income tax on PRC-sourced income (including dividends received from a PRC resident enterprise), if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. The aforesaid income tax payable for non-resident enterprises are deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise.

Pursuant to the Notice on the Issues Concerning Withholding the EIT on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Which Are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》) issued by the SAT and effective on November 6, 2008, a PRC resident enterprise is required to withhold EIT at a unified rate of 10% on dividends paid to non-PRC resident enterprise holders of H shares which are derived out of profit generated since 2008. The Reply on the Collection of EIT on Dividends Received by Non-resident Enterprises from Holding B Shares and Other Shares (《關於非居民企業取得B股等股票股息徵收企業所得税問題的批復》), promulgated by the SAT on July 24, 2009 and effective on the same day, further provides that PRC-resident enterprises listed on Mainland China and overseas stock exchanges by issuing stocks must withhold EIT at a flat rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprise shareholders. Such tax rates may be further modified pursuant to the tax treaty or agreement that the PRC government has concluded with a relevant country or region, where applicable.

Pursuant to the Arrangement between the Mainland and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) (hereinafter referred to as the "**the Arrangement**"), which was signed on August 21, 2006, the Chinese Government may levy taxes on the dividends paid by a Chinese company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of the total dividends payable by the Chinese company unless a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, then such tax shall not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol of the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《〈內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排〉第五議定書》), which came into effect on December 6, 2019, adds a criteria for the qualification of entitlement to enjoy treaty benefits. Although there may be other provisions under the Arrangement, the treaty benefits under the criteria shall not be granted in the circumstance where relevant gains, after taking into account all relevant facts and conditions, are reasonably deemed to be one of the main purposes for the arrangement or transactions which will bring any direct or indirect benefits under this Arrangement, except when the grant of benefits under such circumstance is consistent with relevant objective and goal under the Arrangement. The application of the dividend clause of tax agreements is subject to the requirements of PRC tax law and regulation, such as the Notice of the State Administration of Taxation on the Issues Concerning the Application of the Dividend Clauses of Tax Agreements (《國家税務總局關於執行税收協定股息條款有關問題的通知》).

Tax Treaties

Non-resident investors residing in jurisdictions which have entered into treaties or adjustments for the avoidance of double taxation with the PRC might be entitled to a reduction of the Chinese corporate income tax imposed on the dividends received from PRC companies. The PRC currently has entered into Avoidance of Double Taxation Treaties or Arrangements with a number of countries and regions including Hong Kong Special Administrative Region, Macau Special Administrative Region, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States and etc. Non-PRC resident enterprises

entitled to preferential tax rates in accordance with the relevant taxation treaties or arrangements are required to apply to the Chinese tax authorities for a refund of the corporate income tax in excess of the agreed tax rate, and the refund application is subject to approval by the Chinese tax authorities.

Taxation on Share Transfer

VAT and Local Additional Tax

Pursuant to the Notice on Fully Implementing the Pilot Reform for the Transition from Business Tax to Value-added Tax (《關於全面推開營業税改徵增值税試點的通知》) (hereinafter referred to as "**Circular 36**"), which was implemented on May 1, 2016, entities and individuals engaged in the services sale in the PRC are subject to VAT and "engaged in the services sale in the PRC" means that the seller or buyer of the taxable services is located in the PRC. Circular 36 also provides that transfer of financial products, including transfer of the ownership of marketable securities, shall be subject to VAT at 6% on the taxable revenue (which is the balance of sales price upon deduction of purchase price), for a general or a foreign VAT taxpayer. However, individuals who transfer financial products are exempt from VAT, which is also provided in the Notice of Ministry of Finance and State Administration of Taxation on Several Tax Exemption Policies for Business Tax on Sale and Purchase of Financial Commodities by Individuals (《財政部、國家税務總局關於個人金融商品買賣等營業税若干免税政策的通知》) effective on January 1, 2009. According to these regulations, if the holder is a non-resident individual, the PRC VAT is exempted from the sale or disposal of H shares; if the holder is a non-resident enterprise and the H-share buyer is an individual or entity located outside China, the holder is not necessarily required to pay the PRC VAT, but if the H-share buyer is an individual or entity located in China, the holder may be required to pay the PRC VAT. However, it is still uncertain whether the non-Chinese resident enterprises are required to pay the PRC VAT for the disposal of H shares in practice.

At the same time, VAT payers are also required to pay urban maintenance and construction tax, education surtax and local education surcharge (hereinafter collectively referred to as "**Local Additional Tax**"), which shall be usually subject to 12% of the value-added tax, business tax and consumption tax actually paid (if any).

Income tax

Individual Investors

According to the IIT Law, gains on the transfer of equity interests in the PRC resident enterprises are subject to individual income tax at a rate of 20%. Pursuant to the Circular on Declaring that Individual Income Tax Continues to be Exempted over Income of Individuals from the Transfer of Shares (《關於個人轉讓股票所得繼續暫免徵收個人所得税的通知》) issued by the State Administration of Tax on March 30, 1998, from January 1, 1997, income of individuals from transfer of the shares of listed enterprises continues to be exempted from individual income tax. The State Administration of Taxation has not expressly stated whether it will continue to exempt tax on income of individuals from transfer of the shares of listed enterprises in the latest amended Individual Income Tax Law.

However, on December 31, 2009, the Ministry of Finance, SAT and China Securities Regulatory Commission jointly issued the Circular on Related Issues on Levying Individual Income Tax over the Income Received by Individuals from the Transfer of Listed Shares Subject to Sales Limitation (《關於個人轉讓上市公司限售股所得徵收個人所得税有關問題的通知》), which came into effect on December 31, 2009, which states that individuals' income from the transfer of listed shares obtained from the public offering of listed companies and transfer market on the Shanghai Stock Exchange and the Shenzhen Stock Exchange shall continue to be exempted from individual income tax, except for the relevant shares which are subject to sales restriction (as defined in the Supplementary Notice on Issues Concerning the Levy of Individual Income Tax on Individuals' Income from the Transfer of Restricted Stocks of Listed Companies (《關於個人轉讓上市公司限售股所得徵收個人所得税有關問題的補充通知》) jointly issued and implemented by such departments on

November 10, 2010). As of the Latest Practicable Date, no aforesaid provisions have expressly provided that individual income tax shall be levied from non-Chinese resident individuals on the transfer of shares in PRC resident enterprises listed on overseas stock exchanges.

Enterprise Investors

In accordance with the CIT Law, a non-resident enterprise is generally subject to corporate income tax at the rate of a 10% on PRC-sourced income, including gains derived from the disposal of equity interests in a PRC resident enterprise, if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. Such income tax payable for non-resident enterprises are deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise. Such tax may be reduced or exempted pursuant to relevant tax treaties or agreements on avoidance of double taxation.

Shenzhen-Hong Kong Stock Connect Taxation Policy

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) promulgated by the MOF, the SAT and the CSRC on November 5, 2016 and effective on December 5, 2016, transfer spread income derived by enterprise investors in Mainland China from stock investment listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be included in their total income and subject to EIT according to law. For dividends and bonuses received by individual investors in Mainland China from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H-share companies shall apply to CSDC for providing the register of individual investors in Mainland China to the H-share companies and the H-share companies shall withhold individual income tax at the rate of 20% on behalf of the investors.

Pursuant to the Announcement on the Continued Implementation of the Individual Income Tax Policies on the Inter-connected Mechanisms for Trading on the Shanghai and Hong Kong Stock Markets and for Trading on the Shenzhen and Hong Kong Stock Markets and on the Mutual Recognition of Funds between the Mainland and Hong Kong (《關於繼續執行滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) promulgated by the MOF, the SAT and the CSRC on December 4, 2019 and effective on December 5, 2019, and the Announcement on Extending the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Mainland-Hong Kong Mutual Recognition of Funds (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) which promulgated on August 21, 2023 and implemented on the same day, the transfer spread income derived by individual investors in Mainland China from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be exempted from individual income tax from December 5, 2019 to December 31, 2027.

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》), dividends derived by enterprise investors in Mainland China from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect are included in their total income and subject to EIT according to law. In particular, dividends and bonus income obtained by resident enterprises in Mainland China from holding H shares for 12 consecutive months shall be exempted from EIT according to law. H-share companies shall not withhold income tax on dividends and bonus income for enterprise investors in Mainland China. The tax payable shall be declared and paid by the enterprise itself.

Stamp Duty

Pursuant to the Stamp Duty Law of the PRC (《中華人民共和國印花税法》), which was promulgated by the SCNPC on June 10, 2021 and came into effect on July 1, 2022, the purchase and disposal of H shares by non-Mainland China investors outside of Mainland China are not subject to the requirements of the Stamp Duty Law of the PRC.

Estate Duty

Pursuant to the laws of Mainland China, no estate duty is currently levied in Mainland China.

PRINCIPAL TAXATION OF OUR COMPANY IN THE PRC

Please refer to the chapter **Regulatory Overview** of the document.

FOREIGN EXCHANGE

The lawful currency of the PRC is Renminbi. The State Administration of Foreign Exchange (hereinafter referred to as "**SAFE**"), with the authorization of the People's Bank of China (hereinafter referred to as "**PBOC**"), is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange regulations.

The Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》) (the "**Foreign Exchange Control Regulations**"), which was issued by the State Council on January 29, 1996, implemented on April 1, 1996 and latest amended on August 5, 2008, classifies all international payments and transfers into current items and capital items. Current items are subject to the reasonable examination of the veracity of transaction documents and the consistency of the transaction documents and the foreign exchange receipts and payments by financial institutions engaging in conversion and sale of foreign currencies and supervision and inspection by the foreign exchange control authorities. For capital items, overseas organizations and overseas individuals making direct investments in China shall, upon approval by the relevant authorities in charge, process registration formalities with the foreign exchange control authorities. Foreign exchange income received overseas can be repatriated or deposited overseas, and foreign exchange and foreign exchange settlement funds under the capital account are required to be used only for purposes as approved by the competent authorities and foreign exchange administrative authorities. In the event that international revenues and expenditure occur or may occur a material misbalance, or the national economy encounters or may encounter a severe crisis, the State may adopt necessary safeguard and control measures on international revenues and expenditure.

The Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》), which was promulgated by the PBOC on June 20, 1996 and implemented on July 1, 1996, removes other restrictions on convertibility of foreign exchange under current items, while imposing existing restrictions on foreign exchange transactions under capital account items.

According to the relevant laws and regulations in the PRC, PRC enterprises (including foreign investment enterprises) which need foreign exchange for current item transactions may, without the approval of the foreign exchange administrative authorities, effect payment through foreign exchange accounts opened at the designated foreign exchange bank, on the strength of valid transaction receipts and proof. Foreign investment enterprises which need foreign exchange for the distribution of profits to their shareholders and PRC enterprises which, in accordance with regulations, are required to pay dividends to their shareholders in foreign exchange (such as our Company) may, on the strength of resolutions of the board of directors or the shareholders' meeting on the distribution of profits, effect payment from foreign exchange accounts at the designated foreign exchange bank, or effect exchange and payment at the designated foreign exchange bank.

According to the Decisions on Matters including Canceling and Adjusting a Batch of Administrative Approval Items (《國務院關於取消和調整一批行政審批項目等事項的決定》) which was promulgated by the State Council on October 23, 2014, it decided to cancel the approval requirement of the SAFE and its branches for the remittance and settlement of the proceeds raised from the overseas listing of the foreign shares into RMB domestic accounts.

According to the Notice of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》) issued by the SAFE and implemented on December 26, 2014, a domestic company shall, within 15 Business Days from the date of the end of its overseas listing issuance, register the overseas listing with the local branch office of state administration of foreign exchange at the place of its establishment; the proceeds from an overseas listing of a domestic company may be remitted to the domestic account or deposited in an overseas account, but the use of the proceeds shall be consistent with the content of the document and other disclosure documents.

According to the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》), which was issued by the SAFE on February 13, 2015, came into effect on June 1, 2015 and partially repealed on December 30, 2019, the confirmation of foreign exchange registration under domestic direct investment and the confirmation of foreign exchange registration under overseas direct investment shall be directly examined and handled by banks. SAFE and its branch offices shall indirectly regulate the foreign exchange registration of direct investment through banks.

In accordance with the Administrative Provisions on Foreign Exchange in Domestic Direct Investment by Foreign Investors (《外國投資者境內直接投資外匯管理規定》)(the "**SAFE Circular No.21**"), which was promulgated on May 10, 2013 with effect from May 13, 2013, amended on October 10, 2018 and partially abolished on December 30, 2019. The SAFE Circular 21 specifies that the administration by SAFE or its local branches over direct investment by foreign investors in the PRC must be conducted by way of registration and banks must process foreign exchange business relating to the direct investment in the PRC based on the registration information provided by SAFE and its branches.

According to the Notice of the State Administration of Foreign Exchange on Reforming the Management Mode of Foreign Exchange Capital Settlement of Foreign Investment Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "**SAFE Circular No.19**"), promulgated on March 30, 2015, coming effective on June 1, 2015 and partially abolished on December 30, 2019, foreign-invested enterprises could settle their foreign exchange capital on a discretionary basis according to the actual needs of their business operations. Whilst, foreign-invested enterprises are prohibited to use the foreign exchange capital settled in RMB (a) for any expenditures beyond the business scope of the foreign- invested enterprises or forbidden by laws and regulations; (b) for direct or indirect securities investment; (c) to provide entrusted loans (unless permitted in the business scope), repay loans between enterprises (including advances by third parties) or repay RMB bank loans that have been onlent to a third party; and (d) to purchase real estates not for self-use purposes (save for real estate enterprises).

According to the Notice of the State Administration of Foreign Exchange of the PRC on Revolutionizing and Regulating Capital Account Settlement Management Policies (國家外匯管理局關於改革和規範資本項目結匯管理政策的通知) which was promulgated by the SAFE and implemented on June 9, 2016, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the recalling of raised capital by overseas listing) may undertake foreign exchange settlement in the banks according to actual business needs of the domestic institutions. The tentative percentage of foreign exchange settlement for foreign currency earnings in capital account of domestic institutions is 100%, subject to adjust of the SAFE in due time in accordance with international revenue and expenditure situations.

According to the SAFE promulgated the Notice on Further Facilitating Cross-Board Trade and Investment (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) (the "**SAFE Circular No.28**"), which was promulgated on October 23, 2019, come into effect on the same day and partially amended on December 4, 2023. The notice cancelled restrictions on domestic equity investments made with capital funds by non-investing foreign-funded enterprises. In addition, restrictions on the use of funds for foreign exchange settlement of domestic accounts for the realization of assets have been removed and restrictions on the use and foreign exchange settlement of foreign investors' security deposits have been relaxed. Eligible enterprises in the pilot area are also allowed to use revenues under capital accounts, such as capital funds, foreign debts and overseas listing revenues for domestic payments without providing materials to the bank in advance for authenticity verification on an item by item basis, while the use of funds should be true, in compliance with applicable rules and conforming to the current capital revenue management regulations.

1. FURTHER INFORMATION ABOUT OUR GROUP

A. Incorporation of our Company

We are a proven enterprise IT consulting and digital solution service provider in China. We serve large and top-tier enterprises with a full range of digitalization and intelligentization solutions. Leveraging AI-powered applications, proprietary software products, and ERP implementation services, we help enterprises achieve digitalization and intelligentization, improve operating efficiency, and build their core competence.

Our Predecessor, Shanghai Quanfu Hand Software Technology Co., Ltd. (上海全富漢得軟體技術有限公司) was established in the PRC in July 2002 as a limited liability company with an initial registered capital of USD2.15 million. On February 26, 2010, our Predecessor was converted into a joint stock company with limited liability and renamed Hand Enterprise Solutions Co., Ltd (上海漢得信息技術股份有限公司), and our Company was founded on the same date, with an initial registered capital of RMB85,724,482. Our Company completed the listing of our A Shares on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 300170) in February 2011. As of the Latest Practicable Date, our registered capital was RMB1,040,419,711. Our registered address is located at Room 303, No. 5500, Waiqingsong Road, Qingpu Industrial Park, Shanghai, the PRC.

Our principal place of business in Hong Kong is located at 46/F, Hopewell Centre, 183 Queen's Road East Wan Chai, Hong Kong. Our Company was registered as a non-Hong Kong company under Part 16 of the Companies Ordinance with the Registrar of Companies in Hong Kong on December 18, 2025. Ms. Wong Mei Fung Carrie (黃美鳳) has been appointed as an authorized representative of our Company for the acceptance of service of process in Hong Kong. Her correspondence address is the same as our principal place of business in Hong Kong.

As our Company was established in the PRC, our operations, corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. For a summary of the principal provisions of our Articles of Association, see "Appendix III — Summary of Articles of Association" of this Document. For a summary of certain relevant aspects of PRC laws and regulations, see "Appendix IV — Summary of Principal Legal and Regulatory Provisions" of this Document.

B. Changes in Share Capital of our Company

As of the date of establishment, our Company had an initial registered capital of RMB85,724,482.

Save as disclosed below, there has been no alteration in the share capital of the Company within two years immediately preceding the date of this Document.

- As approved by the Board meeting on September 30, 2024, it was resolved to approve the restricted shares under the first vesting period under the 2024 Plan to be vested. Upon approval, our Company completed the vesting procedures for 3,165,000 restricted A Shares for 27 eligible recipients, thereby increasing the total number of the issued A Shares of the Company by 3,165,000 A Shares.
- As approved by the Board meeting held on April 21, 2025, it was resolved to approve the exercise of options by eligible recipients during the third exercise period under the 2021 Second Plan. Upon approval, 18,868,000 A Shares have been issued upon exercise of the options, thereby increasing the total number of the issued shares of the Company by 18,868,000 A Shares as of January 20, 2026.

Upon completion of the [REDACTED], the registered and issued capital of our Company (including treasury shares) will be increased to RMB[REDACTED] (assuming the [REDACTED] is not exercised), consisting of 1,040,419,711 A Shares and [REDACTED] H Shares, or RMB[REDACTED] (assuming the [REDACTED] is exercised in full), consisting of 1,040,419,711 A Shares and [REDACTED] H Shares.

C. Resolutions of our Shareholders in relation to the [REDACTED]

At the general meeting of the Shareholders held on December 22, 2025, the following resolutions, among other things, were duly passed:

(a) the [REDACTED] by our Company of H Shares with a nominal value of RMB1.00 each and such H Shares be [REDACTED] on the Hong Kong Stock Exchange;

(b) the number of H shares to be [REDACTED] shall be no more than [REDACTED] of the total issued share capital of our Company as enlarged by the [REDACTED] before the exercise of the [REDACTED], and the grant of the [REDACTED] in respect of no more than [REDACTED] of the number of H Shares [REDACTED] pursuant to the [REDACTED];

(c) authorization of the Board or its authorized individual to handle all matters relating to, among other things, the [REDACTED], the [REDACTED] and the [REDACTED] on the Hong Kong Stock Exchange; and

(d) subject to the completion of the [REDACTED], the conditional adoption of the revised Articles of Association, which shall become effective on the [REDACTED].

D. Changes in the Registered Capital of our Subsidiaries

For a summary of the corporate information and the particulars of our subsidiaries, see "History, Development and Corporate Structure — Our Principal Subsidiaries" and "Appendix I — Accountant's Report — Note 1" of this Document.

The following alterations in the capital of our subsidiaries have taken place within the two years preceding the date of this Document:

On March 6, 2025, the registered share capital of Yiai Technology (上海億砆科技有限公司) increased from RMB10.0 million to approximately RMB11.11 million.

On October 30, 2024, the registered share capital of Shenzhen Qianhai Yingyu Co., Ltd. (深圳前海盈餘科技有限公司) decreased from RMB10.0 million to RMB1 million.

Save as disclosed above, there has been no alteration in the share capital of our subsidiaries within two years immediately preceding the date of this Document.

2. FURTHER INFORMATION ABOUT OUR BUSINESS

A. Summary of Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of our Group within the two years preceding the date of this Document and are or may be material:

(a) [REDACTED]

B. Our Material Intellectual Property Rights

Save as disclosed below, as of the Latest Practicable Date, there were no other intellectual property rights which are or may be material in relation to our business.

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be material to our business:

No.	Trademark	Place of registration	Registered owner	Category	Registration number	Validity Period
1.	鲟苓	PRC	Our Company	42	71628642	From November 7, 2023 to November 6, 2033
2.	雹衍平台	PRC	Our Company	42	69586723	From July 28, 2023 to July 27, 2033
3.	班翎	PRC	Our Company	42	64131861	From October 28, 2022 to October 27, 2032
4.	集星濑	PRC	Our Company	42	56339929	From December 28, 2021 to December 27, 2031
5.	HERO	PRC	Our Company	42	54782412	From October 28, 2021 to October 27, 2031
6.	OPEN ZERO	PRC	Our Company	42	50328520	From June 14, 2021 to June 13, 2031
7.	燚牛	PRC	Our Company	42	49528973	From May 28, 2021 to May 27, 2031
8.	FEIDA	PRC	Our Company	42	49249021	From April 7, 2021 to April 6, 2031
9.		PRC	Our Company	42	49007539	From April 14, 2021 to April 13, 2031
10.	海马汇	PRC	Our Company	42	32837671	From August 21, 2019 to August 20, 2029
11.	汉得汇金链 HAND HUI JIN LIAN	PRC	Shanghai Hand Commercial Factoring Co., Ltd.* (上海漢得商業保理有限公司)	42	27192323	From October 21, 2018 to October 20, 2028
12.	融智汇	PRC	Shanghai Hand Rongjing Information Technology Co., Ltd.* (上海漢得融晶信息科技有限公司)	9	54627194	From January 21, 2022 to January 20, 2032

No.	Trademark	Place of registration	Registered owner	Category	Registration number	Validity Period
13.	甄盈业财	PRC	Leading Finance Technology	42	63211751	From September 21, 2022 to September 20, 2032
14.	鼎医	PRC	Dingyi Information Technology	42	75251849	From July 14, 2024 to July 13, 2034
15.	HAND	Hong Kong	Our Company	9, 35, 42	307112187AA	From December 1, 2025 to November 30, 2035

As of the Latest Practical Date, we had applied for the registration of the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of registration	Name of Applicant	Category	Application number	Application Date
16.	HAND	Hong Kong	Our Company	16	307112187AB	December 1, 2025

Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be material to our business:

No.	Patent Description	Patent Type	Patent Owner	Place of registration	Patent number	Application publication date
1.	A Low-Code-Based Transparent API Transmission Method 一種基於低代碼的API透明傳輸方法	Invention	Our Company	PRC	202510148840.0	October 3, 2025
2.	A Method and Apparatus for Dynamic Routing for Scaffolding 一種用於腳手架的動態路由的方法及設備	Invention	Our Company	PRC	201810107203.9	September 28, 2021
3.	A Blockchain Service System 一種區塊鏈服務系統	Invention	Our Company	PRC	201810175063.9	March 5, 2021
4.	A Method for Determining Image Clarity Based on Keyword Optical Character Recognition (OCR) 基於關鍵字光學字符識別的影像清晰度判斷的方法	Invention	Shanghai Share Software	PRC	201110255911.5	June 8, 2016

Domain names

As of the Latest Practicable Date, we owned the following domain names which we consider to be or material to our business:

No.	Domain name	Registered owner	Registration date	Expiry date
1	hand-china.com	The Company	December 7, 2000	December 7, 2033
2	shareit.com.cn	Shanghai Share Software	January 11, 2002	January 11, 2030
3	rongzh.com	Shanghai Hand Rongjing Information Technology Co., Ltd.* (上海漢得融晶信息科技有限公司)	April 24, 2020	April 24, 2027
4	vyung.com	Shanghai Hand Vyung	February 14, 2015	February 14, 2028
5	dyi-china.com	Shanghai Deyi Information Technology	November 11, 2018	November 11, 2028
6	56mada.com	Yiai Technology	October 14, 2021	October 14, 2026
7	leading-finance.com	Leading Finance Technology	October 17, 2021	October 17, 2026
8	winkeytec.com	Qianhai Yingyu	December 22, 2018	December 22, 2026
9	dingyi-china.cn	Dingyi Information Technology	February 27, 2019	February 27, 2030

Copyright information

No.	Copyright Name	Registered owner	Place of Registration
1	H-One Integrated Data Platform Software* 漢得H-One融合數據平台軟件	The Company	The PRC
2	Financial Reimbursement Control Software* 漢得財務報帳管控軟件	The Company	The PRC
3	Statistical Process Control Software* 漢得統計過程控制軟件	The Company	The PRC
4	Insight ML Machine Learning Platform Software* 漢得Insight ML機器學習平台軟件	The Company	The PRC
5	LingWin Technology Middle Platform Software* 漢得領贏技術中台軟件	The Company	The PRC
6	Financing Leasing Management Software* 漢得融資租賃管理軟件	The Company	The PRC
7	HDH Big Data Foundation Platform Software* 漢得HDH大數據基礎平台軟件	The Company	The PRC
8	Electronic Document Imaging Software* 漢得電子檔案影像軟件	The Company	The PRC
9	Enterprise Digital DevOps Platform Software* 漢得企業數字化DevOps平台軟件	The Company	The PRC
10	Enterprise Service Governance Software* 漢得企業服務治理軟件	The Company	The PRC
11	O2 WeCom Shopping Assistant Software* 漢得O2 Wecom企微導購助手軟件	The Company	The PRC
12	O2 Marketing Business Middle Platform Software* 漢得O2營銷業務中台軟件	The Company	The PRC
13	FeiMa Intelligent Coding Assistant Software* 漢得飛碼智能編碼助手軟件	The Company	The PRC
14	Comprehensive Budget Management Software* 漢得全面預算管理軟件	The Company	The PRC
15	O2 B2C Mall Software* 漢得O2 B2C商城軟件	The Company	The PRC
16	Collaborative Manufacturing — Logistics Execution Software* 漢得協同製造 — 物流執行軟件	The Company	The PRC
17	BanLing Process Platform Software* 漢得班翎流程平台軟件	The Company	The PRC
18	XiaoCaiNeng Intelligent Audit Assistant Software* 漢得小財能智能審核助手軟件	The Company	The PRC
19	InsightV Intelligent Data Analysis Software* 漢得InsightV洞見智數分析軟件	The Company	The PRC
20	XiaoCaiNeng Budget Control Engine Software* 漢得小財能預算控制引擎軟件	The Company	The PRC
21	Equipment Networking Software* 漢得設備聯網軟件	The Company	The PRC
22	LingYuan AIGC Platform Software* 漢得靈猿AIGC平台軟件	The Company	The PRC
23	AI General Ledger Management Software* 漢得AI人工智能總帳管理軟件	The Company	The PRC
24	RongJing IFRS17 Data Measurement Platform Software* 漢得融晶IFRS17數據計量平台軟件	Shanghai Hand Rongjing Information Technology Co., Ltd.* (上海漢得融晶信息科技有限公司)	The PRC
25	Collaborative Manufacturing — Statistical Process Control Software* 漢得協同製造 — 統計過程控制軟件	The Company	The PRC
26	Collaborative Manufacturing — Manufacturing Execution Software* 漢得協同製造 — 製造執行軟件	The Company	The PRC
27	RongJing HFM Capital Management Software* 漢得融晶HFM資金管理軟件	Shanghai Hand Rongjing Information Technology Co., Ltd.* (上海漢得融晶信息科技有限公司)	The PRC

No.	Copyright Name	Registered owner	Place of Registration
28	Collaborative Manufacturing — Advanced Planning and Scheduling Software* 漢得協同製造 — 高級計劃排程軟件	The Company	The PRC
29	Supply Chain Finance SaaS Platform Dealer Financing Management Software* 漢得供應鏈金融SaaS平台經銷商融資管理軟件	Shanghai Hand Commercial Factoring Co., Ltd.* (上海漢得商業保理有限公司)	The PRC
30	Industrial IoT Platform Software* 漢得工業物聯網平台軟件	The Company	The PRC
31	Vyung Copilot Development Platform Software* 漢得微揚Copilot 開發平台軟件	Shanghai Hand Vyung	The PRC
32	Vyung CRM AI Assistant Software* 漢得微揚CRM人工智能助手軟件	Shanghai Hand Vyung	The PRC
33	Collaborative Manufacturing — Quality Management Software* 漢得協同製造 — 質量管理軟件	The Company	The PRC
34	Vyung B2B E-Commerce Software* 漢得微揚B2B電子商務軟件	Shanghai Hand Vyung	The PRC
35	LingYing Technology Middle Platform Software* 漢得淩鶯技術中台軟件	The Company	The PRC
36	KunCang Infrastructure Management Platform Software* 漢得鯤蒼基礎架構管理平台軟件	The Company	The PRC
37	Vyung CPQ Software* 漢得微揚CPQ軟件	Shanghai Hand Vyung	The PRC
38	BuGu HR Management Software* 漢得布穀人力資源管理軟件	The Company	The PRC
39	DeYi Project Management System* 得逸計劃管理系統	Shanghai Deyi Information Technology	The PRC
40	O2 Omni-Channel Order Management Platform Software* 漢得O2全渠道訂單管理平台軟件	The Company	The PRC
41	YouYiLian Digital Employee Intelligent Operations Management Platform* 優易聯數字員工智慧運營管理平台	Leading Finance Technology	The PRC
42	YouYiLian Robotic Process Automation Software* 優易聯機器人流程自動化軟件	Leading Finance Technology	The PRC
43	YiAi Technology Tracking Management Software* 億矽科技跟蹤管理軟件	Yiai Technology	The PRC
44	YiAi Technology Digital Supply Chain Warehouse System Management Software* 億矽科技數字供應鏈倉儲系統管理軟件	Yiai Technology	The PRC
45	YiAi Technology Billing Management System Software* 億矽科技計費管理系統軟件	Yiai Technology	The PRC
46	YiAi Technology Customs Management Software* 億矽科技關務管理軟件	Yiai Technology	The PRC
47	FeiDa Low-Code Platform Software* 漢得飛搭FeiDa低代碼平台軟件	The Company	The PRC
48	ZhenPeng Product Management Middle Platform Software* 甄鵬商品管理中台軟件	Shanghai Zhen Peng Technology	The PRC
49	ZhenPeng Omni-Channel Store Operating System Software* 甄鵬全渠道門店操作系統軟件	Shanghai Zhen Peng Technology	The PRC
50	ZhenPeng Membership Management Middle Platform Software* 甄鵬會員管理中台軟件	Shanghai Zhen Peng Technology	The PRC
51	Clearing and Settlement Software* 漢得清分結算軟件	Leading Finance Technology	The PRC
52	GuanKe Membership Management System* 觀客會員管理系統	Qianhai Yingyu	The PRC
53	DingYi DRG Cost Management Software* 鼎醫DRG成本管理軟件	Dingyi Information Technology	The PRC
54	LingYan System Management Platform Software* 漢得零衍系統管理平台軟件	The Company	The PRC
55	DingYi Smart ERP Software* 鼎醫Smart ERP軟件	Dingyi Information Technology	The PRC

No.	Copyright Name	Registered owner	Place of Registration
56	HaiMaHui Development Workbench Software* 漢得海馬匯開發工作臺軟件	The Company	The PRC
57	Expense Control Software* 漢得費控軟件	The Company	The PRC
58	AIGC Application Platform Software* 漢得AIGC應用平台軟件	The Company	The PRC
59	TongTianXi IoT Platform Software* 漢得通天犀物聯網平台軟件	The Company	The PRC
60	JiXingTa Jaguar IPaaS Integration Platform Software* 漢得集星獵JaguarIPaaS集成平台軟件	The Company	The PRC

Save as aforesaid, as of the Latest Practicable Date, there were no other trade or service marks, patents, intellectual or industrial property rights which were material in relation to our business.

3. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SENIOR MANAGEMENT

A. Particulars of the Service Contracts

Each of our Directors [has entered] into a service contract or appointment letter with our Company. The principal particulars of these service contracts and appointment letters comprise (i) the terms of the service; and (ii) termination provisions in accordance with their respective terms. The service contracts and appointment letters may be renewed in accordance with our Articles of Association and the applicable laws, rules and regulations.

Save as disclosed above, none of our Directors has entered into any service contracts as a director or supervisor with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

B. Remuneration of Directors

Our Directors receive remuneration in the forms of salaries, allowances and benefits in kind, performance related bonuses, share-based payment expenses, and pension scheme contributions.

For details of the remuneration of our Directors, see "Directors and Senior Management — Remuneration of Directors and Senior Management" and "Appendix I — Accountant's Report — Note 14. Directors' and Supervisors' Emoluments" of this Document. Save as disclosed therein, none of our Directors received other remunerations or benefits in kind from us.

During the Track Record Period, no fees were paid by our Group to any of the Directors or the five highest paid individuals as an inducement to join us or as compensation for loss of office.

Under the current arrangements, it is expected that our Directors (including Independent Non-executive Directors) will be entitled to receive an aggregate remuneration of approximately RMB2.89 million for the year ending December 31, 2026 from our Company.

4. SHARE INCENTIVE SCHEMES

Summary

To attract, motivate and retain key talents, our Company has, since its establishment, adopted 13 share incentive schemes, comprising (i) nine Restricted Share Incentive Plans; (ii) two Share Option Incentive Plans, namely the 2021 First Plan and the 2021 Second Plan; and (iii) two Share Incentive Plans, namely the 2015 Plan and the 2023 Plan. Among which, two Share Incentive Schemes remained effective as of the Latest Practicable Date, namely (a) the 2021 Second Plan and (b) the 2024 Plan, adopted on December 7, 2021 and April 16, 2024, respectively. These Share Incentive Schemes are not subject to Chapter 17 of the Listing Rules, as they do not involve any issue of new H Shares by our Company after the [REDACTED]. The principal terms of these Share Incentive Schemes that were still effective as of the Latest Practicable Date are summarised below.

2024 Plan

Below is a summary of the principal terms of the 2024 Plan. The awards to be granted under the 2024 Plan are in the form of restricted share units (the "**RSUs**").

(a) Purpose

The purposes of the 2024 Plan are, among others, to enhance our Company's corporate governance, establish a long-term incentive mechanism, attract and retain key personnel, promote employee motivation and cohesion, and align the interests of our Company, its Shareholders and core employees to support the Group's long-term and sustainable development.

(b) Eligible Participants

The eligible participants of the 2024 Plan comprise core technical and business personnel of the Group, and an aggregate of 331 individuals (including 268 individuals for the first tranche, and 63 persons for the reserved tranche) were proposed as participants at the time of adoption. The 2024 Plan excluded any Director, Supervisor, senior management member, any Shareholder holding 5% or more interests therein (individually or together with their associates), the Company's then actual controller as defined under the PRC laws (namely the AIC Parties) or any foreign employees of the Group. The selection of participants and the grant of the RSUs are merit-based, taking into account the participants' roles, contributions and performance in accordance with the scheme rules.

(c) Administration

The Shareholders in general meeting are the highest authority of the 2024 Plan, and the Board is responsible for the implementation and administration of the 2024 Plan within the scope authorised by the Shareholders. The Independent Non-executive Directors, among others, shall supervise the implementation of the 2024 Plan in accordance with applicable PRC laws, rules and regulations.

(d) Total Number of RSUs

The maximum number of Shares underlying the RSUs that may be issued pursuant to the 2024 Plan shall not exceed 41,980,000 Shares, representing approximately 4.26% of the total Shares of the Company as at the date of announcement of the 2024 Plan. The RSUs were proposed to be granted in two tranches: 33,980,000 RSUs under the first tranche and 8,000,000 RSUs reserved for the reserved tranche within 12 months after approval of the 2024 Plan by the Shareholders.

(e) Term

The term of the 2024 Plan is 48 months, commencing from the date of the first grant of the RSUs until all such RSUs have vested or lapsed in accordance with the scheme rules.

(f) Grant of RSUs

The grant date of the RSUs under the initial grant shall be determined by the Board within 60 days after approval of the 2024 Plan by the Shareholders, or, if the grant is subject to satisfaction of certain conditions, within 60 days after such conditions are satisfied, and shall fall on a trading day. The grant date for any RSUs granted from the reserved portion shall be determined by the Board within 12 months after such approval and shall also fall on a trading day.

(g) Vesting

The RSUs shall vest in tranches, subject to the relevant participants remaining in service with the Group and the satisfaction of the conditions prescribed under the 2024 Plan. Vesting shall occur on a trading day within the term of the 2024 Plan and no RSU may vest during any statutory blackout period under applicable PRC laws, rules and regulations.

For the RSUs under the initial tranche, the vesting schedule is as follows:

- **First vesting period**: from the first trading day after the expiry of 12 months from the initial tranche grant date until the last trading day within 24 months from the initial tranche grant date — 50% of the RSUs under the initial tranche; and
- **Second vesting period**: from the first trading day after the expiry of 24 months from the initial tranche grant date until the last trading day within 36 months from the initial tranche grant date — 50% of the RSUs under the initial tranche.

For the RSUs under any reserve grant from the reserved tranche, the vesting schedule is as follows:

- **First vesting period**: from the first trading day after the expiry of 12 months from the relevant reserved tranche grant date until the last trading day within 24 months from that reserved tranche grant date — 50% of the RSUs under that reserved tranche; and
- **Second vesting period**: from the first trading day after the expiry of 24 months from the relevant tranche reserved grant date until the last trading day within 36 months from that reserved tranche grant date — 50% of the RSUs under that reserved tranche.

The RSUs that do not satisfy the vesting conditions during the relevant vesting period shall lapse in accordance with the rules of the 2024 Plan.

(h) Lock-up Period

The RSUs and the underlying A Shares are subject to the transfer restrictions prescribed under applicable PRC laws, rules and regulations and the articles of association of the Company. Prior to vesting and registration, the RSUs may not be transferred, pledged or otherwise disposed of. Following vesting and registration, transfers of A Shares by directors and senior management shall comply with the statutory restrictions under PRC laws, including that no more than 25% of their total shareholdings may be transferred in any year during their term of office and no transfers may be made within six months after resignation, and any gains derived from prohibited short-swing transactions shall be returned to our Company.

Outstanding Restricted Shares under the 2024 Plan

As of the Latest Practicable Date, the number of outstanding restricted Shares granted under the 2024 Plan was 4,000,000, representing approximately [REDACTED]% of the total issued Shares immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes are made to the issued share capital of the Company between the Latest Practicable Date and the [REDACTED]).

Assuming full vesting and exercise of all outstanding restricted shares granted under the 2024 Plan, the shareholding of our Shareholders immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no changes are made to the issued share capital of the Company between the Latest Practicable Date and the [REDACTED]) will be diluted by approximately [[REDACTED]%] and our earnings per Share will be diluted by approximately [REDACTED]%.

The following table below sets forth the number of outstanding restricted shares granted to our Directors and Senior Management under the 2024 Plan as of the Latest Practicable Date:

Name of grantee	Position in the Group	Address	Date of Grant	Number of outstanding underlying restricted A Shares as of the Latest Practicable Date	Grant Price (Per A Share)	As an approximate percentage of total issued Shares immediately after completion of the [REDACTED][(1)]
Liu Fudong (劉福東)	Executive Director and Joint Company Secretary	Room 1702, Unit 2, Building 7, No. 79 Chongye Road, Yanta District, Xi'an, the PRC	September 30, 2024 (under the reserved tranche)	82,500	RMB3.297	[REDACTED]%

Note:

1. The calculation is based on the total number of [REDACTED] Shares (excluding treasury shares) [REDACTED] after the [REDACTED] (assuming the [REDACTED] is not exercised and no changes are made to the issued share capital of the Company between the Latest Practicable Date and the [REDACTED]).

The table below sets forth the details of outstanding restricted shares granted to other grantees (excluding the abovementioned Director) under the 2024 Plan, categorized by the number of underlying restricted shares, which were outstanding as of the Latest Practicable Date:

Range of underlying restricted A Shares	Number of grantees	Date of Grant	Grant Price	Number of outstanding underlying restricted A Shares as of the Latest Practicable Date
1 to 30,000	49 (granted under the reserved tranche)	September 30, 2024 (under the reserved tranche)	RMB3.297	485,000 (granted under the reserved tranche)
30,001 to 60,000	1 (granted under the reserved tranche)	September 30, 2024 (under the reserved tranche)	RMB3.297	50,000 (granted under the reserved tranche)
60,001 to 90,000	1 (granted under the reserved tranche)	September 30, 2024 (under the reserved tranche)	RMB3.297	82,500 (granted under the reserved tranche)
90,001 to 120,000	nil (granted under the reserved tranche)	September 30, 2024 (under the reserved tranche)	RMB3.297	nil (granted under the reserved tranche)
over 120,000	11 (granted under the reserved tranche)	September 30, 2024 (under the reserved tranche)	RMB3.297	3,300,000 (granted under the reserved tranche)

5. DISCLOSURE OF INTERESTS

A. Interests of our Directors, and Chief Executive of the Company

Save as disclosed below, immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised) and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED], so far as our Directors are aware, none of our Directors or chief executive will have any interest and/or short position (as applicable) in the Shares, underlying Shares or debentures of our Company or our associated corporation (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules to be notified to our Company and the Stock Exchange, once the H Shares are [REDACTED] on the Stock Exchange.

Interests in the Company

Name	Position	Nature of Interest	Immediately following the completion of the [REDACTED] (assuming no exercise of the [REDACTED])			Immediately following the completion of the [REDACTED] (assuming full exercise of the [REDACTED])		
			Number of Shares directly or indirectly held	Approximate % of the relevant class of Shares in our Company[(1)]	Approximate % of interest in our Company[(2)]	Number of Shares directly or indirectly held	Approximate % of the relevant class of Shares in our Company[(1)]	Approximate % of interest in our Company[(3)]
Chen Diqing (陳迪清)	Chairman of the Board and Executive Director	Beneficial interest	[REDACTED] A Shares (Long Position)	[REDACTED]%	[REDACTED]%	[REDACTED] A Shares (Long Position)	[REDACTED]%	[REDACTED]%
Huang Yiquan (黃益全)	Executive Director and General Manager	Beneficial interest	[REDACTED] A Shares (Long Position)	[REDACTED]%	[REDACTED]%	[REDACTED] A Shares (Long Position)	[REDACTED]%	[REDACTED]%
Wang Xinyi (王辛夷)	Executive Director and Chief Financial Officer	Beneficial interest	[REDACTED] A Shares (Long Position)	[REDACTED]%	[REDACTED]%	[REDACTED] A Shares (Long Position)	[REDACTED]%	[REDACTED]%

Notes:

(1) The calculation is based on the percentage of shareholding in A Shares (as applicable) of the Company after the [REDACTED].

(2) The calculation is based on the total number of [REDACTED] Shares in issue after the [REDACTED] (assuming the [REDACTED] is not exercised).

(3) The calculation is based on the total number of [REDACTED] Shares in issue after the [REDACTED] (assuming the [REDACTED] is fully exercised).

B. Interests of substantial Shareholders

For information on the persons who will, immediately following the completion of the [REDACTED], will have or be deemed to have beneficial interests or short position in our Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, see the section headed "Substantial Shareholders" in this document.

As at the Latest Practicable Date, far as our Directors were aware, the following persons (other than our Directors, the chief executive of our Company, and any member of our Group) will, immediately following the completion of the [REDACTED], be interested in 10% or more of the issued voting shares in all circumstances at general meetings of the members of our Group (other than our Company):

Our subsidiaries	Name of substantial shareholder(s)	Approximate Percentage of Interest (%)
ZeroWire Technology (Shanghai) Co., Ltd. (隨身科技(上海)有限公司)	Shanghai Wuduan Investment Management Co., Ltd.* (上海悟端投資管理有限公司)	29%
	Hangzhou Yongyuan Investment Co., Ltd.* (杭州涌源投資有限公司)	20%
Shanghai Hand Oujun Information Technology Co., Ltd.* (上海漢得歐俊信息技術有限公司)	Shanghai Hongzhu Investment Management Partnership Enterprise (Limited Partnership)* (上海鴻竺投資管理合夥企業(有限合夥))	20%
Shanghai Hand Vyung (上海漢得微揚信息技術有限公司)	Zhan Ge (展舸)	30%
	Shanghai Yuzhe Investment Management Partnership Enterprise (Limited Partnership)* (上海禹哲投資管理合夥企業(有限合夥))	19%
Shanghai Deyi Information Technology* (上海得逸信息技術有限公司)	Shanghai Yide Enterprise Management Partnership (Limited Partnership)* (上海逸鎳企業管理合夥企業(有限合夥))	18.5%
Shanghai Hand Zhenling Information Technology Co., Ltd.* (上海漢得甄領信息科技有限公司)	Ningbo Xiangbao Cooperation Zone Zhenzhi Leading Investment Partnership (Limited Partnership)* (寧波象保合作區甄智領先投資合夥企業(有限合夥))	20%
Shanghai Zhenheng Information Technology Co., Ltd.* (上海甄恒信息科技有限公司)	Ningbo Xiangbao Cooperation Zone Zhenke Smart Investment Partnership (Limited Partnership) (寧波象保合作區甄客智慧投資合夥企業(有限合夥))	20%
Shanghai Zhenzi Information Technology Co., Ltd.* (上海甄自信息科技有限公司)	Zhang Liqing (張麗卿)	30%
	Ningbo Guanze Enterprise Management Consulting Partnership (Limited Partnership)* (寧波貫責企業管理諮詢合夥企業(有限合夥))	10%
Yiai Technology* (上海億砆科技有限公司)	Shanghai Zhishunkai Technology Partnership (Limited Partnership)* (上海智順凱科技合夥企業(有限合夥))	18%
	Ningbo Yingcai Enterprise Management Consulting Partnership (Limited Partnership)* (寧波英賽企業管理諮詢合夥企業(有限合夥))	18%
Shanghai Zhen Peng Technology (上海甄鵬科技有限公司)	Ningbo Xiangbao Cooperation Zone Newnem Enterprise Management Consulting Partnership (Limited Partnership)* (寧波象保合作區紐耐姆企業管理諮詢合夥企業(有限合夥))	10%
Shenzhen Qianhai Yingyu Technology Co., Ltd.* (深圳前海盈餘科技有限公司)	Yang Jun (楊軍)	39.2%
Dingyi Information Technology (上海鼎醫信息技術有限公司)	Winning Health Technology Group Co., Ltd. (衛寧健康科技集團股份有限公司)	23.96%
	Ningbo Xiangbao Cooperation Zone Weikang Leading Investment Partnership (Limited Partnership)* (寧波象保合作區衛康領先投資合夥企業(有限合夥))	12.95%
Hand Kyushu Co., Ltd.* (漢得九州株式会社)	Net Engine Co., Ltd.* (ネットエンジン株式会社)	49%

6. DISCLAIMERS

Save as disclosed in the section headed "History, Development and Corporate Structure" in this Document, none of the Directors, chief executive nor any of the experts referred to in the section headed "— Other Information — Qualifications and Consents of Experts" below, has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this Document, acquired or disposed of by, or leased to, any member of the Group, or are proposed to be acquired or disposed of by, or leased to, any member of the Group nor will any Director apply for [REDACTED] either in his/her own name or in the name of a nominee; or materially interested in any contract or arrangement subsisting at the date of this Document which is significant in relation to our business.

Save in connection with the [REDACTED], none of the Directors nor any of the experts referred to in "— Other Information — Qualifications and Consents of Experts" below, is materially interested in any contract or arrangement subsisting at the date of this Document which is significant in relation to the business of the Group.

No cash, securities or other benefit has been paid, allotted or given within the two years preceding the date of this Document to any promoter of the Company nor is any such cash securities or benefit intended to be paid, allotted or given on the basis of the [REDACTED] or related transactions as mentioned.

None of our Directors knows of any person (not being a Director or chief executive of our Company) who will, immediately following completion of the [REDACTED], have an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, in 10% or more of the issued voting shares in all circumstances at general meetings of any member of our Group.

None of our Directors or their respective close associates (as defined under the Listing Rules) or the existing Shareholders (who, to the knowledge of our Directors, owns more than 5% of our issued share capital of our Company) has any interests in any of the five largest customers or the five largest suppliers of our Group.

7. OTHER INFORMATION

A. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Group.

B. Litigation

As of the Latest Practicable Date, save as disclosed in this Document, so far as our Directors are aware, no member of our Group was engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened by or against any member of our Group, that would have a material adverse effect on our results of operations or financial condition.

C. Sole Sponsor

The Sole Sponsor has made an application on our behalf to the [REDACTED] for the [REDACTED] of, and permission to [REDACTED], our H Shares [REDACTED], our Shares to be [REDACTED] pursuant to the [REDACTED] (including any H Shares which may fall to be [REDACTED] pursuant to the exercise of the [REDACTED]).

The Sole Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules. The Sole Sponsor will receive a fee of HK$[REDACTED] million for acting as a sponsor for the [REDACTED].

D. Qualifications and Consents of Experts

The following experts have each given and have not withdrawn their respective written consents to the issue of this Document with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

Name	Qualification
Guotai Junan Capital Limited	A licensed corporation under the SFO to conduct Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Shanghai Duan & Duan Law Firm	Legal adviser to our Company as to PRC laws
Verybest Law Offices	Legal adviser to our Company as to Japanese law
Sabara Law LLC	Legal adviser to our Company as to Singaporean law
Sheppard, Mullin, Richter & Hampton LLP	Legal adviser to our Company as to international sanctions laws
BDO Limited	Certified Public Accountants under Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant

As of the Latest Practicable Date, none of the experts named above had any shareholding interests in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to [REDACTED] or to nominate persons to [REDACTED] securities in any member of our Group.

E. Binding Effect

This Document shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

F. Bilingual Document

The English language and Chinese language versions of this Document are being published separately in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

G. Promoters

The Promoters as of the time of our Company's conversion into a joint stock company were:

No.	Name
1.	China Fund
2.	Defan Investment
3.	Dejing Investment
4.	Detuo Investment
5.	Deyi Investment
6.	Dixuan Investment
7.	Inspire East

Save as disclosed in this Document, within the two years immediately preceding the date of this Document, no cash, securities or benefit has been paid, allotted or given, or is proposed to be paid, allotted or given to the Promoters named above in connection with the [REDACTED] or the related transactions described in this Document.

H. Compliance Adviser

Our Company has appointed Guotai Junan Capital Limited as its compliance adviser in compliance with Rule 3A.19 of the Listing Rules.

I. Preliminary Expenses

As of the Latest Practicable Date, the Company had not incurred material preliminary expenses.

J. Taxation of holders of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are affected on the H Share register of members of our Company, including in circumstances where such transaction is affected on the Stock Exchange. The current rate charged on each of the purchaser and seller is 0.10% of the consideration or, if higher, the fair value of our H Shares being sold or transferred.

K. No Material Adverse Change

The Directors confirm that there has been no material change in our financial or trading position since December 31, 2025 (being the date of the latest audited consolidated statements of financial position of our Group as set out in the Accountants' Report in Appendix I to this Document) and up to the date of this Document.

L. Miscellaneous

(a) Save as disclosed in "— Changes in Share Capital of our Company" above, within the two years immediately preceding the date of this Document:

(i) no share or loan capital or debenture of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be issued for cash or as fully or partly paid other than in cash or otherwise;

(ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option; and

(iii) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries.

(b) there are no founder, management or deferred shares nor any debentures in our Company or any of our subsidiaries;

(c) no share or loan capital or debenture of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(d) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of its subsidiaries by our Company for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares in or debentures of our Company or any of our subsidiaries;

(e) save as disclosed in the paragraph headed "— Further Information about our Business — Summary of Material Contracts" in this section, none of our Directors or proposed Directors or experts (as named in this Document), have any interest, direct or indirect, in any assets which have been, within the two years immediately preceding the date of this Document, acquired or disposed of by or leased to, any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group. Save as disclosed in this Document, no equity or debt securities of any company within our Group is presently [REDACTED] on any stock exchange or [REDACTED] on any [REDACTED] system nor is any [REDACTED] or permission to [REDACTED] being or proposed to be sought;

(f) our Company has no outstanding convertible debt securities or debentures;

(g) there is no arrangement under which future dividends are waived or agreed to be waived;

(h) there are no procedures for the exercise of any right of pre-emption or transferability of subscription rights; and

(i) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this Document.

DOCUMENTS AVAILABLE FOR INSPECTION

A copy of full lists of all the grantees who have been granted options to [REDACTED] A Shares under the Share Incentive Schemes will be made available for public inspection at the office of K&L Gates at 44/F Edinburgh Tower, the Landmark, 15 Queens Road Central, Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this Document.

APPENDIX VII DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE FOR DISPLAY

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this Document delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

(a) the written consents referred to in "Appendix VI — Statutory and General Information — Other Information — Qualifications and Consents of Experts" to this Document; and

(b) copies of the material contracts referred to in "Appendix VI — Statutory and General Information — Further Information about our Business — Summary of Material Contracts" to this Document.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at and the www.hkexnews.hk website of the Company at https://www.hand-china.com/up to and including the date which is 14 days from the date of this Document:

(a) the Articles of Association;

(b) the Accountants' Report and unaudited [REDACTED] financial information of our Group prepared by BDO Limited, the text of which is set out in Appendix I and Appendix II, respectively, to this Document;

(c) the audited consolidated financial statement of the Group for the years ended December 31, 2023, 2024 and 2025 and four months ended April 30, 2026;

(d) the PRC Companies Law with unofficial English translation thereof;

(e) the PRC legal opinions issued by Shanghai Duan & Duan Law Firm, the Company's legal adviser on PRC law, in respect of certain general corporate matters and property interest of our Group;

(f) the industry report prepared by Frost & Sullivan referred to in the section headed "Industry Overview";

(g) the legal opinion issued by Verybest Law Offices, the Company's Japanese legal adviser as to Japanese law;

(h) the legal opinion issued by Sabara Law LLC, the Company's Singapore legal adviser as to Singaporean law;

(i) the legal opinion issued by Sheppard, Mullin, Richter & Hampton LLP, the Company's legal adviser on international sanctions laws;

(j) the service contracts and letters of appointment referred to in "Appendix VI — Statutory and General Information — Further Information About our Directors and Senior Management — Particulars of service contracts and letters of appointment";

(k) the written consents referred to in "Appendix VI — Statutory and General Information — Other Information — Qualifications and Consents of Experts"; and

(l) full list of all the grantees under the 2024 Plan, a full list of all the grantees with outstanding restricted shares under the 2024 Plan, and a full list of all the grantees with outstanding restricted shares under the 2024 Plan referred to in the section headed "Waivers From Strict Compliance With The Listing Rules and Exemption From Strict Compliance with the Companies (Winding Up And Miscellaneous Provisions) Ordinance".