

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 making an [REDACTED] in our H Shares. Our operations and the cross-border e-commerce compliance service industry in which we operate involve certain risks and uncertainties, some of which are beyond our control and may cause you to lose all your [REDACTED] in our H Shares. The following is a description of what we consider to be our material risks. Any of the following risks could have a material and adverse effect on our business, financial condition and results of operations. In any such case, the [REDACTED] of our H Shares could decline, and you may lose all or part of your [REDACTED].

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

We believe our operations involve certain risks and uncertainties, some of which are beyond our control. We have categorized these risks and uncertainties into: (i) risks relating to our business and industry; (ii) risks relating to doing business in the geographic markets in which we operate; and (iii) risks relating to the [REDACTED].

Additional risks and uncertainties not presently known to us, or not expressed or implied below, or that we currently deem immaterial, could also harm our business, financial condition and results of operations. You should consider our business and prospects in light of the challenges we face, including those discussed in this section.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

If we fail to improve and enhance the functions, performance, reliability, design, security, and scalability of our products to suit our customers’ evolving needs, we may lose our customers.

Our products and their market acceptance are essential to our business success. We offer a comprehensive suite of cross-border e-commerce compliance services to meet the diverse needs of global cross-border businesses, helping them navigate complex regulatory environments, mitigate compliance risks, and facilitate their global expansion. Our ability to continue to attract and retain customers and increase sales depends largely on our ability to continue improving and enhancing the functions, performance, reliability, design, security, and scalability of our products. For further information on our products, see “Business — Our Offerings.”

The emergence of new e-commerce platforms, business models, regulatory requirements, or marketing channels may create new operational demands from our customers. General market conditions and consumer behaviors may also affect our business. For example, changes in popularity of product categories in the cross-border e-commerce compliance services industry or changes in regulatory requirements may change the way our customers need to operate their business. Failure to capture such industry trends could render our products less attractive to customers and limit our business growth. If we are not able to keep pace with the market dynamics in the cross-border e-commerce compliance services market, our business may be materially and adversely affected.

If we fail to maintain our relationships with e-commerce platforms, tax authorities or other relevant authorities and institutes or adapt ourselves to emerging e-commerce platforms, or if aforementioned platforms otherwise curtail or inhibit our ability to integrate or operate our products therewith, our business and prospects may be materially and adversely affected.

Our success is closely tied to our ability to maintain strong relationships with e-commerce platforms, overseas tax authorities and other relevant authorities and institutes, and the integration of our products with them is key to our success. As of the Latest Practicable Date, we had deployed 36 standardized API interfaces. Our customers use our products to manage their online stores and compliance obligations on e-commerce platforms. If e-commerce platforms, tax

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authorities or other relevant authorities and institutes, especially the major ones, curtail or inhibit our ability to integrate or operate our products with their platforms, our ability to serve our customers could be materially and adversely affected. For example, certain major e-commerce platforms or their related companies also offer compliance products to cross-border e-commerce sellers. We believe that products offered by e-commerce platforms are more complementary to than competitive with products offered by third-party providers, including us. However, we cannot guarantee that these platforms will not offer competing products in the future and restrict our connectivity therewith.

Furthermore, as e-commerce platforms, tax authorities and other relevant authorities and institutes evolve, diversify and specialize, we must ensure compatibility and connectivity with various types of e-commerce platforms and government interfaces in order to stay competitive. We may need to invest significant resources to adapt to these changes or develop workarounds, which could negatively impact our results of operations and financial performance.

The development of the cross-border e-commerce compliance service industry is subject to various factors beyond our control, including changes in the macro-economy, which may negatively affect the cross-border e-commerce market and the demand for our products.

Since our products are offered to participants mainly in the cross-border e-commerce compliance service industry, our operational and financial performances are subject to the developments of such industry. The development of the cross-border e-commerce compliance service industry is subject to various factors beyond our control, including cross-border trade policies and tariff regimes, global supply chain and logistics conditions, changes in macro-economic conditions, consumers’ disposable income and demographics, consumer tastes and preferences, mobile internet penetration and usage, the emergence of alternative channels or business models, seasonality, and public policies. Any negative development or shifting dynamics in this industry could adversely affect our business.

For example, many of our customers are small- and medium-sized cross-border e-commerce sellers who may be more vulnerable to macroeconomic fluctuations than larger companies. In extreme cases, many such small- and medium-sized sellers may experience large-scale shutdowns during economic downturns. The internet and e-commerce market may be affected by factors such as the macro-economy and consumers’ disposable income, among others. Any such adverse changes in the macro-economy may negatively affect the e-commerce market, which may in turn affect the demand for our products and our ability to generate profits. In addition, the emergence of new business models or regulatory requirements may create new operational demands. If our offerings fail to match customers’ evolving needs or if our business model does not align with such changed dynamics, our business, financial condition, and results of operations may be materially and adversely affected.

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

We face competition in various aspects of our business, including research and development capabilities, fulfillment reliability, operational efficiency, customer services and retention, talent, brand awareness, commercial relationships and financial, technical, marketing and other resources. Competitors may develop products that gain greater market acceptance among participants in the cross-border e-commerce compliance service industry, offer superior user experience, or achieve higher fulfillment reliability and operational efficiency. They may be able to respond more quickly and effectively to new opportunities and changing technologies, regulations, and customers’ needs. In addition, our existing and future competitors may quickly expand their customer base and sales network by enlarging their sales and support team. This could cause us to lose potential sales, which may have a material adverse impact on our results of operations and financial condition. If we are unable to compete successfully against our current or potential competitors, our business, financial condition, and results of operations may be materially and adversely impacted.

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Further developments in laws and regulations related to the cross-border e-commerce compliance service industry may affect the demand for our services and have an impact on our business.

The future success of our business depends upon the continued growth of the cross-border e-commerce compliance service industry, which is influenced by the laws, regulations and policies that govern cross-border corporate and tax compliance, environmental compliance, product testing and certification, and intellectual property. Further developments in these laws or regulations may affect the value of our products and services or require us to modify our products in order to comply with these developments. If we fail to timely and accurately understand, interpret or respond to changes in applicable laws, regulations or regulatory practices, we may be unable to provide compliant services to our customers, or may be required to modify our service offerings, business processes or pricing structure. In addition, we may be exposed to regulatory inquiries, penalties, claims or disputes, or suffer reputational damage, any of which could adversely affect our business operations, financial condition and results of operations. Furthermore, if changes in future laws and regulations alter the regulatory framework under which we operate, or if our business model is deemed non-compliant, our current business model and business relationship with e-commerce platforms, tax authorities and customers may be affected. As a result, we may need to devote additional resources to change our business model and arrangements to ensure compliance. In addition, relevant taxes, fees or other charges may be imposed for accessing the internet, e-commerce or cloud services. These factors may affect the cross-border e-commerce compliance service industry in general and the demand for our products and services.

Our historical growth rates may not be indicative of our future growth, and, if we are unable to manage our growth or execute our strategies effectively, our business and prospects may be materially and adversely affected.

We experienced rapid growth in our revenue and user base during the Track Record Period. However, we cannot assure you that we are able to sustain our historical growth rate for various reasons, including uncertainty of our continuous launch of new products and intensified competition in our industry. Our revenue, expenses and operating results may vary from period to period due to factors beyond our control, and we cannot assure you that our future revenues will increase or that we will achieve and/or subsequently maintain profitability. Accordingly, [REDACTED] should not rely on our historical results as an indication of our future financial or operating performance.

In addition, our anticipated expansion and investment in new products may place a significant strain on our managerial, operational, financial, and human resources. Our current and planned personnel, systems, procedures, and controls may not be adequate to support our future operations. We cannot assure you that we will be able to effectively manage our growth or implement all such systems, procedures and control measures successfully. If we are not able to manage our growth or execute our strategies effectively, our business and prospects may be materially and adversely affected.

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

We believe that maintaining, promoting and enhancing our brands 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 products, which we cannot guarantee we will always achieve. Errors, defects, disruptions or other performance issues with our infrastructure may harm our reputation and brands, and we may introduce new products or terms of service which may not be well received by our customers. Additionally, if our customers have a negative experience using our products or service, such an encounter may affect our brands and reputation within the industry.

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If our security measures are breached or unauthorized access to customer data is otherwise obtained, our products may be perceived as not being secure, customers may reduce the use of or stop using our products, and we may incur significant liabilities.

Cybersecurity challenges, including threats to our own IT infrastructure or those of our customers or third-party providers, are often targeted at companies such as ours and may take a variety of forms ranging from individual and groups of hackers to sophisticated organizations, including state-sponsored actors. Key cybersecurity risks range from viruses, worms, and other malicious software programs to “mega breaches,” any of which can result in unauthorized disclosure of confidential information and intellectual property and compromised data. As the techniques used to obtain unauthorized access or sabotage systems change frequently and generally are not identified until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Unauthorized access or use of customer data could expose us to regulatory actions, litigation, investigations, remediation obligations, damage to our reputation and brand, supplemental disclosure obligations, loss of customer confidence in the security of our products, destruction of information, indemnity obligations, and resulting fees, costs, expenses, loss of revenues, and other potential liabilities. In addition, if a high-profile security breach occurs with respect to an industry peer, our customers and potential customers may generally lose trust in the security of compliance products, or in cloud applications for businesses in general. Any or all of these issues could materially and adversely affect our business, financial condition and results of operations.

Our offerings are subject to third-party dependencies. In particular, our suppliers are important to our product delivery.

Our offerings are subject to third-party dependencies, such as suppliers for our products. In 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, we recorded procurement costs of RMB101.3 million, RMB146.4 million, RMB220.9 million, RMB93.4 million and RMB154.8 million, respectively. These suppliers mainly include compliance services providers whom we engage to provide compliance services to our customers. While we believe we maintain good business relationships with them, we cannot assure you that such relationships will not worsen or terminate in the future. In addition, if any of these suppliers were to adjust their business or to encounter operational difficulties, the operation of our products and business as a whole may be affected as a result. According to CIC, there are several suppliers in the market that can provide comparable services to satisfy our business needs, and we do not anticipate significant migration costs. However, we cannot assure you that we will be able to maintain our relationships with our major suppliers. Any material and adverse change in our relationship with major suppliers could impact the availability, reliability, or performance of our platform, which could negatively impact our business and financial performance. We may not have full or effective control over the third-party suppliers to prevent such incidents, and the third-party suppliers may not be willing or be able to provide sufficient indemnification or compensation, if at all, for any loss and expenses that we suffer as a consequence.

R&D is key to our business, and our investment in R&D activities may not generate the results we expect to achieve.

We have committed significant resources to research and development of our products, which are tailored to meet the unique needs of participants in the cross-border e-commerce compliance service industry. In 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, we recorded research and development expenses of RMB28.3 million, RMB30.0 million, RMB32.1 million, RMB15.3 million and RMB18.7 million, respectively. Our research and development efforts may require substantial upfront costs without generating corresponding revenue, which could lead to a decrease in our profitability or even loss. Additionally, there is no guarantee that our research and development efforts will be fruitful. We may spend significant resources on research and development activities that may not result in successful or marketable products or enhancements thereof, or that may require significant additional investment to become commercially viable. Such outcomes could have a negative impact on our financial performance and may limit our ability to compete effectively in the industry in which we operate. If our research and development efforts fail to generate sufficient returns, our ability to attract investors and maintain our market position may be adversely affected.

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If we are unable to maintain high-quality customer services consistently, our brand reputation, business, prospects, results of operations and financial condition may be materially and adversely impacted.

We believe our focus on customer service and support is critical to onboarding new customers, retaining our existing customers and growing our business. Therefore, we have invested heavily in improving the quality of customer service and support, such as in training of our support team. If we are unable to maintain high-quality customer services consistently, we may lose our existing customers. In addition, our ability to attract new customers is highly dependent on our reputation and on referrals from our existing customers. Failure to maintain customer services with high quality consistently, or any market perception to the same effect, could adversely affect our reputation and the number of customer referrals that we receive.

Misconduct, unlawful acts, non-compliance or fraud by our employees, customers, suppliers, business partners or other third parties could expose us to liability and harm our business and reputation, which our risk management and internal controls may not fully prevent.

We may not be able to prevent or detect all misconduct, unlawful acts, non-compliance or fraud by our employees, customers, suppliers, professional service providers and other business partners. We rely on our employees to perform their duties in accordance with applicable laws and our internal policies, our customers to provide true, accurate, complete and lawful information, documents and instructions, and our suppliers and other third-party service providers to perform their services in accordance with applicable laws, professional standards and contractual obligations.

Such persons may provide inaccurate, incomplete or misleading information, mishandle confidential, personal or customer data, make unauthorized representations, infringe third-party rights, engage in fraud or other misconduct, or fail to perform the relevant services properly or on time. Because our services, regulatory filings and other deliverables may depend on information or assistance provided by them, their acts or omissions may disrupt our service delivery or expose us to customer complaints or claims, contractual liabilities, regulatory inquiries or actions, fines, penalties, remediation costs, negative publicity or reputational harm, even where the underlying conduct is beyond our control.

For example, we may be subject to legal claims, regulatory actions or liabilities arising from our customers’ products in our provision of RsP services, including potential intellectual property infringement or non-compliance with applicable EU regulations. Although such risks primarily stem from our customers’ conduct and products, we may still be exposed to legal or regulatory proceedings due to our statutory role as EU authorized representatives. Notably, EU member states must bring into force the laws, regulations and administrative provisions necessary to comply with the Product Liability Directive (EU) 2024/2853 by December 9, 2026, under which, if a manufacturer is established outside the EU, its EU authorized representative may also face product liability for damage caused by defective products. For details, see “Regulatory Overview — Overview of Laws and Regulations Related to Our Business in Germany.” In addition, laws, regulations and regulatory requirements applicable to our services in the EU may continue to evolve, and changes in their interpretation or enforcement may expand the circumstances in which we may be held liable in connection with our customers’ products or conduct, resulting in new or additional compliance obligations or liabilities for us.

Although we have adopted internal policies, training, risk management and internal control systems and, where applicable, include information accuracy, compliance, confidentiality, data protection and liability provisions in our agreements with customers, suppliers and other third-party service providers, these measures and systems may not be adequate to prevent, or enable us to detect all misconduct, fraud or non-compliance. See “Business — Risk Management and Internal Control.” In addition, we cannot assure you that the implementation of these measures and systems will not involve any human errors or mistakes, failures to follow established procedures or attempts to circumvent our controls. Contractual protections, remedies or indemnities available to us may also be unavailable or insufficient to cover the resulting losses. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

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We may not be able to conduct our sales and marketing activities cost-effectively, and our promotion activities may not result in the level of sales we anticipate to achieve.

In 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, we recorded selling expenses of RMB52.8 million, RMB65.4 million, RMB93.7 million, RMB43.6 million and RMB62.9 million, respectively. We expect our selling expenses to continue to increase as we plan to further expand our sales and customer support team, enhance brand marketing, and expand our sales network and global service capabilities. If we fail to conduct our sales and marketing activities cost-effectively, we may incur considerable selling expenses, which could adversely affect our business and operating results. Additionally, our brand promotion and marketing activities may not be well received by customers and may not result in the levels of sales that we anticipate. Meanwhile, we need to enhance our marketing approaches and experiment with new marketing methods to keep pace with industry developments and customer preferences. We cannot assure you that we will be able to continue to attract and retain qualified sales personnel. Any failure to manage our sales personnel or introduce new marketing approaches in a cost-effective manner could reduce our market share and materially and adversely affect our business, financial condition, results of operations and profitability.

Our operations and plans for business development overseas are subject to various risks in the relevant regions or foreign countries, the failure to handle which may adversely affect our business, results of operations and financial condition.

We have plans to expand our business into various regions and countries overseas, which exposes us to various risks and challenges. These risks include, but are not limited to, changes in political environment, laws and regulations, economic conditions, and cultural differences. 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 business development overseas may require significant investments in marketing, research and development, and human resources, 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 these challenges, which could increase our expenses and negatively impact our financial performance. If we are unable to manage these risks effectively, our business, results of operations, and financial condition may be materially and adversely affected.

Interruptions, performance issues or security issues associated with our technology infrastructure could materially and adversely affect our business, financial condition, results of operations, and prospects.

Our products and related services rely on technology infrastructure and systems, including software, hardware, and network equipment. Any interruption, degradation, or failure of these systems or infrastructure could cause our platform to experience performance issues or become unavailable to our customers, which could lead to lost revenue, increased expenses, and damage to our reputation. In addition, our business depends on the performance and reliability of the internet infrastructure, over which we do not have control. We may not have access to alternative networks in the event of disruptions, failures or other problems with the internet infrastructure.

Defects or errors in our products could reduce demand for our products and adversely affect our business and results of operations.

Our products are subject to potential defects or errors that may arise during development, testing, or deployment. These defects or errors may result in customer dissatisfaction, harm to our reputation, and reduced demand for our products. If our products contain defects or errors, our customers may experience issues with their own systems or operations, which could result in lost revenue, increased expenses, and damage to our reputation. Furthermore, our customers may choose to switch to our competitors' products, which could negatively impact our market share and financial performance. In addition, fixing defects or errors in our products may require significant resources, which could impact our financial performance and ability to deliver new products in a timely manner. Therefore, defects or errors in our products could decrease demand for our products and harm our business and results of operations.

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We may be unable to obtain, maintain and protect our intellectual property rights and proprietary information or prevent third parties from any unauthorized use of our technologies.

Our trade secrets, trademarks, copyrights, patents, and other intellectual property rights are critical to our success. We rely on, and expect to continue to rely on, confidentiality agreements, non-compete agreements and other contractual arrangements with our employees and third parties, as well as a combination of patent, trademark, copyright, domain name, trade secrets and other proprietary rights protection laws to protect our intellectual property. However, events beyond our control may pose threats to our intellectual property rights and the integrity of our products and brand. Effective protection of our trademarks, copyrights, domain names, patent rights, and other intellectual property rights is expensive and challenging. We cannot assure you that our efforts to protect our intellectual property rights are adequate to guard against any potential infringement and misappropriation. For details of our intellectual property protection, see “Business — Intellectual Property.” In addition, our intellectual property rights may be declared invalid or unenforceable if challenged in the courts or before the related government intellectual property authorities.

To protect our unpatented proprietary information and technology, such as trade secrets, we rely on our agreements with employees and third parties that contain restrictions on the use and disclosure of such information or technology. For example, our employees and third parties are required to keep confidential any unpatented proprietary information and technology during the contract term and after the termination of the employment agreement. These agreements may be inadequate or may be breached, either of which could potentially result in unauthorized use or disclosure of our trade secrets and other proprietary information to third parties, including our competitors. As a result, we may lose our competitive advantages derived from such intellectual property. Significant impairments to our intellectual property rights may result in a material and adverse effect on our business.

We may be subject to intellectual property infringement claims, which may be expensive and time-consuming to defend and may disrupt our business operations by diverting our financial and management resources.

Our competitors and other third parties may, with or without merit, bring legal claims against us for infringing on their patents, copyrights, trademarks or other intellectual property rights. The intellectual property laws, which cover the validity, enforceability and scope of protection of intellectual property rights, are evolving, and litigation is an increasingly popular means to resolve commercial disputes. Given the foregoing and the increasing competition in the market, we are exposed to heightened litigation risks. Any intellectual property lawsuits against us, whether successful or not, may harm our brand and reputation, and defending intellectual property claims may be costly, imposing a significant burden on our management and resources. Further, we may not be able to successfully defend against all legal claims, and thus we may need to pay damages or be forced to cease using certain technologies or content that is critical to our products. Any consequential liabilities, expenses or any required changes to our products or services, may have a material adverse effect on our business, results of operations, and prospects.

Our use of open-source technology could impose limitations on our business operations.

We use open-source technology in some of our platforms and expect to continue to use open-source software in the future. Although we monitor our use of open-source technology to avoid subjecting our products to conditions we do not intend to be bound, we may face allegations from others alleging ownership of, or seeking to enforce the terms of, an open-source license, including by demanding release of the open-source technology, derivative works, or our proprietary source code that was developed using such technology. These allegations could also result in litigation. The terms of many open-source licenses may be subject to further interpretation by courts. There is a risk that these licenses could be construed in a way that imposes unanticipated conditions or restrictions on our ability to commercialize our products. In such an event, we may be required to seek licenses from third parties or make our proprietary code available in source code form. We may also need to re-engineer or discontinue our products if such re-engineering cannot be accomplished in a timely manner. In addition, competitors may develop their products using open-source technology, potentially reducing the demand for our products. If we are unable to successfully address these challenges, our business and results of operations may be adversely affected, and our development costs may increase.

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Negative publicity and allegations involving us, our shareholders, Directors, officers, employees, associates and business partners may affect our reputation and, as a result, our business, prospects, results of operations and financial condition may be negatively affected.

We, our shareholders, Directors, officers, employees, associates and business partners may be subject to negative media coverage and publicity from time to time. Such negative coverage in the media and publicity could change the market perception that we are a trustworthy service provider. In addition, to the extent our employees and business partners were non-compliant with any laws or regulations, we may also suffer negative publicity or harm to our reputation. As a result, we may be required to spend significant time and incur substantial costs in response to allegations and negative publicity, and may not be able to diffuse them to the satisfaction of our [REDACTED] and customers.

We are dependent on the continued services of our senior management and other key employees, the loss of any of whom could adversely affect our business, prospects, results of operations and financial condition.

Our future performance depends on the continued services and contributions of our senior management to oversee and execute our business plans and identify and pursue new opportunities and product innovations. Any loss of service of our senior management or other key employees can significantly delay or prevent us from achieving our strategic business objectives, and adversely affect our business, financial condition and operating results. From time to time, there may be changes in our senior management team, resulting from the hiring or departure of executives, which could also disrupt our business. Hiring suitable replacements and integrating them into our existing teams also requires a significant amount of time, training and resources, and may impact our existing corporate culture.

If we are unable to attract, retain and motivate qualified personnel, our growth and prospects may be adversely affected.

Our future success depends, in part, on our ability to continue to attract and retain highly skilled personnel specializing in research and development, product development, and sales and marketing, particularly with experience in the cross-border e-commerce compliance service industry. Meanwhile, the size and scope of our business may require us to hire and retain a wide range of personnel with different portfolios of experiences, expertise and personal traits. Competition for talent and qualified personnel in our industry is intense, and the availability of suitable and qualified candidates is limited. Competition for these individuals could cause us to offer higher compensation and other benefits to attract and retain them. In addition, even if we were to offer higher compensation and other benefits, we cannot assure you that these individuals would choose to join or continue working for us. If we fail to attract and retain suitable personnel, or to maintain an adequate labor force on a continuous and sustained basis, our financial position and results of operations could be materially and adversely affected.

Historical dividends are not indicative of our future dividends.

We declared dividends during the Track Record Period. See “Financial Information — Dividends.” The value of dividends declared and settled in previous years should not be relied upon by potential [REDACTED] as a guide to our future dividend policy or as a reference or basis to determine the amount of dividends payable in the future. There is no assurance that dividends will be declared or paid in the future at a similar level or at all. The amount of any dividends in the future will be subject to, among other factors, our Directors’ discretion, having taken into account our substantial capital requirements in the foreseeable future, the availability of distributable profits, our earnings, working capital, financial position, capital and funding requirements, the applicable laws and other relevant factors. In any event, there is no guarantee that our Company will receive sufficient distribution from our subsidiaries to support any future profit distribution to our shareholders or that the amounts of any dividends declared by our Company in the future, if any, will be of a level comparable to dividends declared and paid by us in the past or by other [REDACTED] companies in the same industry as us.

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Any discontinuation, reduction or delay of preferential tax treatments would have a material and adverse impact on our business, prospects, results of operations and financial condition.

We have benefited from preferential tax treatments from the PRC government during the Track Record Period. For example, certain subsidiaries of ours in the PRC qualified for tax exemptions or preferential income tax rates, including the “two-year exemption and three-year half deduction (兩免三減半)” policy and the 5% preferential rate for “Small-scaled Minimal Profit Enterprises”. See Note 9 to the Accountants’ Report included in Appendix I to this document for more details. We cannot assure you that we will continue to enjoy the current preferential tax treatments, in which case our business, financial condition and results of operations may be materially and adversely affected.

Our strategic investments or acquisitions may fail and may result in a material and adverse impact on our business, prospects, results of operations and financial condition.

As part of our business strategy, we have pursued, and intend to continue to pursue, selective strategic investments and acquisitions of businesses and assets that complement our existing business and help us execute our growth strategies. The integration process may be complex, time-consuming and costly, and may divert management’s attention from our core operations. If we are unable to effectively integrate acquired businesses in a timely and efficient manner, we may not be able to achieve the anticipated benefits, synergies or operational efficiencies of such acquisitions.

We intend to make other strategic investments and acquisitions in the future if suitable opportunities arise. Investments and acquisitions involve uncertainties and risks, including, but not limited to: (i) failure to achieve the intended objectives, benefits or revenue-enhancing opportunities, or possible unsatisfactory operational or financial performance; (ii) non-occurrence of anticipated or speculative transactions and any resulting negative impact; (iii) costs and difficulties of integrating acquired businesses and managing a larger business; (iv) possible loss of key employees of a target business; (v) potential claims or litigation regarding our Board’s exercise of its duty of care and other duties required under applicable law in connection with any of our significant acquisitions or investments approved by our Board; (vi) diversion of resources and management attention; (vii) regulatory requirements and compliance risks, including the anti-monopoly and competition laws, rules and regulations of Chinese Mainland and other jurisdictions and the compliance requirement for outbound acquisitions and investment under relevant PRC laws and regulations; and (viii) in the case of acquisitions of businesses or assets outside of Chinese Mainland, the need to integrate operations across different business cultures and languages and to address the particular economic, currency, political, and regulatory risks associated with specific countries and regions.

Any failure to address these risks successfully may have a material and adverse effect on our financial condition and results of operations. Investments and acquisitions may require a significant amount of capital, which would decrease the amount of cash available for working capital or capital expenditures. In addition, if we use our equity securities to pay for investments and acquisitions, we may dilute the value of our securities. If we borrow funds to finance investments and acquisitions, such debt instruments may contain restrictive covenants that could, among other things, restrict us from distributing dividends. Moreover, acquisitions may also generate significant amortization expenses related to intangible assets. Our goodwill increased significantly from nil as of December 31, 2023 to RMB31.5 million as of December 31, 2024, and further increased by 115.2% to RMB67.8 million as of December 31, 2025 and June 30, 2026, primarily due to business acquisitions completed during the year. We are required to test our goodwill for impairment annually or more frequently if events or changes in circumstances indicate that they may be impaired. See Note 18 to the Accountants’ Report included in Appendix I to this document for details.

We may be subject to credit risks on our trade and other receivables.

As of December 31, 2023, 2024, 2025 and June 30, 2026, we recorded trade and other receivables of RMB66.8 million, RMB84.8 million, RMB120.0 million and RMB177.9 million, respectively. Our trade receivables represent the amounts due from our customers for the products sold or services performed in our ordinary course of business. Our deposits,

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prepayments and other receivables consist primarily of value-added tax recoverable, prepayments for suppliers, and receivables from payment platforms. We may not be able to collect all such trade receivables due to a variety of factors that are beyond our control. For example, if any of our customers experience financial difficulties in settling the trade receivables, the recoverability of our trade receivables may be adversely affected. We may be subject to credit risks on our trade and other receivables if the actual recoverability of trade and other receivables is lower than the expected level, which could adversely affect our cash flow and our ability to meet our working capital requirements, thereby adversely affecting our business, financial condition and results of operations.

We are exposed to changes in the fair value of certain financial assets, especially with respect to fair value measurements that involve the use of unobservable inputs.

Our results of operations are affected by changes in the fair value of our financial assets. Specifically, as of December 31, 2023, 2024, 2025 and June 30, 2026, our financial assets at fair value through profit or loss were RMB204.9 million, nil, nil and nil, respectively. See Note 23 to the Accountants’ Report included in Appendix I to this document, for more information. A range of factors, many of which are beyond our control, may influence and cause adverse changes to the estimates we use and thereby affect the fair value of these assets. These factors include, but are not limited to, general economic conditions, changes in market interest rates and stability of the capital markets. Any of these factors, as well as others, could cause our estimates to vary from actual results and cause the fair value of our financial assets to fluctuate substantially, which may in turn have a material adverse effect on our financial position and results of operations.

If we cannot fulfill our obligations in respect of contract liabilities, the amount of fees collected from customers and our liquidity position may be adversely impacted.

As of December 31, 2023, 2024, 2025 and June 30, 2026, we had contract liabilities of RMB196.5 million, RMB271.6 million, RMB418.6 million and RMB490.4 million, respectively. Our contract liabilities mainly arise from the advance payments made by customers while the underlying services are yet to be provided. If we cannot fulfill our obligations under these contracts, the amount of contract liabilities will not be recognized as revenue, and we may have to return the advance payment made by our customers. In addition, failing to fulfill our contractual obligations could put us in breach of contract with customers, and we may be required to reimburse or compensate customers for their losses and our agreements could be terminated. As a result, our reputation, results of operations, liquidity and financial position may be materially and adversely affected.

We may not have sufficient insurance coverage to cover our potential liability or loss, and our business, financial condition, results of operations and prospects may be materially and adversely affected should any such liability or loss arise.

We face various risks in connection with our business, and may lack adequate insurance coverage. We have determined that the costs of insuring against these risks, and the difficulties associated with acquiring such insurance coverage on commercially reasonable terms render such insurance impractical for our business. However, any uninsured business disruptions may result in our incurring substantial costs and the diversion of resources, which could have an adverse effect on our business and results of operations.

Legal defects relating to certain of our leased properties, including title defects and non-registration of lease agreements, may affect our right to use such properties and subject us to penalties, which could adversely affect our business, financial condition and results of operations.

As of the Latest Practicable Date, certain of our leased properties from third parties had title defects. In particular, with respect to five leased properties, the relevant lessors had not provided us with valid title certificates or relevant authorization documents evidencing their rights to lease such properties to us. Such leased properties are used as our offices or staff accommodations, and none of our major fixed assets are located in such leased properties. If the relevant lessors do not have the lawful rights to lease such properties or their rights to do so are challenged by any third party or government authority, the relevant leases may be deemed invalid or unenforceable and we may not be able to continue to occupy and use such

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properties. In addition, we cannot assure you that we will be able to renew such leases on commercially acceptable terms upon expiry, or at all. If the validity of any such lease is challenged or we fail to renew any such lease upon expiry, we may be required to relocate from the affected premises. Such relocation may result in additional expenses or business interruption, which could adversely affect our business, financial condition and results of operations. See “Business — Properties.”

In addition, as of the Latest Practicable Date, eleven of our lease agreements, including those relating to additional properties leased after the Track Record Period and up to the Latest Practicable Date, had not been registered with the relevant PRC government authorities in accordance with applicable PRC laws and regulations, primarily due to the lack of cooperation from the relevant lessors in completing the registration procedures. We have attempted to register such lease agreements and will continue to seek cooperation from the relevant lessors to complete the relevant registrations. Pursuant to applicable PRC laws and regulations, failure to register such lease agreements does not affect the validity of the lease agreements. However, the relevant PRC government authorities may order us to complete the registration within a prescribed time limit and, if we fail to do so within such prescribed time limit, may impose a fine ranging from RMB1,000 to RMB10,000 for each unregistered lease agreement. We cannot assure you that we will not be subject to such penalties or other regulatory actions in connection with the non-registration of our lease agreements. See “Business — Properties.”

Failure to make adequate contributions to various employee benefit plans as required by PRC regulations may subject us to penalties.

Companies registered and operating in Chinese Mainland are required under the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) and the Regulations on the Administration of Housing Funds (《住房公積金管理條例》) to apply for social insurance registration and housing fund deposit registration within 30 days of their establishment and to pay for their employees different social insurance (including pension insurance, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds to the extent required by law.

During the Track Record Period, we had not made full contributions to the foregoing employee benefits for our employees. Such non-compliance was primarily because (i) certain employees have relatively high mobility and are typically not willing to participate in the social welfare schemes of the city where they temporarily reside as such contributions are not transferable among cities and (ii) certain employees place more importance on take-home income and are unwilling to bear the costs associated with social insurance and housing provident funds strictly in proportion to their salary.

As advised by our PRC Legal Advisor, pursuant to relevant PRC laws and regulations, the under-contribution of social insurance within a prescribed period may subject us to a daily overdue charge of 0.05% of the delayed payment amount. If such payment is not made within the stipulated period, the competent authority may further impose a fine of one to three times of the overdue amount. Furthermore, in light of the Article 19(1) of 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)》) (the “New Judicial Interpretation”), promulgated on July 31, 2025 and effective as of September 1, 2025, if an employer and an employee agree or the employee undertakes that social insurance contributions need not be paid, the People’s Court shall deem such agreement or undertaking invalid. Furthermore, where an employer fails to pay social insurance contributions in accordance with the law, and the employee seeks to terminate the labor contract and claims economic compensation from the employer pursuant to Article 38(3) of the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), the People’s Court shall support such claims, in which case the employer remains liable for paying economic compensation to the employee, notwithstanding any prior agreement to waive social insurance contributions.

During the Track Record Period and up to the Latest Practicable Date, we were not imposed any material administrative penalties as a result of our non-compliance with PRC laws and regulations in relation to social insurance and housing provident fund. Pursuant to relevant PRC laws and regulations, if there is a failure to pay the full amount of housing provident fund as required, the housing provident fund management center may require payment of the outstanding amount within a prescribed period. If the payment is not made within such time

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limit, an application may be made to the PRC courts for compulsory enforcement. Our PRC Legal Advisor has advised us that the New Judicial Interpretation does not expand the scope of penalties or repeal the provisions of existing laws and regulations and the risk of us being subject to centralized collection of outstanding historical social insurance and housing provident fund contributions, or material penalties arising from such non-compliance during the Track Record Period, is remote, provided that we pay the outstanding social insurance and housing provident fund contributions and rectify the non-compliance in a timely manner after receiving notices from the relevant PRC authorities.

We cannot assure you that we have complied or will be able to comply with all labor-related laws and regulations including those relating to obligations to make full social insurance payments and contribute to the housing provident funds. If we are deemed to have violated relevant labor laws and regulations, we could be required to provide additional compensation to our employees and our business, financial condition and results of operations could be adversely affected.

We may not be able to obtain the required licenses, permits, filings and approvals to operate our business at all times.

Our failure to obtain requisite approvals, licenses, permits or filings applicable to our business or further amendments or developments in government policies or regulations may have a material and adverse impact on our business, financial condition and results of operation. The government authorities may pass new regulations or new interpretations of existing regulations regulating our business and we may expand into new business operations which may require us to obtain additional licenses, permits or approvals so that we can continue to operate our existing or future businesses, or if we fail to comply with such new requirements, our operation of the types of businesses to which the new requirements apply may be prohibited. In this instance, such new regulations or new interpretations of existing regulations may increase our costs of doing business and prevent us from efficiently delivering services and expose us to potential penalties and fines. If any of our entities are deemed by governmental authorities to be operating without appropriate permits and licenses or outside of their authorized scopes of business or otherwise fail to comply with relevant laws and regulations, we may be subject to penalties and our business, financial condition, and results of operations may be materially and adversely affected.

Failure to comply with cybersecurity, data security and privacy and data protection laws and regulations could delay the [REDACTED] and materially and adversely affect our business and operating results.

According to the Regulations on Facilitating and Regulating Cross-border Data Flows (《促進和規範數據跨境流動規定》), which provide provisions for the implementation of cross-border data transfer systems including security assessment for cross-border data transfers, standard contracts for outbound transfer of personal information, and personal information protection certification, data processors who provide data abroad and meet any of the following conditions, are required to declare the security assessment of outbound data transfer to the national cyberspace administration authority through the provincial-level cyberspace administration authority where the data processors are located: (A) critical information infrastructure operators providing personal information or important data abroad; (B) data processors other than critical information infrastructure operators providing important data abroad or cumulatively providing abroad personal information (excluding sensitive personal information) of more than one million individuals, or sensitive personal information of more than 10,000 individuals since January 1 of the current year. Separately, data processors other than critical information infrastructure operators have cumulatively provided abroad personal information (excluding sensitive personal information) of more than 100,000 and less than 1,000,000 individuals, or sensitive personal information of less than 10,000 individuals as of January 1 of the current year, shall enter into a standard contract for cross-border transfer of personal information with the overseas recipient or obtain personal information protection certification in accordance with the law.

According to our PRC Legal Advisor as to data compliance, while our business processes involve cross-border data transfers, our Company is not a processor of personal information, in such cross-border data transfer scenarios but merely a trustee thereof, and is not the subject obligated to perform the aforesaid obligations under the law. Accordingly, we are not required to conduct the cross-border data transfer security assessment, enter into standard contracts for

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the outbound transfer of personal information, or obtain the personal information protection certification. We cannot assure that regulatory authorities will fully recognize our compliance approach. In the event that regulatory authorities determine that we are required to fulfill the relevant legal obligations such as the security assessment for cross-border data transfers, we will carry out the corresponding compliance work in accordance with the requirements of regulatory authorities, which may have an adverse impact on our business operations.

In addition, according to the Cybersecurity Review Measures (《網絡安全審查辦法》) (the “Review Measures”), in the following cases, applications for cybersecurity review shall be submitted to the Cybersecurity Review Office (網絡安全審查辦公室): (i) if a critical information infrastructure operator (“CIIO”) purchases network products and services, it shall anticipate the potential national security risks that may arise from the use of such products and services. Those that affect or may affect national security shall be reported to the Cybersecurity Review Office for cybersecurity review; and (ii) an internet platform operator holding more than 1 million users’ personal information must apply to the Cybersecurity Review Office for cybersecurity review when seeking to be listed in a foreign country.

Moreover, the relevant PRC governmental authorities may initiate cybersecurity review if they determine certain network products, services, or data processing activities affect or may affect national security. On September 24, 2024, the State Council promulgated the Regulations on the Administration of Cyber Data Security (《網絡數據安全管理條例》) (the “Data Security Regulations”), which is applicable to network data processing activities and the security supervision and administration thereof conducted within the territory of the PRC and took effect on January 1, 2025. The Data Security Regulations stipulate that data processors engaging in data processing activities that affect or may affect national security shall be subject to cybersecurity review in accordance with relevant laws and regulations.

According to our PRC Legal Advisor as to data compliance and our telephone consultations with the China Cybersecurity Review, Certification And Market Regulation Big Data Center, enterprises seeking listing in Hong Kong are not required to take the initiative to apply for a cybersecurity review solely by reason of its listing in Hong Kong per se, as Hong Kong is a part of the PRC and does not belong to the “foreign country” as stipulated in the Review Measures. However, the Review Measures and the Data Security Regulations are subject to further interpretation, application and enforcement. We cannot assure you that we will be able to comply with all such requirements in a timely manner.

In addition, as we operate and provide services in multiple jurisdictions, we are, and may increasingly become, subject to various laws and regulations relating to data privacy and protection in the jurisdictions in which we operate. The regulatory and legal frameworks relating to data privacy and protection continue to evolve and may vary across jurisdictions, potentially resulting in different or conflicting compliance requirements. For example, our operations in Europe may be subject to, where applicable, the European Union General Data Protection Regulation (EU) 2016/679 (the “GDPR”) and the United Kingdom General Data Protection Regulation (the “UK GDPR”). For details, see “Regulatory Overview.” Any actual or alleged failure to comply with applicable data privacy and protection laws could result in regulatory inquiries or investigations, corrective orders, restrictions on data processing or transfers, civil claims, fines or other penalties, and could materially and adversely affect our business, financial condition and results of operations.

We may from time to time be involved in disputes or legal and other proceedings arising out of our operations.

In the ordinary course of our business, we may from time to time become involved in litigation, arbitration, regulatory or administrative proceedings, claims or disputes, including matters relating to contracts, intellectual property, employment and compliance with applicable laws and regulations. The outcomes of such proceedings are inherently uncertain and may be difficult to predict.

Even where we believe a claim to be without merit, defending against such proceedings may be time-consuming and costly, divert management attention and other resources, and disrupt our operations. An adverse outcome may result in monetary damages, fines, penalties, injunctive relief or other liabilities or restrictions. Negative publicity associated with such

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proceedings, regardless of their outcome, may also harm our reputation and customer confidence. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and prospects.

We face risks related to natural disasters, health epidemics and other outbreaks of contagious diseases, which could significantly disrupt our operations.

Our business could be adversely affected by natural disasters or outbreaks of epidemics. These natural disasters, outbreaks of contagious diseases and other adverse public health developments in any market where we operate could severely disrupt our business operations by damaging our network infrastructure or information technology system or impacting the productivity of our workforce, which may adversely affect our financial condition and results of operations.

The current tensions in international trade and rising political tensions may adversely impact our business, financial condition, and results of operations.

As a company operating in Chinese Mainland and seeking to expand our footprint globally, we are exposed to risks arising from geopolitical tensions and international trade disputes. During the Track Record Period, a substantial portion of our revenue was derived from cross-border e-commerce sellers in Chinese Mainland. As a result, our business is highly sensitive to international trade regulations and geopolitical developments affecting Chinese exporters.

In recent years, the United States and Chinese Mainland have imposed tariffs on each other's goods. For example, in early 2025, both countries raised reciprocal tariffs significantly. Despite a subsequent temporary truce and tariff reductions, significant trade barriers remain in place. If global trade tensions intensify, or if relevant countries adopt more restrictive trade policies, our customers may reduce their export activities or require us to adjust our pricing. While the majority of our customers operate in countries other than the U.S., any escalation of such political tensions could adversely affect the demand for our cross-border e-commerce compliance services. Such conflicts may also lead to volatility in financial markets, fluctuations in currency exchange rates, disruptions in cross-border trade and increased procurement costs. Any prolonged or intensified geopolitical conflicts could result in economic downturns that materially and adversely impact our operations.

In addition, we face risks from evolving investment restrictions. On August 9, 2023, the U.S. government issued Executive Order 14105, which was implemented by the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern (the “**Final Rule**”) effective January 2, 2025. The Final Rule restricts investments by U.S. persons in “covered foreign persons” associated with “countries of concern,” currently China (including Hong Kong and Macau), that engage in activities relating to semiconductors, quantum information technologies or artificial intelligence. We believe we are not a “Covered Foreign Person” as defined in the Final Rule. However, if we were to be deemed a Covered Foreign Person due to changes in our business operations or amendments to relevant laws and regulations, our ability to raise capital and our stock price may be negatively affected. Furthermore, the U.S. government may introduce new hurdles for China-based issuers. For example, on February 21, 2025, the U.S. President issued the “America First Investment Policy” memorandum, which directs a review of Executive Order 14105 for new or expanded restrictions. Additionally, recent legislative proposals such as the Comprehensive Outbound Investment National Security Act of 2025 aim to further restrict U.S. investment in Chinese technology companies. These measures could increase compliance burdens for U.S. persons, causing them to potentially adopt a more cautious approach and limiting our ability to raise capital.

We cannot assure you that our customers will not engage in the export of goods into the U.S. or other regions that may be subject to restrictive trade conditions. If the export sales of our customers' end products are restricted or prohibited, the demand for our cross-border e-commerce compliance products may drop significantly, and our business, financial condition and results of operations may be materially and adversely affected.

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We may be unable to obtain any additional capital required in a timely manner or on acceptable terms, or at all. Moreover, our future capital needs may require us to sell additional equity or debt securities that may dilute our shareholders’ shareholdings or subject us to covenants that may restrict our operations or our ability to pay dividends.

To grow our business and remain competitive, we may require additional capital from time to time for our daily operations. Our ability to obtain additional capital is subject to a variety of uncertainties, including: (i) our market position and competitiveness in the industry in which we operate; (ii) our future profitability, overall financial condition, results of operations and cash flows; (iii) general market conditions for capital-raising activities by our competitors; and (iv) economic, political and other conditions in Chinese Mainland and internationally.

We may be unable to obtain additional capital in a timely manner or on acceptable terms, or at all. In addition, our future capital or other business needs could require us to issue additional equity or debt securities, or to obtain an additional credit facility. The issuance of additional equity or equity-linked securities could dilute our shareholders’ shareholdings. Any incurrence of indebtedness will also lead to increased debt service obligations, and could result in operating and financing covenants that may restrict our operations or our ability to pay dividends to our shareholders.

RISKS RELATED TO DOING BUSINESS IN THE GEOGRAPHIC MARKETS IN WHICH WE OPERATE

Changes in economic, political or social conditions or government policies in the jurisdictions in which we operate could have a material adverse effect on our business and operations.

During the Track Record Period, a substantial portion of our revenue was derived from cross-border e-commerce sellers in Chinese Mainland. Accordingly, our results of operations, financial condition and prospects are influenced by economic, political and legal developments in Chinese Mainland. The PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. While these measures will benefit China’s macroeconomy as a whole, some of them may result in uncertainties for our Company. In addition, any adverse changes in economic conditions in Chinese Mainland or across the globe may materially and adversely affect our business, financial condition and results of operations.

Filing with the CSRC is required in connection with our future [REDACTED], and we cannot predict whether we will be able to complete such [REDACTED].

On February 17, 2023, the CSRC released Trial Administrative Measures for 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 “**Trial Measures**” and five relevant guidelines, which became effective on March 31, 2023. Pursuant to the Trial Measures, PRC domestic companies which, after the overseas offering and listing, offers subsequent securities in the same overseas market or conducts offering and listing in other overseas markets (the “**Future [REDACTED]**”, shall complete the filing procedures of, and report relevant information to, the CSRC. Based on the foregoing, for the Future Offerings after the proposed [REDACTED], we are required to comply with the filing procedures of the CSRC. It is uncertain whether we can, or how long it will take us to, complete filings procedures in connection with the Future Offerings. We may be subject to approval, filing or other requirements by other PRC government authorities under the PRC laws in the future. Any failure to complete the relevant procedures may have an adverse effect on the Future Offerings.

Fluctuations in exchange rates may result in foreign currency exchange losses and may have a material adverse effect on your [REDACTED] in our H Shares.

A substantial portion of our revenues and cost of revenue is denominated in Renminbi. However, we are subject to risks associated with foreign currency exchange fluctuations. Our Group incurred net foreign exchange losses of RMB2.0 million, RMB1.5 million, RMB4.5 million, RMB3.0 million and RMB5.4 million in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. The fluctuation of foreign exchange rates also affects the

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value of our monetary and other assets and liabilities denominated in foreign currencies. We cannot guarantee that future fluctuations of exchange rates would not have a material adverse impact on our financial condition and results of operations.

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

We principally operate in Chinese Mainland and also conduct certain operations through our subsidiaries in various overseas jurisdictions. We are therefore subject to different taxes and tax rates under the applicable tax regimes in such jurisdictions. Tax regimes differ across jurisdictions, and the laws and regulations governing corporate income tax, withholding tax, value-added tax and other taxes are complex and may change or be subject to different interpretations or enforcement practices. Our effective tax rate may be affected by changes in applicable tax laws, regulations or their interpretation or enforcement, changes in the mix of earnings generated in jurisdictions with different statutory tax rates, and changes in the valuation of our deferred tax assets and liabilities. Addressing such regulatory complexities and changes may require additional management and financial resources and may increase our tax liabilities and compliance costs. In addition, our overseas subsidiaries may from time to time be subject to tax audits, reviews or assessments by the relevant local tax authorities, and we cannot assure you that we will not be subject to additional income tax obligations in such jurisdictions in the future, which could materially and adversely affect our business, financial condition and results of operations.

We have adopted transfer pricing arrangements among companies within our Group in various jurisdictions to govern intragroup transactions. Although we seek to conduct such transactions on an arm's length basis, the relevant tax authorities may review or challenge our transfer pricing arrangements, methodologies, supporting documentation or allocation of income and expenses among companies within our Group. If the relevant tax authorities determine that our transfer pricing arrangements do not comply with applicable requirements, they may make transfer pricing adjustments, which may result in additional tax liabilities, interest, surcharges or penalties.

We are also subject to examinations of our tax returns and other tax matters by the relevant tax authorities. There can be no assurance as to the outcome of any such examination. If our effective tax rate increases, if the ultimate determination of our tax liabilities exceeds the amounts previously accrued, or if we become subject to any transfer pricing adjustments, interest, surcharges or penalties, our business, financial condition, results of operations and cash flows may be materially and adversely affected.

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

Under the current PRC tax laws and regulations, non-PRC resident individuals and non-PRC resident enterprises are subject to different tax obligations with respect to the dividends paid to them by us and the gains realized upon the sale or other disposition of H Shares by them. Non-PRC resident individuals are required to pay PRC individual income tax at a 20% rate for the dividends or gain from share transfer derived in China under the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) and its implementation regulations. Accordingly, we are required to withhold such tax from dividend payments, unless applicable tax treaties between the PRC and the jurisdiction in which the foreign individual or enterprise resides reduce or exempt the relevant tax obligations. Pursuant to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) signed on August 21, 2006, the PRC government may impose tax on dividends paid by a PRC company to a resident of Hong Kong (including natural person and legal entity), but such tax will not exceed 10% of the total amount of the dividends payable by the Chinese company. For non-PRC resident enterprises that do not have establishments or premises in the PRC, and for those who have establishments or premises in the PRC but whose income is not related to such establishments or premises, under the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), and its implementation regulations, dividends paid by us and gains realized by such foreign enterprises upon the sale or other disposition of H Shares are typically subject to PRC enterprise income tax at a 10% rate. The Circular on Issues Relating to the Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid

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to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the STA, also stipulates that the withholding tax rate for dividends payable to non-PRC resident enterprise holders of H Shares shall be 10%, subject to a further reduction under a special arrangement or an applicable treaty between China and the jurisdiction of the residence of the relevant non-PRC resident enterprise. If there is any change to applicable tax laws and rules, the value of your [REDACTED] in our H Shares may be materially affected.

Failure to comply with PRC foreign exchange registration requirements for share incentive plans involving our H Shares may subject the relevant plan participants or us to fines or other legal or administrative sanctions.

In February 2012, SAFE promulgated the Notice on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Equity Incentive Plans of Overseas Listed Companies (《國家外匯管理局關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》) (“SAFE Circular 7”). Under SAFE Circular 7 and other applicable rules, domestic individuals participating in a share incentive plan of a company listed on an overseas stock exchange, including the Stock Exchange, are required to complete foreign exchange registration and other procedures through a qualified domestic agent. The domestic agent may be the PRC-incorporated overseas-listed company itself or another qualified institution selected by it. An overseas entrusted institution must also be appointed to handle matters relating to the exercise or sale of share-based awards, the purchase or sale of the relevant shares or interests and related fund transfers. The relevant foreign exchange registration must also be updated upon material changes to the share incentive plan, the domestic agent, the overseas entrusted institution or other relevant matters.

Upon [REDACTED], our employees and other eligible participants who are domestic individuals for PRC foreign exchange purposes and participate in any share incentive plan involving our H Shares will be subject to SAFE Circular 7 and other applicable rules. Failure to complete or update the required registrations or other procedures may subject the relevant participants or us to fines or other legal or administrative sanctions and may restrict or delay the remittance, conversion or transfer of funds in connection with the exercise, sale or settlement of the relevant awards. This could adversely affect the implementation of our share incentive plans and our ability to attract and retain qualified personnel.

You may have limited recourse in effecting service of legal process or enforcing overseas judgments against us, our Directors and our senior management.

A majority of our Directors and officers reside within Chinese Mainland, and substantially all of our assets are located within Chinese Mainland. Service of process upon us or our management that reside in Chinese Mainland or enforcement against them or us in Chinese Mainland of any judgment obtained from foreign courts by [REDACTED] will be subject to PRC laws and regulations and international and regional treaties to which Chinese Mainland is a party. According to the Civil Procedure Law of the PRC (《中華人民共和國民事訴訟法》), if a legally effective judgment or ruling made by a foreign court requires recognition and enforcement by any PRC court, the party concerned may directly apply for recognition and enforcement to the intermediate PRC court with jurisdiction. Alternatively, the foreign court may, pursuant to the provisions of an international treaty concluded between or acceded to by the foreign state or region and Chinese Mainland or in accordance with the principle of reciprocity, request the PRC court to recognize and enforce the judgment or ruling. Chinese Mainland has not joined international treaties with all countries and regions. However, Chinese Mainland and Hong Kong have signed a series of arrangements for mutual recognition and enforcement of civil and commercial judgments under contractual jurisdiction.

On January 18, 2019, Chinese Mainland and Hong Kong entered into 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, also known as the 2019 Arrangement, which took effect on January 29, 2024, and superseded the previous arrangements, save for contracts containing exclusive jurisdiction agreements signed before January 29, 2024. The new regime no longer limits enforceable judgments to those granting monetary awards and whose parties have written and exclusive choice of forum agreement. However, the interpretation and enforcement of the newly implemented laws in practice continues to evolve.

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In addition, on January 9, 2021, the Ministry of Commerce promulgated the Measures for Blocking Improper Extraterritorial Application of Foreign Laws and Measures (《阻斷外國法律與措施不當域外適用辦法》), pursuant to which, where a citizen, legal person, or other organization of Chinese Mainland is prohibited or restricted by foreign legislation and other measures from engaging in normal economic, trade, and other related activities with a third State (or region) or its citizens, legal persons, or other organizations, it must truthfully report such matters to the Ministry of Commerce within 30 days. Upon assessment and confirmation that there exists unjustified extraterritorial application of foreign legislation and other measures, the Ministry of Commerce could issue a prohibition order to the effect that the relevant foreign legislation and other measures will not be accepted, executed, or observed, but such citizen, legal person, or other organization of Chinese Mainland may apply to the Ministry of Commerce for an exemption from compliance with such prohibition order.

Therefore, there remains the possibility that it may be difficult to effect service of process outside of Chinese Mainland upon most of our Directors and officers, including with respect to matters arising under applicable securities laws. Chinese Mainland does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the United States and many other countries. Consequently, you may experience difficulties in enforcing against us or our Directors or officers in Chinese Mainland any judgments obtained from courts outside of Chinese Mainland.

RISKS RELATING TO THE [REDACTED]

There has been no prior [REDACTED] for our H Shares prior to the [REDACTED], and you may not be able to resell our H Shares at or above the price you pay, or at all.

Prior to the completion of the [REDACTED], there has been no [REDACTED] for our H Shares. There can be no guarantee that an active [REDACTED] for our H Shares will develop or be sustained after completion of the [REDACTED]. The Company and the [REDACTED] negotiate the [REDACTED]. This price may not be indicative of the price at which our H Shares will be [REDACTED] following the completion of the [REDACTED]. The [REDACTED] of our H Shares may drop below the [REDACTED] at any time after completion of the [REDACTED].

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

The [REDACTED] of our H Shares may be volatile and may fluctuate widely in response to factors beyond our control. These factors include general market conditions of the [REDACTED] markets in Hong Kong, Chinese Mainland, the United States, and elsewhere in the world. In particular, the performance of other companies with business operations located mainly in Chinese Mainland that have listed their securities in Hong Kong may affect the volatility in the [REDACTED] and [REDACTED] of our H Shares. The securities of other PRC-based companies listed in Hong Kong have experienced significant volatility, including substantial price declines, which may affect [REDACTED] sentiment towards our H Shares. The trading performance of the securities of these companies may affect the overall [REDACTED] sentiment towards PRC-based companies listed in Hong Kong. Consequently, this may impact the [REDACTED] performance of our H Shares. These broad market and industry factors may significantly affect the [REDACTED] and [REDACTED] of our H Shares, regardless of our actual operating performance.

The actual or perceived sale or availability for sale of substantial amounts of our H Shares, especially by our Directors, executive officers, and substantial shareholders, may adversely affect the [REDACTED] of our H Shares.

Future sales of a substantial number of our H Shares, especially by our Directors, executive officers, Controlling Shareholders and Pre-[REDACTED] Investors, or the perception or anticipation of such sales, may negatively impact the [REDACTED] of our H Shares in Hong Kong. This could also affect our ability to raise equity capital in the future at a time and price that we deem appropriate. The H Shares held by our Controlling Shareholders are subject to certain lock-up periods beginning on the date on which [REDACTED] in our H Shares commences on the Stock Exchange. While we currently are not aware of any intention of such persons to dispose of significant amounts of their H Shares after the expiry of the

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lock-up periods, we cannot assure you that they will not dispose of any H Shares they may own now or in the future. [REDACTED] sale of H Shares by such Shareholders and the availability of these H Shares for future sale may have a negative impact on the [REDACTED] of our H Shares.

Our Controlling Shareholders have substantial influence over our Group and their interests may not be aligned with the interests of our other shareholders.

Our Controlling Shareholders have significant influence in determining the outcome of any corporate transaction or other matter submitted to the shareholders for approval, including but not limited to mergers, privatizations, consolidations and the sale of all, or substantially all, of our assets, election of Directors and other significant corporate actions. Immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised), the Controlling Shareholders will be together entitled to control the exercise of approximately [REDACTED]% of the voting rights and thus remain as Controlling Shareholders of our Company. The interests of our Controlling Shareholders might differ from the interests of our other shareholders. In the event that our Controlling Shareholders cause us to pursue strategic objectives that conflict with the interests of our other shareholders, our other shareholders could be disadvantaged, and their interests could be damaged. Any conflict of interest between our Controlling Shareholders and our other shareholders may also materially and adversely affect aspects such as the decision and implementation of our business plans, which may in turn affect our operations and prospects.

You will incur immediate and substantial dilution and may experience further dilution in the future.

As the [REDACTED] of our H Shares is higher than the consolidated net tangible assets per share immediately prior to the [REDACTED], purchasers of our H Shares in the [REDACTED] will experience an immediate dilution in [REDACTED] adjusted consolidated net tangible assets. Our existing Shareholders will receive an increase in the [REDACTED] adjusted consolidated net tangible asset value per share of their shares. In addition, holders of our Shares may experience further dilution of their interest if the [REDACTED] exercise the [REDACTED] or if we [REDACTED] additional Shares in the future to raise additional capital.

We have significant discretion as to how we will use the net [REDACTED] of the [REDACTED], and you may not necessarily agree with how we use them.

Our management may spend the net [REDACTED] from the [REDACTED] in ways you may not agree with or that do not yield a favorable return. See “Future Plans and Use of [REDACTED]” for details of our intended use of [REDACTED]. However, our management will have discretion as to the actual application of our net [REDACTED]. You are entrusting your funds to our management, upon whose judgment you must depend, for the specific use we will make of the net [REDACTED] from this [REDACTED].

If securities or industry analysts do not publish, or cease to publish, research or reports about our business, or if they adversely change their recommendations regarding our H Shares, the [REDACTED] for our H Shares and [REDACTED] may decline.

The trading [REDACTED] for our H Shares will depend in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts covering us downgrade our H Shares or publish inaccurate or unfavorable research about our business, the [REDACTED] for our H Shares would likely decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, we may lose visibility in the financial markets. This, in turn, may cause the [REDACTED] or [REDACTED] for our H Shares to decline.

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

We currently intend to retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. Therefore, you should not rely on an [REDACTED] in our H Shares as a source for any future dividend income. Our Board has discretion as to whether to recommend the distribution of dividends, subject to our Articles of Association and applicable PRC laws and regulations. Under PRC law, dividends may generally be paid only out of distributable profits determined in accordance with PRC accounting standards, after recovery of accumulated losses and appropriations to statutory and other required reserves. Any declaration of dividends will be subject to the recommendation of our Board and approval by our Shareholders. Even if our Board decides to recommend dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our Board. Accordingly, the return on your [REDACTED] in our H Shares will likely depend entirely upon any future price [REDACTED] of our H Shares. There is no guarantee that our H Shares will [REDACTED] in value or even maintain the price at which you purchased the H Shares. You may not realize a return on your [REDACTED] in our H Shares and you may even lose your entire [REDACTED] in our H Shares.

Our future financing may cause dilution of your shareholding or place restrictions on our operations.

In order to raise capital and expand our business, we may consider [REDACTED] and [REDACTED] additional H Shares or other [REDACTED] convertible into or exchangeable for our H Shares in the future other than on a pro rata basis to our then existing shareholders. As a result, the shareholdings of those shareholders may experience dilution in net asset value per Share. If additional funds are to be raised through debt financing, certain restrictions may be imposed on our operations, which may: (i) further limit our ability or discretion to pay dividends; (ii) increase our risks in adverse economic conditions; (iii) adversely affect our cash flows; or (iv) limit our flexibility in business development and strategic plans.

We have no experience operating as a [REDACTED] company [REDACTED] on the Stock Exchange, and we may incur increased costs as a result of becoming a [REDACTED] company.

We have no experience conducting our operations as a [REDACTED] company. As a result of the [REDACTED] on the [REDACTED], we may face enhanced administrative and compliance requirements. These requirements may cause us to incur substantial costs and expenses that we did not incur as a private company. We expect rules and regulations applicable to [REDACTED] companies to increase our accounting, legal and financial compliance costs and to make certain corporate activities more time-consuming and costly. Our management may be required to devote substantial time and attention to our [REDACTED] reporting obligations and other compliance matters. We will evaluate and monitor developments with respect to these rules and regulations, but we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. Our reporting and other compliance obligations as a [REDACTED] may place a significant strain on our management, operational and financial resources and systems for the foreseeable future. In addition, since we are becoming a [REDACTED], our management team will need to develop the expertise necessary to comply with the numerous regulatory and other requirements applicable to [REDACTED]. These include requirements relating to corporate governance, [REDACTED] standards, and securities and [REDACTED] relations issues. As a [REDACTED] company, our management will have to evaluate our internal control system with new thresholds of materiality, and to implement necessary changes to our internal control system. We cannot guarantee that we will be able to do so in a timely and effective manner.

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

This document, particularly the section headed “Industry Overview,” contains information and statistics relating to the cross-border e-commerce compliance service industry. Such information and statistics have been derived from official government sources. We

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believe that the sources of the information are appropriate sources for such information, and we have taken reasonable care in extracting and reproducing such information. However, we cannot guarantee the quality or reliability of such source materials. The information has not been independently verified by us, the Joint Sponsors, the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], any of the [REDACTED], any of our or their respective directors, officers, employees, agents, or representatives, or any other parties involved in the [REDACTED], and no representation is given as to its accuracy. Collection methods of such information may be flawed or ineffective, or there may be discrepancies between published information and market practice, which may result in the statistics being inaccurate or not comparable to statistics produced for other economies. You should therefore not place undue reliance on such information. In addition, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In any event, you should consider carefully the importance placed on such information or statistics.

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

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the [REDACTED]. Prior to the publication of this document, there has been press and media coverage regarding us and the [REDACTED]. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations, and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness, or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it and you should not rely on such information.