OVERVIEW

Our Mission

To safeguard the sustainable international expansion of global cross-border businesses.

Our Vision

To be part of every cross-border transaction worldwide.

Who We Are

We are an AI-empowered global platform for cross-border e-commerce compliance services. According to CIC, we were the largest cross-border e-commerce compliance service provider both globally and in China in terms of sales value in 2025, with our sales value exceeding the combined total of the second- to eighth-ranked market players in China in the same year. Additionally, we held the leading market share of 21.5% in China's cross-border e-commerce compliance platform market in terms of sales value in 2025.

As of June 30, 2026, we had served over 264,000 paying users cumulatively. We have experienced rapid and continuous business growth during the Track Record Period. Our revenue increased by 45.9% year-over-year to RMB350.5 million in 2024, and increased by 50.8% year-over-year to RMB528.5 million in 2025. Our revenue further increased by 65.6% to RMB385.9 million from the six months ended June 30, 2025 to the same period in 2026. As of the Latest Practicable Date, we had established four business segments, comprising corporate and tax compliance, environmental compliance, product testing and certification, and intellectual property protection ("**IPP**"). As of the same date, we managed over 6,000 active service SKUs in these segments across complex compliance scenarios in 121 countries and regions.

Cross-border sellers must continuously meet tax, environmental and other compliance obligations across jurisdictions. Complex regulations, differing standards and the need for specialist expertise make these obligations difficult to manage independently. Our global platform begins with EVAT MASTER, which we launched in 2020 to address this recurring demand through standardized services and subscription arrangements. EVAT MASTER brings previously fragmented offline services into a single online process that delivers quantifiable and verifiable compliance outcomes, allowing customers to devote more time and resources to their core operations. As our platform evolved to encompass a wider range of products, we became the first company globally to develop a full-stack cross-border e-commerce compliance platform, according to CIC.

Our primary objective is to deliver high-quality compliance outcomes through the most effective process. Since our inception, we have tracked changes in regulatory requirements across jurisdictions, platform compliance requirements, technology and customer needs and continuously incorporated cutting-edge AI technologies into our core infrastructure to achieve this objective.

Our AI technologies have transformed our operations and customer experience. In August 2026, we launched our proprietary AI agent, Xiao O, the first cross-border e-commerce compliance AI agent product in China to cover the full process from enquiry and order placement through to fulfillment and delivery, according to CIC. Xiao O enables customers to request services and interact with our platforms through a single natural language interface, significantly reducing the learning curve and usage barriers for our customers.

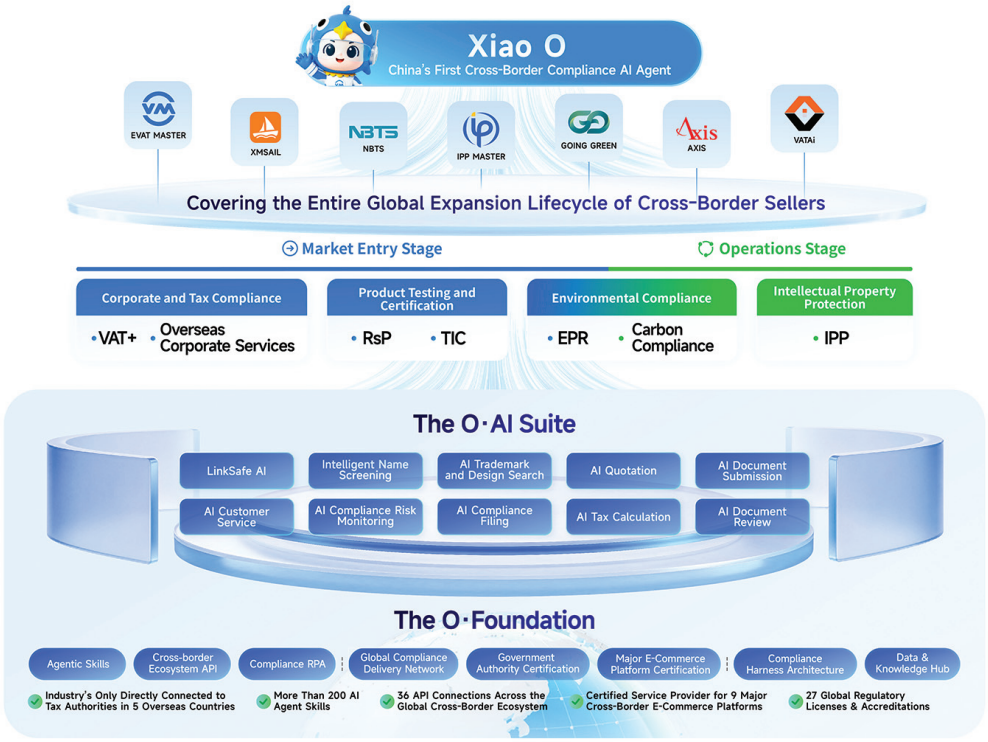
As our offerings cover numerous jurisdictions, and encompass more business segments and service lines, the knowledge and know-how required to deliver them are extensive and jurisdiction-specific. Historically, when such knowledge and know-how were first developed through lengthy inter-department collaboration and then dispersed across teams and individuals, it was difficult to scale service categories and capacity with consistent quality without adding research and execution staff. We have changed this paradigm through agentic AI: building an enterprise-grade agentic AI network comprising Xiao O, specialized AI agents in the O·AI Suite, over 200 reusable agentic skills, 36 integrated industry APIs and various Robotic Process Automation bots ("**RPAs**"), supporting swift product development and customer services. Xiao O is the primary agent that turns a customer's request into coordinated tasks and orchestrates the O·AI agents. Xiao O's core functions include AI-assisted pre-sales enquiries, order placement, submission and review of materials, service delivery, and after-sales customer support. The O·Foundation provides shared resources used by the O·AI agents.

Our enterprise-grade agentic AI network supports policy tracking, product development, supply chain expansion, document review, filing document preparation, exception handling and progress tracking. This supports continued business growth without a corresponding increase in headcount. For example, our delivery teams have used AI tools to reduce repetitive work and manual processing time. From April to June 2026, we achieved a 77% increase in workforce efficiency in processing orders for value-added tax and related tax compliance services ("**VAT+**") and extended producer responsibility ("**EPR**") services compared with the same period in 2025, supporting our ability to handle business growth. In the same period, VAT+ and EPR service orders represented 82% of our total service orders.

We believe that the complexity of compliance obligations across numerous jurisdictions supports strong competitive barriers in building a one-stop cross-border compliance platform. Our qualifications for direct system connections with regulators and for certain qualification-gated and platform-certified services in our principal markets, long-standing compliance credibility, global delivery network and experience in complex compliance matters form a foundation that is difficult to replicate. Our standardized one-stop platform builds on this foundation by delivering quantifiable compliance outcomes on an ongoing basis, supporting high customer retention and repurchase rates. Our enterprise-grade agentic AI network further strengthens these advantages by enabling the same teams and networks to handle more types of, and more complex, compliance matters.

Our Global Cross-border Compliance Platform

We operate a one-stop global cross-border compliance platform through seven brands with different propositions: EVAT MASTER, IPP MASTER, XMSAIL, GOING GREEN, VATAi, AXIS and NBTS. Through these brands, we focus on the four business segments, covering seven service lines: VAT+, overseas corporate services, EPR, carbon compliance, responsible person ("**RsP**"), testing, inspection and certification ("**TIC**"), and IPP. Xiao O, our proprietary cross-border compliance AI agent, provides an intuitive, interactive entry point to the platform. The illustration below presents an overview of our business:



Our seven service lines include:

- VAT+ services assist with tax registration, filing, and payment in target markets.
- Overseas corporate services assist with company incorporation, annual accounting and tax filings, and overseas bank account opening.
- EPR services support registration and periodic reporting under product and packaging recycling requirements in the EU and certain other markets.
- Carbon Compliance services cover carbon accounting and reporting, support for environmental certifications and disclosures, and preparation of EU carbon border adjustment declarations.
- RsP services help sellers meet local responsible-person requirements by maintaining compliance documents and assisting with inspections, rectification, and recalls.
- TIC covers product testing, inspection, and certification against applicable safety, quality, technical, and regulatory requirements to support market access.
- IPP services assist with the registration, maintenance, monitoring and protection of trademarks, design and invention patents, copyrights, and other intellectual property rights. Features include targeted search for trademarks and design patents, and temporary restraining order ("**TRO**")-related services.

As of June 30, 2026, we had cumulatively served over 264,000 paying users in Chinese Mainland and other markets worldwide. As of the Latest Practicable Date, we held 27 categories of global regulatory licenses and accreditations required or recognized to conduct our business, such as VAT certifications held by our local entities and EPR authorized representative qualifications across key European markets.

Our Business Performance

Our key businesses and financial performance are illustrated in the following chart:

Notes:

(1) In terms of sales value in 2025.

(2) Calculated based on the sales value of services provided through our global platform as a percentage of the total sales value of China's cross-border e-commerce compliance platform market in 2025.

(3) As of June 30, 2026.

(4) As of the Latest Practicable Date.

(5) In 2025.

(6) NDR refers to net dollar retention rate, defined as revenue from existing users in the current year divided by revenue from the same cohort in the prior year; ARR is defined as recurring revenue from our products in December of a given year multiplied by 12; ARR growth rate represents the year-over-year percentage change in such ARR; and GMV refers to gross merchandise value.

(7) Measured by the number of VAT+ and EPR service orders processed per delivery staff member in the second quarter of 2026, compared to the same period in 2025. In the second quarter of 2026, VAT+ and EPR service orders accounted for 82% of our total service orders.

Our Market Opportunities

Global consumer demand is driving the rise of new forms of cross-border e-commerce

Growing global demand for diverse, high-quality and cost-effective products is transforming traditional trade and e-commerce and supporting the growth of cross-border e-commerce. Efficient global supply chains and direct-to-consumer digital channels have increased both cross-border e-commerce GMV and market penetration, making cross-border e-commerce an increasingly important part of the global retail market. According to CIC, the global cross-border e-commerce market reached RMB14.0 trillion in 2025 and is expected to reach RMB22.2 trillion in 2030.

Stringent and evolving regulations that differ by jurisdiction create sustained demand for cross-border compliance services

Cross-border sellers face increasingly stringent regulation, complex compliance policies, differing standards and cumbersome procedures. The expertise required to manage these obligations increases the difficulty, cost and risk of doing so independently. This has increased demand for professional, one-stop cross-border compliance services that help sellers convert uncertain compliance requirements into predictable operating costs and support sustainable growth.

As a result, the cross-border compliance services market has exhibited strong growth momentum in recent years. Compliance requirements are also extending from stores to products throughout their lifecycle. They cover specific environmental requirements for materials, batteries and packaging, together with corresponding product testing, certification, and market-access requirements. We expect this broader scope to drive significant growth in compliance demand. According to CIC, the number of active sellers on Amazon reached approximately 1.7 million in 2025, with an average of over 200 products listed per seller, demonstrating substantial demand for compliance services at both the store and product levels.

In addition, a single seller or product may face compliance obligations across multiple jurisdictions involving different compliance areas, resulting in annual compliance expenditure of up to several million Renminbi for mid- to large-sized sellers in some cases, which in turn creates demand for systematic, one-stop and continuously delivered cross-border compliance products.

Benefiting from these trends, cross-border compliance service providers that can improve efficiency through technology and navigate global regulatory regimes through professional expertise will be well positioned to continue expanding their presence in the cross-border compliance services industry.

How We Continue to Lead in the AI Era

Deep and evolving industry insight

As one of the earliest platforms in Chinese Mainland to focus on cross-border compliance, we have built a team of experienced compliance professionals, a policy knowledge base and know-how covering our principal markets. Such knowledge and know-how are drawn

from the compliance matters we have actually handled over the years, including how regulators in different jurisdictions apply rules in practice and where exceptions arise. Such practical experience is not readily available from public sources. With the support of LLMs and AI agents, we are able to convert this experience into enterprise knowledge that can be reused and called upon by our systems. We have implemented AI-powered automated tracking and structured analysis of policy changes in our principal markets, consolidating updated compliance requirements into a reusable knowledge base, which supports timely service adaptation and risk alerts following a regulatory change. AI technology enables us to convert these industry insights into executable rules and workflows more quickly and to keep our services continuously updated.

An extensive, hard-to-replicate partner ecosystem

We have built an extensive ecosystem covering major e-commerce platforms, regulatory authorities and third-party service providers, and we believe the barrier it creates cannot be replicated by competitors. We are officially certified as a service provider by nine world-leading e-commerce platforms, namely Amazon, TikTok, Temu, SHEIN, AliExpress, Walmart, Mercado Libre, Coupang and Shopify, and have established a localized service network with over 500 third-party service providers globally, together with wholly owned local subsidiaries or localized service teams in 13 markets across four continents, such as the United Kingdom, Germany, France, Spain, Italy, the United States, Australia and Hong Kong.

Our commercial network is further fortified by deep regulatory integration. As of the Latest Practicable Date, we were the only tax reporting software platform globally to obtain official direct API connection certifications from tax authorities in the United Kingdom, Germany, France, Italy and Spain, according to CIC, and we had cumulatively achieved automated processing of compliance workflows through 73 government and official agency portals. We intend to expand this network to reach more sellers and coordinate service delivery across more markets.

Deep integration of AI into complex compliance scenarios

In the cross-border e-commerce compliance service industry, AI is increasingly serving as an operating infrastructure that upgrades how service providers manage knowledge, coordinate workflows and deliver compliance services. By supporting intent recognition, task decomposition, decision support and continuous learning from service records, AI helps service providers transform case-by-case execution into more systematic, standardized and scalable service capabilities.

Cross-border compliance spans numerous service categories and jurisdictions, while policies change frequently and relevant knowledge is highly dispersed. These characteristics make the sector well suited to AI. It is a highly complex, knowledge-intensive field in which service providers must deliver compliance outcomes and maintain strong regulatory credibility. By deeply embedding AI in our products and workflows and combining it with the offline service network and compliance credibility we have built over many years, we can extend our leadership, capture incremental market opportunities, and reinforce our technology moat in the AI era.

We have built Tianheng architecture, our group-level AI operating infrastructure for cross-border compliance, to support the development and deployment of AI applications both within and beyond the Group. In August 2026, we formally launched Xiao O, our customer-facing conversational AI agent, aiming to reshape the customer experience through AI. According to CIC, Xiao O is the first cross-border e-commerce compliance AI agent product in China to cover the full process from enquiry and order placement through to fulfillment and delivery. Xiao O converts the traditional fulfillment process into coordinated tasks that can be orchestrated automatically and respond in real time, covering the process from customer enquiry and order intake to service delivery. Internally, our AI-powered technology framework turns dispersed policy interpretations, operating experience and risk-control rules into knowledge that can be retrieved, updated and reused, enabling the same team to handle more types of, and more complex, orders. These reusable capabilities also shorten the development cycle for new products and help us expand our service lines. For customers, this means a shorter wait between submitting a request and receiving a compliance outcome, with a process that can be tracked and a result that can be verified.

A virtuous cycle between AI investment and financial returns

We expect the broader use of AI to convert operating efficiencies into financial benefits. On the fulfillment cost side, AI can reduce average fulfillment costs per order by improving the efficiency of our delivery teams and suppliers. On the expense side, AI can also reduce the management burden created by additional business lines and service SKUs. Higher order-processing capacity per employee helps us manage our expense ratios while maintaining lean operations. If our operating data continues to support these efficiencies, lower fulfillment costs and better expense management could improve profitability while reducing costs and improving efficiency for customers, creating a virtuous cycle in which technology investment and financial returns reinforce each other. At present, our AI applications have begun to produce results in our business operations.

OUR STRENGTHS

The Global Leader in the Cross-Border Compliance Services Market, with Strong Brand Momentum and Hard-to-Replicate Barriers

We were the world's largest cross-border e-commerce compliance service provider in terms of sales value in 2025 and have ranked first in terms of market share among cross-border e-commerce compliance service providers in Chinese Mainland for four consecutive years from 2022 to 2025, according to CIC. Additionally, we held the leading market share of 21.5% in China's cross-border e-commerce compliance platform market in terms of sales value in 2025, according to CIC. We also held the top market share in each of corporate and tax compliance services, environmental compliance services, product testing and certification platform services, and intellectual property protection services in terms of sales value in 2025, according to CIC. The dual trends of cross-border e-commerce market expansion and increasingly stringent global regulation have brought us sustained business growth.

We were the first company globally to develop a full-stack cross-border e-commerce compliance platform, according to CIC, consolidating various compliance needs. As the market leader, we benefit from strong brand equity and well-established offerings, which together have enabled us to attract and retain a substantial and growing customer base. At the same time, we have earned the trust of third-party partners, obtaining official certifications from nine world-leading e-commerce platforms, namely Amazon, TikTok, Temu, SHEIN, AliExpress, Walmart, Mercado Libre, Coupang and Shopify. These established relationships with e-commerce platforms provide us with greater support and allow us to better serve cross-border sellers. The trust embedded in these established relationships would be difficult for new market entrants to replicate.

In addition, we have received multiple governmental recognitions, such as National Key Software Enterprise in 2025 and National High-Tech Enterprise in 2025. We have also won multiple awards, including Cross-Border E-commerce Practice Case at the World Internet Conference in 2024 and 2025, and Leading Enterprise for High-Quality Development of Cross-Border E-commerce in 2023.

Transforming Traditional Service Delivery through Our Tianheng Architecture and Standardized, Intelligent Compliance Workflows

Our primary objective is to deliver high-quality compliance outcomes through the most effective process, and technology is central to achieving it. We have pursued standardization and automation since our founding. Our one-stop compliance platform unified previously fragmented service processes, allowing service data to be shared and updated in real time within an integrated compliance workspace. We also connected our platform to major e-commerce platforms and regulators through APIs to standardize data exchange. To improve efficiency and delivery stability, we developed automated workflows in-house, including RPAs to perform repetitive tasks with fixed rules and procedures automatically. Together, our one-stop compliance platform, APIs and RPAs provided the technology and operating experience on which we have built our AI capabilities.

We have built Tianheng architecture, our group-level AI operating infrastructure, to support our cross-border compliance applications. It combines three sets of technical capabilities: the controls that route tasks and govern their execution, a shared hub for data and knowledge, and the model services, computing, storage and cloud systems on which the applications run. This supports the reuse of tools and information across our service lines, with controls over access, execution and audit trails. See "— Our Technology."

In August 2026, we launched Xiao O, the first cross-border e-commerce compliance AI agent product in China to cover the full process from enquiry and order placement through to fulfillment and delivery according to CIC. Its core functions include AI-assisted pre-sales enquiries, order placement, submission and review of materials, service delivery, and after-sales customer support. Xiao O transforms traditional workflows into automated, real-time task chains. Using a conversational interface, users can easily manage the entire process from initial consultation and ordering to final delivery. This creates a fast, accurate, and fully automated AI agent-driven experience that typically requires no human intervention. Additionally, Xiao O is designed with an open agentic architecture to allow users to fully automate their compliance workflows through API integrations. Paired with Xiao O, they meet the diverse automation needs of our clients. We believe that using AI agents for automated fulfillment is key to revolutionizing the customer experience in the AI era. This approach maximizes our technical expertise and industry insights, ensuring we maintain a lasting technological edge.

Furthermore, our enterprise-grade agentic AI network substantially facilitates our internal operations. Customer-facing teams use approved low-code tools to develop applications for the business scenarios they understand well, while our R&D team provides the underlying architecture, technical support and stability controls. This shortens the time from identifying a need to deploying a tool. It also allows a lean R&D team to support the operation and upgrading of our cross-border compliance platform. In normal conditions, AI agents follow business needs closely and improve delivery and operating efficiency. When demand or supply fluctuates sharply, the agent network can absorb peaks in fulfillment workloads without a corresponding increase in headcount. When we launch a new product, we can reuse or extend existing agent capabilities, shortening development cycles while maintaining coverage across our product matrix. See "— Research and Development — Cross-functional, Agile and Governed R&D Process."

For review of submitted materials on EVAT MASTER, as of the Latest Practicable Date, our AI-enabled review process handled 22,520 service orders involving submitted materials, representing 97% of such orders since we launched the review system, with an accuracy rate of 95% or above. For after-sales customer support, as of the Latest Practicable Date, our AI-assisted online customer service system had handled 20,230 customer inquiries. Since August 15, 2026, it has covered 100% of incoming inquiries.

Moreover, through our Tianheng architecture and enterprise-grade agentic AI network, we have turned product compliance risk assessment from a traditional manual process into an AI-powered one, reducing completion time from hours to seconds, meeting our customers' demand for efficient compliance and expanding our value proposition from standalone basic services to full-chain compliance products.

According to CIC, referencing the AI Agent maturity grading standard (Levels 1 through 5) published by the China Academy of Information and Communications Technology ("**CAICT**"), the AI Agents we have deployed have attained Level 3, ranking among the small number of AI agents in our industry to achieve this level. As of June 30, 2026, our R&D team comprised 111 members, accounting for 13.7% of our workforce. As of the same date, we had obtained 18 invention patents and 81 registered software copyrights in Chinese Mainland.

A Dynamic Knowledge Network Built on Deep Industry Insight and Compliance Practice, Providing Precise and Timely Compliance Decision-Making Support

Regulatory policies for cross-border e-commerce across global markets and platforms continue to evolve, resulting in complex compliance processes with significant jurisdictional differences and causing difficulties for cross-border sellers to navigate the international regulatory regimes independently. As one of the first platforms in Chinese Mainland focusing on the cross-border compliance industry, we have assembled a cross-border compliance team with extensive industry expertise and exclusive know-how. We can assess and interpret global e-commerce compliance and regulatory trends and turn evolving regulatory requirements into executable compliance products. Based on sellers' operational data on e-commerce platforms, business structures and risk profiles, we accurately assess their needs and map out clear compliance pathway. We then provide products aligned with the respective compliance stages of different seller groups, helping them continuously comply with local regulations amid an increasingly dynamic and evolving regulatory environment.

Using our Tianheng architecture and the professional judgment of our cross-border compliance team, we are converting years of service data into a knowledge network and know-how that our systems can use repeatedly. The industry insights underlying the knowledge network and know-how are grounded in our long-standing interpretation of evolving regulatory requirements and hands-on experience accumulated through the execution of complex compliance engagements. We have compiled a cross-border compliance policy database covering over 150 countries and regions and more than 2,200 rules and regulations (the coverage of the policy database is broader than the countries and regions we have actually served). This database enables us to support compliance decisions for sellers across different countries, platforms and transaction sizes. Our AI agents track policy changes in real time and convert new rules into adjustments to our fulfillment workflows within hours. We have accumulated business data and exclusive know-how through years of operations providing different compliance services, which have been turned into reusable knowledge that can be updated and applied at scale. During the Track Record Period, we had accumulated such data from millions of service orders, including in progress orders and completed ones. Our model combines data-driven services, expert review and AI. As our delivery network and customer reach expand, we gain more operating experience, know-how and service records. These feed into our knowledge network, helping improve delivery quality and speed.

We have been closely involved in establishing national industry standards. In 2023, we served as a major participant in developing the recommended national standard program of "Guidelines of Risk Prevention and Control for Cross-Border E-Commerce Merchants" (《跨境電子商務商家風險防控指南》), which was intended to define compliance benchmarks of the cross-border e-commerce industry. We also collaborated with a renowned tax law expert in Chinese Mainland in the publication of the "Overview of Value-Added Tax Laws and Sales Tax Laws Worldwide" (《世界各國增值稅法與銷售稅法概覽》).

A Full-Cycle, Standardized Product Matrix Enabling Efficient Delivery at Scale Across Diverse Scenarios, with a Strong Ecosystem That Continues to Create Value for Customers

We provide one-stop cross-border compliance services across the four business segments, including VAT+, overseas corporate services, EPR, carbon compliance, RsP, TIC and IPP services. According to CIC, we are one of the most comprehensive compliance platforms globally by the number of compliance products covered. Building on our VAT+ services, we continue to expand our service lines and products. This allows us to support customers throughout their business life cycle and develop relationships beyond one-off transactions.

We have built an extensive partner ecosystem covering major e-commerce platforms, regulatory authorities and more than 500 third-party service providers globally. We believe these relationships would be difficult for competitors to replicate. Our long-standing relationships with third-party service providers form a localized service network that allows us to respond promptly, obtain updated information and implement customers' compliance requirements in key markets. We manage this network through our supply chain management system ("**SCM**"), which keeps supplier records, communications, approvals and risk events structured and traceable, supporting consistent delivery quality as we scale. See "— Our Suppliers — Supplier Management and Quality Control."

We have built strong ecosystem connectivity through API technology. As of the Latest Practicable Date, we had cumulatively deployed 36 standardized API interfaces covering major e-commerce platforms and government portals. According to CIC, as of the Latest Practicable Date, we were the only tax reporting software platform globally to obtain official direct API connection certifications from tax authorities in the United Kingdom, Germany, France, Italy and Spain. We were also the only cross-border e-commerce compliance service provider globally able to provide official API-enabled online tax filing and payment services in these five countries as of the Latest Practicable Date. We have cumulatively achieved automated processing of compliance workflows through 73 government and official agency portals, including systems operated by environmental authorities and intellectual property offices, covering registration, filing and cancellation in these areas, reflecting strong recognition of our technical capabilities and partnership ecosystem by the relevant institutions.

We have also established wholly owned local subsidiaries or teams in 13 markets across four continents, such as the United Kingdom, Germany, France, Spain, Italy, the United States, Australia and Hong Kong. These local operations complement our partner ecosystem and help us maintain consistent service quality and response times. They also help us operate more efficiently and deliver greater value to customers.

Our dual advantages in product coverage and ecosystem coverage, combined with our localized operating strategy and the standardized nature of our products, have enhanced our economies of scale and continue to create value for our customers.

Flywheel Effect Under a Scalable Commercial Model: a Virtuous Cycle Between Business and Financial Growth

Our business has demonstrated robust growth and profitability, which in turn has funded our product R&D investments. This has strengthened our technology foundation, expanded our offerings, enhanced our comprehensive competitiveness, and driven sustained improvement in our financial performance, forming a flywheel effect that we expect to continue.

Our business model has shown strong growth momentum. Our revenue increased by 45.9% from RMB240.3 million in 2023 to RMB350.5 million in 2024, and further increased by 50.8% to RMB528.5 million in 2025. Our revenue increased by 65.6% from RMB233.1 million for the six months ended June 30, 2025 to RMB385.9 million in the same period in 2026. Our ARR increased by 47.0% from RMB286.1 million in 2023 to RMB420.6 million in 2024, and further increased by 49.5% to RMB628.8 million in 2025. We have also demonstrated stable and substantial profitability in our operations. In 2023, 2024, 2025, and the six months ended June 30, 2026, our adjusted net profit (non-HKFRS measure) reached RMB37.1 million, RMB83.0 million, RMB102.1 million, and RMB74.1 million, respectively. For 2023, 2024, 2025, and the six months ended June 30, 2026, our adjusted net profit margin (non-HKFRS measure) was approximately 15.4%, 23.7%, 19.3%, and 19.2%, respectively, remaining at a relatively high level throughout the Track Record Period.

During the Track Record Period, our operations generated positive operating cash flows that exceeded our profit before tax in each year. Our products also demonstrated strong repurchase performance. In 2023, 2024 and 2025, our NDR was 104%, 118% and 126%, respectively.

This sustained growth reinforces our flywheel effect and allows us to continue improving our product quality and strengthening our market position.

An Experienced Management Team with Strategic Vision and Industry Expertise, Building a Solid Foundation for Sustained Leadership

Our founder, Mr. Sun Yutao, has over ten years of experience in the cross-border e-commerce compliance services industry and was an early pioneer of the cross-border compliance platform model. Drawing on his industry insight and practical experience, he advanced the view that "compliance is a core competitive advantage for cross-border sellers, not merely a cost" and built our core team with compliance expertise, industry resources and comprehensive execution capabilities to support our sustainable and compliant operations.

Our core team applies its compliance expertise and technology capabilities to help clients operate in compliance and address complex issues as they expand globally. Guided by our values of "professionalism, innovation, integrity, and mutual success," we continue to expand the scope of our services and create value for clients.

Our operations have validated management's early view that AI could materially change cross-border compliance. We anticipated that AI would be particularly well suited to cross-border compliance and have used it to reshape the respective roles of automated fulfillment and expert judgment. We are progressing from manual agency workflows to system automation and then to a network of AI agents. Throughout this progression, our platform continues to deliver quantifiable and verifiable compliance outcomes, with expert review at key decision points to support accuracy and compliance. This model also provides a scalable foundation for future business growth and ecosystem expansion.

OUR STRATEGIES

Deepening Our AI-Driven Strategy to Broaden and Fortify Our Technology Moat

Technology-driven execution is our core strategy. As AI advances, we expect demand for the autonomous execution of cross-border compliance workflows to increase substantially. We also expect service delivery to shift toward execution by AI Agents, and that demand for API and MCP connectivity will increase over time. We will strengthen our Tianheng architecture and our enterprise-grade agentic AI network dedicated to cross-border compliance, aiming to provide customers with a highly automated compliance experience. We will continue to invest in advanced AI technologies and deepen our use of AI across the full product life cycle to reduce costs, improve efficiency and create value for both our clients and our business.

- **We will focus R&D and technology deployment on key operational areas**. We plan to advance R&D in three areas: (i) enhancing Xiao O and the O·AI agents to improve service coverage, delivery reliability and the customer experience; and (ii) strengthening our Tianheng architecture to optimize computing power support, model capabilities and auditability to further enhance the use of AI across our business; and (iii) developing structured compliance knowledge and strengthening data governance to improve the accuracy and traceability of our AI outputs and automated services.

- **We will strengthen our R&D talent base**. We plan to recruit experienced professionals in AI, big data and cloud computing while continuing to recruit junior engineers. We will also improve technical training and mentoring, clarify internal promotion paths and increase medium- and long-term incentives, including equity incentives, to retain core employees. In addition, we will maintain incentives for departments to develop AI products for practical business needs. We will continue to expand and refine our enterprise-grade agentic AI network across our business.

- **We will expand our technology and industry ecosystem**. We will continue to invest in API integrations and direct system connections with tax authorities, other regulators, major e-commerce platforms and payment service providers globally. These connections support data exchange and workflow automation. At the appropriate time, and subject to appropriate security and controls, we plan to make selected API capabilities available to other participants in the cross-border compliance ecosystem. This will support broader digitization and automation across the industry and strengthen our technology position.

Enriching Our Product Coverage and Building a Cross-border Compliance Ecosystem

The global regulatory environment for cross-border e-commerce is becoming increasingly complex and detailed. An expanding set of EU product-sustainability rules, including new requirements on product information and environmental claims, is imposing additional compliance requirements on cross-border businesses, such as the obligation to make an EU Digital Product Passport available for certain product groups, beginning with batteries in 2027.

Similarly, the rollout of the EU Packaging and Packaging Waste Regulation ("**PPWR**") will shift packaging compliance from single-country registrations to multi-country, ongoing obligations, such as EPR authorized representation, periodic reporting, and recycling fulfillment. Leveraging our established local entities, service networks, and customer base across key European markets, we are well-positioned to deliver one-stop, multi-country services. The mandatory nature of these annual requirements will generate highly sticky and predictable recurring revenue, with the value per customer steadily increasing as their packaging volumes grow. Additionally, PPWR's stricter standards on packaging recyclability, recycled content, and hazardous substance control will continuously drive demand for our related testing and certification services.

We see opportunities to expand our products and services in existing and emerging fields such as testing compliance, environmental compliance, integrated domestic and overseas tax compliance for cross-border e-commerce and intellectual property. We plan to extend our service coverage to a broader range of product-level compliance needs, with the aim of providing full life-cycle compliance management for our customers' products.

Specifically, we will prioritize the growth of our TIC business to strengthen our service coverage and delivery capabilities in more regions in China and across overseas markets, thereby meeting customers' increasingly diverse testing needs as well as mandatory compliance requirements imposed by governments, e-commerce platforms and other relevant parties on cross-border products. We plan to grow our TIC business organically and through acquisitions, expand the premises and capabilities of our existing testing laboratories, and upgrade their systems and technologies to increase testing capacity and delivery efficiency. We will also improve product standardization, process automation and AI capabilities as we expand service volume. Regular policy tracking and market research will help us identify demand created by changes in overseas regulations and platform rules and develop products for emerging compliance needs.

Through sustained investment over the coming years, we will continue to develop and introduce new products in response to evolving cross-border compliance regulations, thereby further enriching our product coverage.

Increasing Service Penetration and Expanding into Global Markets

We see substantial opportunities to scale our business through increasing service penetration and expanding into more markets. We can increase the use of our EPR, RsP and TIC services among existing customers. We believe Germany, France, Italy, Spain, Poland, the Middle East and the United States offer broad growth potential, and we can address the largely underserved compliance needs of overseas sellers while continuing to serve primarily cross-border sellers based in Chinese Mainland. We will pursue the following initiatives to achieve more balanced and sustainable development:

For customers in Chinese Mainland, we will increase the penetration of high-potential products and expand delivery capacity in high-potential markets. We will direct additional marketing investment to service lines with lower penetration, such as EPR, RsP, and TIC, to acquire new customers and meet demand from existing customers. By cross-selling one-stop cross-border compliance services as our customers scale, we aim to become integral to their operations, underpinned by our commitment to customer success. We will also expand delivery capacity in Germany, France, Italy, Spain, Poland, the Middle East, the United States and other high-potential markets so that customers in Chinese Mainland can receive timely, high-quality support for their operations in these markets.

For overseas customers, we will strengthen the VATAi brand and accelerate the development of local sales and service networks. We will increase brand and digital marketing investment in target overseas markets to build awareness and trust among local sellers and improve the services available to them. Building on our existing overseas delivery teams, we will establish local sales and service teams in the United States, the United Kingdom, Germany, Spain and other key markets, and recruit professionals with relevant local experience and networks.

We expect to achieve the following objectives: (i) to increase the use of non-VAT+ services, such as EPR, RsP and TIC, among our existing customers to a level approaching that of our VAT+ services; and (ii) to establish VATAi as a well-recognized and reputable international compliance brand among local sellers in overseas markets.

Strengthening Our Supply Chain and Delivery System to Improve Quality, Increase Efficiency, and Reinforce Our Core Advantages

Our network of more than 500 suppliers supports the cost-effective delivery of our services. We plan to improve the effectiveness of our supply chain in the following areas:

We will improve our supplier selection and cooperation system. We will evaluate our existing suppliers based on their cooperation history, service quality and responsiveness. We will deepen cooperation with reputable core suppliers that provide consistent service, while developing a larger pool of back-up suppliers in our principal target markets to make our supply chain more flexible and resilient.

We have digitized supply chain management to improve operational efficiency and control by launching SCM. Where appropriate, we will also make selected technology capabilities available to suppliers to improve their fulfillment efficiency and capacity, benefiting both our suppliers and us. See "— Supplier Management and Quality Control."

During the Track Record Period, our in-house delivery team, supported by our technical infrastructure, completed approximately 70% of our product delivery. Compared with delivery through suppliers, in-house delivery gives us greater control over costs, registration and filing efficiency, response times and risk management. We plan to further integrate our 34 overseas entities that provide compliance services, extend our coverage to emerging markets including Latin America, the Middle East and Australia, and expand our in-house delivery teams. These measures will strengthen our control and professional standards across the service chain and improve the customer experience and overall operating efficiency. We also plan to deploy more personnel overseas to develop local supply chain capabilities, so that technology-driven efficiency gains, talent development and global expansion reinforce one another.

OUR OFFERINGS

Overview

We offer a comprehensive suite of cross-border compliance products to meet the diverse needs of global cross-border businesses, primarily cross-border e-commerce sellers, helping them navigate complex regulatory environments, mitigate compliance risks, and facilitate their global expansion. We provide cross-border compliance services through a platform that combines standardized products, a proprietary enterprise-grade agentic AI network, including Xiao O powered by our O·AI Suite and O·Foundation, and a global delivery network. Through this platform, we serve customers across their compliance journey, from identifying requirements to completing filings and handling follow-up enquiries. As of the Latest Practicable Date, we had cumulatively provided compliance services in 121 countries and regions worldwide.

We operate a one-stop global cross-border compliance platform through seven brands with different propositions: EVAT MASTER, IPP MASTER, XMSAIL, GOING GREEN, VATAi, AXIS, and NBTS. Through these brands, we focus on the four business segments, covering seven service lines: VAT+, overseas corporate services, EPR, carbon compliance, RsP, TIC, and IPP.

Each of our compliance products applies one of our service lines to a specific jurisdiction or compliance scenario, such as UK VAT. Each product is further broken down into standard service SKUs with clearly defined scope, deliverables and pricing, such as UK VAT registration and UK VAT agency transfer. Operated through our enterprise-grade agentic AI network, these products can be efficiently constructed, iterated and scaled to address the distinct pain points of cross-border sellers at different development stages. This allows our users, ranging from small sellers to large companies, to access professional compliance services at a lower cost and with greater efficiency than services offered by traditional offline service providers.

Tianheng architecture provides technical infrastructure supporting these services. Its Compliance Harness Architecture coordinates tasks and controls execution, its Data & Knowledge Hub organizes the information used by our applications, and its AI-Powered Infrastructure provides model access, computing, storage and cloud services. See "– Our Technology" for details.

The table below sets forth our revenue breakdown by business segment for the years indicated:

	Year Ended December 31,						Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
Environmental compliance	94,823	39.5	141,917	40.5	235,290	44.5	101,635	43.7	172,508	44.7
Corporate and tax compliance	109,638	45.6	146,914	41.9	185,732	35.1	81,669	35.0	139,393	36.1

	Year Ended December 31,						Six Months Ended June 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000* *(unaudited)*	*%*	*RMB'000*	*%*
Product testing and certification	17,137	7.1	32,487	9.3	72,219	13.7	32,743	14.0	55,928	14.5
Intellectual property protection	18,725	7.8	29,151	8.3	35,235	6.7	17,067	7.3	18,086	4.7
Total	**240,323**	**100.0**	**350,469**	**100.0**	**528,476**	**100.0**	**233,114**	**100.0**	**385,915**	**100.0**

Performance of our business

We monitor the performance and scalability of our business using a set of key operating metrics, including our paying user base, ARR and NDR. These metrics help us assess the quality of our growth and the sustainability of our business model.

The following table sets forth certain key operating data of our business during the Track Record Period:

	As of/For the year ended December 31,		
	2023	2024	2025
Total Accumulated Paying Users[(1)]	87,117	167,113	246,254
ARR (in RMB thousands)[(2)]	286,137	420,600	628,758
NDR[(3)]	104%	118%	126%

Notes:

(1) Defined as the number of accumulated paying users (users who have placed and settled purchase orders on our platform) as of the relevant date.

(2) Defined as recurring revenue from our products in December of a given year multiplied by 12.

(3) Defined as revenue from existing users in the current year divided by revenue from the same cohort in the prior year.

How our platform delivers compliance outcomes

Our AI-powered workflow begins when a customer describes a compliance need to Xiao O in natural language. Xiao O then identifies the objective, breaks it into tasks and orchestrates the relevant O·AI agents for specialized handling. Xiao O can coordinate all five stages of the customer journey: pre-sales enquiries, order placement, submission and review of materials, service delivery, and after-sales customer support.

Among these O·AI agents, LinkSafe assesses compliance requirements from product or store information, and other O·AI agents assist with trademark naming and availability checks, trademark and design searches, quotations, document submission and review, tax calculation, filing, compliance risk monitoring and customer support. They also support XMSAIL's invoice processing and bookkeeping workflows and TIC services such as automated quotations. To carry out these tasks, Xiao O and the O·AI agents can use over 200 reusable agentic skills, 36 integrated industry APIs, and various RPAs. These resources support AI-powered content generation, search, and preliminary compliance and risk analysis, helping the agents recommend products and automate routine delivery tasks.

The O·Foundation supplies the shared resources used by these O·AI agents:

- **Knowledge, data and calculation engines**. Our compliance knowledge bases draw on the expertise of over 100 compliance specialists and professionals and incorporate regulatory updates. Together with our shared data resources, they help agents identify applicable requirements and potential risks. Our VAT+ and EPR calculation engines apply the relevant rules to calculate tax liabilities and environmental recycling fees. These resources support applications such as compliance monitoring, invoice recognition, trademark naming, bookkeeping, tax filing and translation.

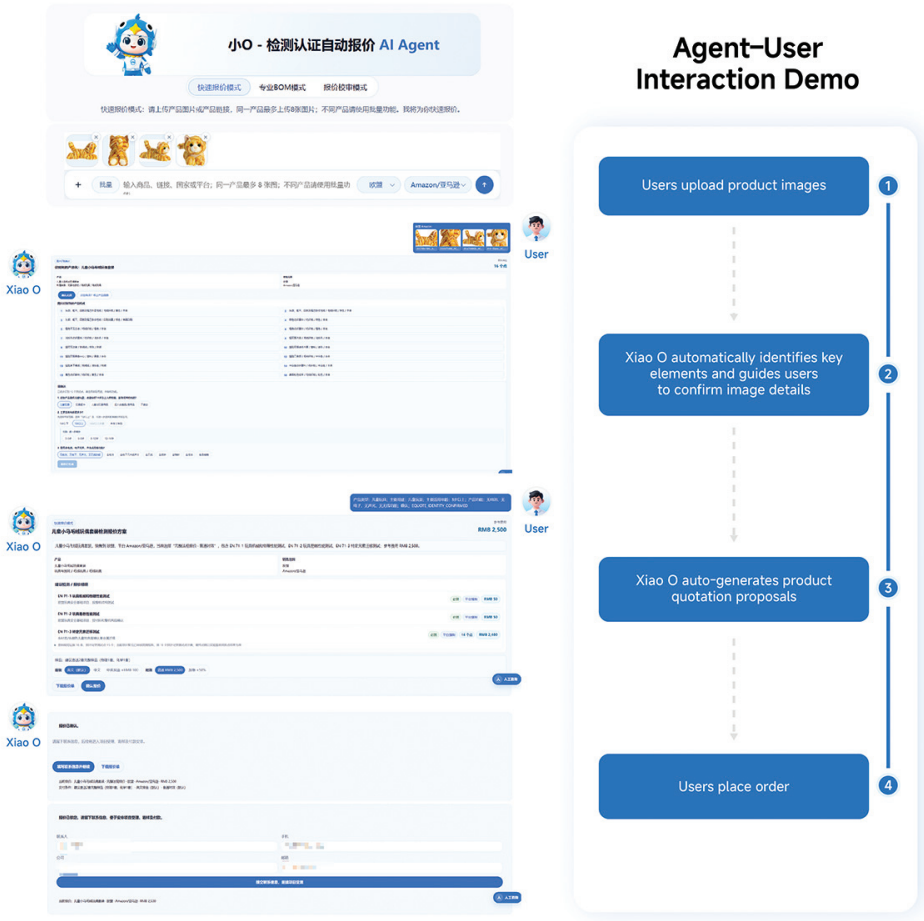
- **API connections**: Our network connects government systems, e-commerce platforms and service partners, reducing manual data transfer and supporting continuous compliance workflows. These connections include (i) tax authorities in the United Kingdom, Germany, France, Italy, and Spain, enabling instant filing acknowledgments; (ii) major e-commerce platforms such as Amazon, Temu, AliExpress, SHEIN, TikTok, Coupang and Mercado Libre, for real-time sales data synchronization and one-click tax calculation and filing; (iii) recycling bodies in Germany and France for automated packaging declarations and instant acknowledgments; (iv) selected global banking partners for online bank account opening; and (v) ecosystem partners, such as third-party payment service providers. According to CIC, we were the first in the industry to develop the product model of direct API connections with overseas tax authorities. See "— Our Strengths."

- **Delivery network and execution controls**. Our global delivery network connects platform workflows with the personnel, accountants, lawyers and other service providers needed to complete services in each market. Shared execution controls govern approved tool use and record task execution. RPAs carry out rule-based steps such as generating application files, submitting documents and retrieving official reference numbers, with human review for sensitive operations.

This AI-powered workflow helps us deliver cross-border compliance outcomes efficiently while making our services easier for customers to understand and use.

The following illustration presents an agent-user interaction demo, showcasing the VAT service inquiry and application process via of Xiao O:

The following illustration demonstrates how users interact with Xiao O to obtain automated product testing quotations and place orders.



Our comprehensive service lines

Our seven service lines span the four business segments and address the interconnected compliance needs of cross-border sellers. We use AI and automation to reduce manual errors and duplicate work, monitor compliance status in real time, and provide early warnings of potential risks. The following table summarizes our service lines' features and capabilities.

Business Segment	Service Line	Feature Description	Pain points in engaging a traditional service provider	Our advantages and features
Corporate and Tax Compliance	**VAT+ Services**	**Tax Registration and Filing:** Our functional modules under this category help businesses complete tax registration, calculate tax liabilities using our AI Tax Engine, and submit filings directly to tax bureaus via API. **Risk Management:** We provide the **Star Dome (星穹)** risk control system to monitor tax number status in real-time, warning users of potential non-compliance risks such as overdue filings.	Prone to errors and omissions and inefficiency due to manual workflow Poor time management due to manual filing Higher compliance risk due to insufficient tax number management	AI-powered intelligent system to recommend the suitable tax registration service and provide traceable and downloadable tax calculation results and supporting documents Direct API connection to support automatic retrieval of customer sales data and instant tax declarations in five major markets, including the UK, Germany, France, Italy, and Spain, with online tax payment and refund processing functions available Star Dome System and tax number monitoring in real-time, which provides risk warnings and enhances tax number security
	Overseas Corporate Services	**Business Establishment:** Functional modules under this category (via XMSAIL) assist businesses with overseas company registration, annual accounting, and bank account opening. **Efficiency Tools:** We provide AI corporate name verification tools to quickly validate the availability of company names and cloud-based document management systems to ensure corporate records are secure and accessible.	Manual entity name checks with low efficiency Lack of process transparency, leading to higher chance of document loss Reliance on manual tracking of corporate compliance milestones, which is prone to missed or incorrect reminders due to human error and delayed updates	AI-assisted entity name availability checks Visualized and clear workflows with real-time progress tracking and secure cloud document storage Cloud-based system that automatically displays corporate compliance information, such as registration dates and annual review cycles; the system also proactively sends reminders as deadlines approach to help avoid late filings

Business Segment	Service Line	Feature Description	Pain points in engaging a traditional service provider	Our advantages and features
Environmental Compliance	**EPR Services**	**Environmental Compliance:** Functional modules under this category utilize AI Recognition to automatically identify required EPR categories based on product links and generate compliant labels with one click. **Automated Declaration:** We provide modules that calculate recycling fees based on official formulas and automate the declaration process through connections with recycling bodies.	Unclear registration categories and lack of labeling guidance Non-transparent manual recycling fee calculations Slow processes due to unclear registration flow and non-standard documentation Inconsistent pricing from service providers	AI identification of required EPR categories and one-click compliant label generation Automatic, transparent fee calculations based on official formulas API/RPA-driven automated registration and filing system connected with authorities and recycling agencies Officially authorized representatives in multiple European countries with transparent pricing Star Dome risk monitoring system to detect and alert filing abnormalities, reducing fines and deregistration risk
	Carbon Compliance Services	**Sustainability Certification:** Functional modules under GOING GREEN help businesses record supply chain data and obtain certifications such as Amazon's Climate Pledge Friendly (CPF) and International Environmental Product Declarations (EPD). **Data Tracing:** We provide tools to structurally record evidence chains and material data, ensuring the authenticity of data required for carbon calculations and avoiding certification revocation.	Difficulty of systematic management due to complex supply chains and fragmented data, leading to increased workload and error rates Non-transparent pricing and risks of fake certificates Complicated eco-label certification paths with unclear suitability Large SKU volumes and poor document management, leading to inconsistent or expired documentation and label removal	Structured evidence-chain management with full traceability across documents and supply chains to ensure data accuracy and authenticity Product list-based transparent pricing matching deliverables with no hidden costs Recommendation of suitable certification pathways based on product characteristics and target market Strategic partnerships with overseas authorities to shorten certification processes, ensure smooth communication, and improve success rates

Business Segment	Service Line	Feature Description	Pain points in engaging a traditional service provider	Our advantages and features
Product Testing and Certification	**RsP Services**	**Authorized Representation:** Non-local sellers are required to designate a local responsible person to handle product compliance affairs. Our modules facilitate the appointment of authorized representatives and ensure products meet safety standards (e.g., CE and UKCA). **Labeling Tools:** We offer intelligent tools to assist sellers in generating compliant product labels and packaging information to meet market access requirements (e.g., GPSR regulations).	Prevalence of fake agents, leading to high compliance risk No guidance on GPSR-compliant labeling	Legitimate, officially authorized overseas operating entities with valid addresses and recommended by major e-commerce platforms Smart labeling tools for GPSR and other regulatory requirements Professional handling of official correspondence, with legal support available when needed System integration with major e-commerce platforms' RsP verification systems for verification data collection and real-time validation, with API integration planned
	TIC Services	**Product Testing, Inspection and Certification:** We provide product testing, inspection and certification services against applicable safety, quality, technical and regulatory requirements. The relevant frameworks include CPSC and ASTM requirements in the United States, CE, REACH and RoHS requirements in the EU, UKCA requirements in the UK, JFSL and PSE requirements in Japan and applicable SOR requirements in Canada. Testing reports are issued by laboratories accredited to ISO/IEC 17025:2017. We also provide U.S. FDA registration, EU CPNP notification and UK SCPN notification services for cosmetics.	Difficulty of assessing testing agents' capabilities Complex country- and region-specific standards with information asymmetry, and non-transparent pricing Lengthy remediation cycles due to poor coordination	Professional consultants providing precise, market-specific testing and inspection strategies to reduce risks Transparent pricing and streamlined online system for mainstream certifications Direct coordination with labs and factories to provide remediation advice and accelerate remediation actions AI-powered system leveraged on RsP products that automatically recommends precise and compliant TIC services for global market access
Intellectual Property Protection	**IPP Services**	**Asset Protection:** IPP MASTER provides registration services for IP rights confirmation, and full-process intellectual property protection covering compliance management and risk prevention. **AI Search & Monitoring:** We provide AI-powered search tools to predict trademark registration success rates and lifecycle management modules that automatically monitor renewal deadlines and facilitate responses to office actions by qualified professionals.	Difficulty in obtaining IP rights due to complex jurisdiction-specific processes Fragmented IP management for trademarks, patents and copyrights, leading to missed renewals and loss of IP rights Lengthy and costly enforcement processes against infringement Limited IP asset utilization and valuation	AI-powered trademark naming, global IP search and registration success prediction Full lifecycle management and record maintenance of trademarks, patents and copyrights with automatic deadline monitoring and reminders Rapid IP enforcement integrated with major e-commerce complaint systems and offline legal resources AI-powered infringement analysis and response, rights enforcement, and risk monitoring through competitor monitoring, design similarity searches and TRO litigation alerts

The table below sets forth the AI and automation capabilities applied in each service line.

Service Line	AI and Automation Applied
VAT+	• Conversational service entry and progress tracking through EVAT MASTER · Xiao O; • AI recognition of input-VAT invoices for deduction claims; AI preliminary review of filing data; • API retrieval of sales reports from Amazon, Shopify, SHEIN, Allegro, Cdiscount and OTTO; • AI-based automatic registration, filing and deregistration workflows in our principal markets.
Overseas Corporate Services	• AI recognition of invoices, contracts and bank statements for bookkeeping support; AI company-name availability checks; • Direct API connections with banks for the automated transfer of account-opening information. • Automated recordkeeping for the Significant Controllers Register ("**SCR**").
EPR	• AI identification of EPR categories and one-click label generation; • Automated retrieval of customer filing materials from e-commerce platforms; • API/AI-based registration and filing.
Carbon Compliance	• AI-assisted structuring of supply-chain data and evidence chains, document preparation and project workflow support.
RsP and TIC	• AI analysis of applicable testing and labeling requirements from a product or store link; • Generation of compliance roadmaps; • Automated recommendation of TIC services. AI quotation and identification of testing items based on product attributes (including coatings, batteries and liquids). For certain product categories, customers can track progress online from AI-generated quotations through testing workflows managed by our self-developed laboratory information management system ("**LIMS**"). The system supports paperless testing workflows and structured reports for export as compliance evidence; • System integration with platform RsP verification systems, with API integration planned.

Service Line	AI and Automation Applied
IPP	• AI-assisted trademark naming; • AI-powered global IP search and indicative assessments of registration prospects; patent image search through third-party API; • Automatic monitoring of deadlines for renewals, sworn declarations and responses or defenses in intellectual property proceedings; • Global trademark portfolio mapping, analysis of risks from ownership spread across entities, defensive protection suggestions and monitoring for suspected bad-faith registrations; • Design patent image searches, infringement analysis and suggestions for modifying designs to reduce infringement risk.

Our Brand Portfolio

We deliver services across the four business segments through seven brands with different propositions on our one-stop global cross-border compliance platform. They share governed data, the O·AI agents and standardized tools where appropriate, while each brand keeps a distinct customer proposition and delivery model. The table below summarizes each brand's positioning and service coverage.

Brand	Positioning	Service Coverage
EVAT MASTER	Cross-border tax and product compliance brand primarily serving sellers based in Chinese Mainland	VAT+ (including registration, filing and tax-number management), EPR, RsP and selected TIC-related services
IPP MASTER	Global intellectual property registration, management and protection brand	IPP, including registration, maintenance, monitoring and protection of trademarks, design and invention patents and copyrights, along with trademark and design search, and TRO-related services
XMSAIL	Overseas corporate services brand	Company incorporation, annual compliance, bookkeeping, tax filing and related local services
GOING GREEN	Carbon compliance and sustainability services brand	Support for Climate Pledge Friendly, EPD, CDP, SBTi, CBAM and related carbon projects
VATAi	International-facing brand for cross-border compliance, serving sellers outside Chinese Mainland	Tax compliance across jurisdictions, overseas corporate services, environmental and product compliance, IPP and authorized representative services
AXIS	Cross-border compliance brand primarily serving compliance service providers acting on behalf of cross-border sellers on an agency basis	Partner-facing ordering, tax calculation, filing, status tracking and customer management, with EPR, IP and authorized representative services in the EU and the UK
NBTS	Product TIC services brand	Laboratory testing, certification support, and compliance verification

Shared Capabilities across Our Products

The table below sets out the shared capabilities that our products combine with domain-specific rules, delivery resources and controls.

Shared Capability	Where It Is Applied	Supporting Technology
Conversation and service matching	Enquiry, service selection and order placement across all platforms	Xiao O; intent recognition; service catalogue and recommendation tools
Authorized data retrieval and document handling	Collection, recognition and structuring of transaction data, invoices, certificates and filings	API connections with e-commerce platforms and regulators; document-recognition tools; document generation
Calculation, review and risk control	VAT+ and recycling-fee calculation, EPR category recognition, registrability assessment, name checks, filing review	Tax calculation engine; rule and knowledge base; risk monitoring; AI preliminary review
Filing, payment and status tracking	Submission to authorities, payment and invoicing, retrieval of official reference numbers	Official APIs; rule-based execution tools; payment and finance tools; status scanning
Knowledge and rule maintenance	Tracking regulatory change and updating products and workflows	Policy database; knowledge graph; retrieval services

Differentiated Brand Propositions

EVAT MASTER

EVAT MASTER is our principal brand for cross-border tax and product compliance. It serves primarily sellers based in Chinese Mainland that manage VAT+, EPR, RsP and related obligations across multiple jurisdictions, and during the Track Record Period it served the majority of our customer base. EVAT MASTER · Xiao O provides the conversational entry point through which users identify services, submit information and follow delivery progress.

Its differentiated value lies in direct system connectivity. EVAT MASTER is connected through APIs to the tax authorities in the United Kingdom, Germany, France, Italy and Spain. Users file periodic returns for these markets on a single dashboard, pay tax and process refunds online, and receive electronic acknowledgements from the tax bureaus in near real time. For EPR, the platform calculates recycling fees under the formulas published by recycling organizations and other competent bodies and, through direct connections with certain recycling bodies, assists with the electronic submission of registration and reporting materials. In Germany, France and Spain, among other markets, the relevant organizations recognize us as an authorized representative for EPR purposes, which allows us to deliver EPR services on a self-operated and transparent basis and reduces users' reliance on intermediaries.

A proprietary Compliance Hub stores each user's tax number certificates, filing receipts, EPR registration documents, recycling payment vouchers, trademark certificates, testing reports, and other compliance records in one place. Our Star Dome risk control system monitors filing status, payment status, registration validity and correspondence from authorities, and issues automatic alerts to users and our service teams when it detects overdue filings, abnormal declarations, approaching deadlines or official letters that require follow-up.

EVAT MASTER · TIC

We established our Shenzhen laboratory, EVAT MASTER · TIC, in 2025 for our product compliance business. It provides third-party TIC services for export products, including household appliances, portable energy storage batteries, electronic and audiovisual equipment, toys and children's products, food-contact materials, jewelry and textiles. Its services cover electrical safety, electromagnetic compatibility, battery transport safety, chemical and environmental safety, and mechanical and physical safety. As of June 30, 2026, it had over 3,000 square meters of laboratory space and nearly 380 sets of testing and ancillary equipment.

EVAT MASTER · TIC has obtained CNAS, CMA and U.S. CPSC accreditations and is recognized as a testing service provider by cross-border e-commerce platforms including AliExpress and TikTok. Its testing is primarily based on the product safety regulations and standards of the EU, the U.S., Canada and Australia. These include the EU Low Voltage Directive, Electromagnetic Compatibility Directive, Battery Regulation, UN 38.3, Toy Safety Directive, REACH regulation and Packaging and Packaging Waste Regulation. Its accredited scope covers 269 standards, including 9 assessment criteria, and 1,607 testing items. It can issue test reports against IEC, UL and Australian standards.

Drawing on this testing capability, as of June 30, 2026, the laboratory had reviewed compliance documentation for over 5,000 sellers using our EU and U.S. responsible person services, including in cooperation with Amazon's compliance department on spot checks of sellers' documents. This supports technical review, document verification, risk assessment and regulatory response, helping meet regulators' and platforms' requirements for authentic, complete and traceable product compliance documentation. The laboratory has developed an AI quotation system for cross-border e-commerce sellers and its own LIMS. These systems support automated quotation, paperless workflows and efficient information flow throughout the testing process, which we expect to improve service efficiency, quality control and scalability. With EVAT MASTER · TIC and NBTS, our product compliance business now offers end-to-end capabilities across authorized representative and TIC service workflows.

IPP MASTER

IPP MASTER supports the registration, maintenance, monitoring and protection of trademarks, design and invention patents, copyrights and other intellectual property rights across multiple jurisdictions. Users can run free preliminary searches of trademarks and other identifiers in major jurisdictions and use our AI-powered naming and name availability checks. Drawing on historical data and trained models, the platform gives an indicative assessment of the probability of successful registration, which helps users prioritize applications and allocate budgets. Our professionals remain responsible for matters that require legal or jurisdiction-specific judgment.

For trademark portfolios, our enterprise-grade agentic AI network maps a user's global holdings, identifies risks arising from ownership spread across entities, suggests defensive trademark protection measures, monitors suspected bad-faith registrations, and provides early warnings for TRO litigation risks. For design patents, this agentic AI network supports image searches, infringement analysis and suggestions for modifying designs to reduce infringement risk.

Once a user decides to file, IPP MASTER manages the workflow from preparation of application materials and submission to responses to examination opinions and changes of information. After registration, users record the registration numbers, jurisdictions, classes, validity periods and associated products of their rights, and the system monitors deadlines for renewals, maintenance, sworn declarations and responses or defenses in intellectual property proceedings, issuing reminders ahead of due dates.

Dashboards and reports present a user's global portfolio by jurisdiction, status, class and remaining term, together with key dates such as office action response deadlines and expiry dates, so that users can prioritize actions and allocate resources.

XMSAIL

XMSAIL provides overseas company incorporation, annual compliance, bookkeeping, tax filing and tax planning support, assistance with bank account opening and corporate secretarial services in major markets such as Hong Kong, Korea, Singapore, the United States and the United Kingdom. Its typical users are cross-border e-commerce sellers and other outbound businesses that need to establish and maintain overseas entities while managing compliance risks and documentation in multiple jurisdictions. It combines standardized online workflows with local professional support. AI and document tools assist with preliminary company-name checks, recognition and structuring of accounting records, and preparation of recurring materials.

XMSAIL draws on our global service network of local professional firms and institutions in major cross-border e-commerce markets. This network covers overseas tax authorities, corporate registries and financial institutions, and allows our teams to obtain timely updates on local requirements and coordinate filings and applications. For bank account opening, the platform structures the required information, such as corporate profiles and beneficial

ownership details, coordinates with partner financial institutions and tracks the progress of each application. Corporate secretarial services are provided through our own teams, such as in Hong Kong and Korea, and partners, and cover statutory registrations, filings and registered address services, safekeeping of corporate documents and correspondence with government authorities, and tax filing support. We also automate recordkeeping for the SCR. Each entity's incorporation, annual filing and bank account opening workflows are presented visually with their current status and next steps, and its corporate documents are stored in the cloud for authorized users to access. Incorporation, accounting and filing steps remain subject to the requirements of the relevant jurisdiction and, where applicable, to local professionals.

GOING GREEN

GOING GREEN focuses on carbon compliance and sustainability projects, including Climate Pledge Friendly, EPD, CDP, SBTi and CBAM-related services. It provides products from carbon footprint assessment and carbon neutrality planning to offsetting residual emissions, with a view to supporting science-based emission reduction targets. These projects require the collection and validation of supply-chain, material, production and logistics data.

Through GOING GREEN, users record data for large numbers of product identifiers, such as ASINs, together with material information and supplier documentation, and the system keeps full trails so that the data used in carbon calculations and certifications can be traced to its sources. This reduces the risk that platforms or certification bodies revoke labels or certifications because of inconsistent or outdated materials.

Based on product materials, categories and target platforms or markets, our teams recommend suitable combinations of certifications and declarations, such as whether a product is better suited to Amazon's Climate Pledge Friendly or EPD, which helps users avoid over-certification or misaligned certifications. GOING GREEN is also supported by our collaboration with certain overseas certification institutions and platforms. Where applicable, this allows project milestones to be connected directly and processed in parallel, which shortens the overall project cycle and helps maintain stable approval rates. Users can view the submission date, review stage and expected completion time of each certification project on the platform. After certification, the platform aligns certification materials with product data across SKUs and tracks the validity periods of key documents, and our consultants provide one-on-one support throughout project execution to keep labels in good standing.

VATAi

VATAi is our international-facing brand for sellers outside Chinese Mainland seeking multi-jurisdiction compliance support. With operational offices in Europe, the United States and Asia, it brings together tax, overseas corporate, environmental, product, intellectual property and authorized representative services through localized sales and delivery resources, and its clients span the United States, Europe and Asia. VATAi is a certified Amazon SPN partner and a recommended compliance service provider on Amazon's Global Selling Services Marketplace.

VATAi shares its technology architecture, functional modules and API integrations with EVAT MASTER. This allows us to replicate proven compliance workflows in new markets across Europe and the Americas. Its service teams in Europe, the United States and other regions tailor documentation and filing support to each country and region, and the platform manages large numbers of VAT numbers and EPR registrations for its clients. Dedicated account managers and transparent pricing support day-to-day compliance operations. Through this single international-facing entry point, sellers gain access to the Group's shared compliance tools and global delivery network.

AXIS

AXIS is our compliance service brand for two principal user categories: compliance service providers that handle tax, intellectual property and product compliance for cross-border e-commerce sellers as agents, which account for the larger share of its service order volume, and cross-border e-commerce sellers and overseas local sellers. While EVAT MASTER primarily serves e-commerce sellers directly, AXIS extends our reach to the compliance service provider segment. As of June 30, 2026, AXIS had served paying users across 38 countries and

regions. AXIS delivers its services through a collaborative network of locally based accountants and legal professionals in Europe, and supports agency-specific workflows, including consolidated order management and multi-client filing coordination, for providers that manage obligations on behalf of multiple seller clients.

Its VAT+ services cover European VAT, Middle East VAT, JCT and RFC, among other tax regimes. Its EPR services cover Germany, France and Spain, among other countries, across packaging, battery and WEEE regulations, and are supported by a dedicated European team that monitors regulatory changes. AXIS has secured multiple leading compliance service providers as clients for its EPR services. For instance, AXIS provides German EPR services through its local qualifications and delivery capabilities, making it recognized by Stiftung EAR as a WEEE guarantee provider and designated authorized representative. It also works with major German recycling schemes. Its services include WEEE guarantees, compliance for all battery categories, and packaging registration, reporting and recycling coordination. These services cover the full process of registration, authorized representation, guarantees, reporting and fulfillment of recycling obligations. AXIS can independently respond to official audits and regulatory inspections and handle exceptional filings and other complex compliance matters.

AXIS's trademark and patent registration and protection services cover the United States, the European Union and the United Kingdom, among other markets. For these services, AXIS works with intellectual property legal professionals in multiple countries to coordinate the full process from document review to application filing, and offers non-litigation products to help sellers address infringement matters or mitigate infringement risks.

NBTS

NBTS provides laboratory TIC services for consumer products (including toys and children's products, footwear and leather goods, bags and handbags, apparel and textiles, fashion jewelry and accessories, and light industrial products), food-contact materials, packaging materials and batteries. Established in 2010 and headquartered in Dongguan, Guangdong Province, NBTS also maintains strategic partnerships with regional agents in Guangzhou, Fujian and other locations in China. It operates through its own laboratory and cooperation with international third-party testing institutions. As of June 30, 2026, it operated one laboratory with a total area of approximately 4,000 square meters and had nearly 140 sets of testing and ancillary equipment. It has obtained CNAS, CMA and U.S. CPSC accreditations and issues testing reports bearing CMA and CNAS accreditation marks. It has also been certified as a TIC service provider for Temu, AliExpress, Amazon, SHEIN and TikTok and as an Amazon TIC direct verification institution for the toy product category, and can directly perform compliance verification for applicable products.

Its testing capabilities cover major PRC, EU and U.S. regulatory frameworks. These include PRC national standards such as GB 6675 and GB 18401. They also include EU legislations and standards such as EN 71, the REACH Regulation, the RoHS Directive, and the EU Battery Regulation; and U.S. legislations and standards such as the Consumer Product Safety Improvement Act and applicable ASTM standards. NBTS has also expanded into emerging compliance areas, including the EU Packaging and Packaging Waste Regulation and per- and polyfluoroalkyl substances testing.

NBTS's self-operated laboratory complements the TIC services available through our platforms, and EVAT MASTER users can place orders for NBTS testing services directly. A user can submit a product image or store link. For certain product categories, our TIC AI agent can identify testing requirements and product risk features, generate a quotation, prepare a compliance roadmap, recommend TIC services and produce structured reports for export as compliance evidence. The user can place a testing order and track progress online. The underlying tests and reports are performed under the applicable laboratory and accreditation procedures.

Typical Workflows

New registrations, agency transfers and periodic declarations follow the same six phases: intake, AI review, data preparation, professional review, government filing and closure.

New registration or agency transfer

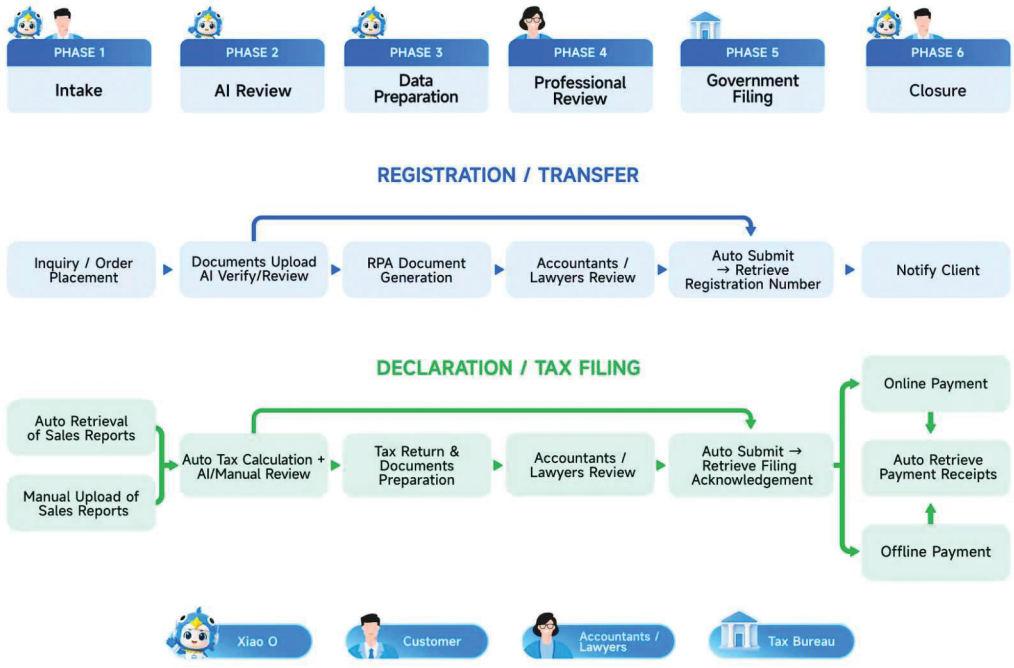
A customer selects and orders the relevant service and submits the required information. AI performs a preliminary check and returns immediate feedback on missing or inconsistent information, followed by an automated review. RPAs then generate the application documents. Where the jurisdiction or service requires it, an accountant, lawyer or other service provider reviews the application. The application is then submitted through an official API, an automated execution workflow or the relevant professional channel. Our systems periodically scan for the official registration number or a status update, and our platform notifies the customer of the result.

Periodic filing or declaration

With the customer's authorization, our platform retrieves the relevant sales reports; or the customer uploads them directly. The system calculates the tax or recycling charge using the applicable formula and rules, and AI or our personnel review the result, depending on the risk and the circumstances. The system then prepares the tax return or declaration and supporting documents. Accountants or lawyers review the filing where required. The declaration is submitted through a direct API, an automated execution workflow or a professional service channel, and our platform records the filing acknowledgement. The customer pays online or offline as applicable, and the platform automatically retrieves and stores the payment receipt.

Customers can start and follow these workflows through Xiao O by describing what they need in natural language. Xiao O orchestrates the relevant O·AI agents, while sensitive, exceptional or jurisdiction-specific matters continue to go through human or professional review.

The illustration below presents these workflows.



Case studies

Company A — Comprehensive compliance needs in the EU

Company Background and Compliance Challenges: Company A is a high-tech battery company integrating research and development, design, manufacturing, and sales of the primary battery products. Company A sells its products in Chinese Mainland and overseas through major cross-border e-commerce platforms, covering over 50 countries and regions globally, such as the U.S., the UK, Germany and Spain. In recent years, Company A has been faced with outbound regulatory and compliance requirements in multiple jurisdictions with its business expansion, which required Company A to coordinate with various service providers for tax, EPR, product testing and certification, and intellectual property compliance services. This approach resulted in relatively high coordination costs, fragmented data management and the absence of a consolidated compliance overview. Company A initially engaged us for VAT+ related compliance services, and eventually decided to work with us to address a broad range of its compliance needs.

Our Products and Achieved Business Value: To address Company A's multi-store and end-to-end compliance needs, we created a single account for its management of all compliance matters under that account, providing Company A with comprehensive services covering tax, environmental compliance and intellectual property compliance. Our one-stop global cross-border compliance platform has enabled the automatic synchronization of Company A's global sales data and reduced the risk of tax non-compliance by applying jurisdiction-specific tax rates based on transaction locations and updating applicable tax rates and filing requirements in real-time. We also completed batch EPR registrations for Company A across multiple EU jurisdictions based on the applicable requirements for different product categories. We have set up a data dashboard on our platform, which automatically aggregates products' sales volume and weight by category, generates quarterly or annual filings and facilitates the payment of recycling fees. In terms of brand protection, we, through our IPP MASTER platform, conducted a comprehensive registrability assessment of Company A's trademarks on a global basis. After reviewing the registration status of Company A's proprietary brands in target markets, we assisted Company A in strengthening its trademark portfolio in multiple jurisdictions such as the UK, certain EU member states and Mexico.

Company B — French VAT refund

Company Background and Compliance Challenges: In early 2025, we were engaged by Company B to assist with a French VAT refund application. Company B was not incorporated in France; however, it had previously misinterpreted the applicable VAT rules when issuing invoices to the French branch of Amazon for its supply of certain goods within France, resulting in the erroneous payment of French VAT that should not have been charged. Amazon subsequently requested Company B to recover the overpaid VAT by applying for a refund from the French tax authorities. Due to the complex regulations, stringent documentation requirements and lengthy processing timelines, it was challenging for Company B to apply for the French VAT refund, and any potential procedural error could result in the rejection of such application.

Our Products and Achieved Business Value: In response to this challenge, we leveraged our industry expertise and coordinated service framework to promptly initiate a professional and compliance-driven service process. Our product delivery team first analyzed the transaction structure and confirmed that the relevant supplies constituted local sales between a non-French supplier and a purchaser holding a French VAT registration number, for which French VAT was not required to be charged, thereby establishing the legal basis for the refund application. In the meantime, our system retrieved and processed Company B's key supporting documents, including sales data, purchase invoices, sales invoices, logistics documents and prior filing records, to ensure documentation completeness and accuracy, minimizing the risk of delays caused by documentation deficiencies.

Following submission of the refund application to the French tax authorities, we closely monitored the review process, responded to multiple requests for supplemental information and proactively communicated with the tax authorities to substantiate the legitimacy of the refund application. After nine months, Company B successfully recovered the VAT refund in full of more than €200,000. Beyond this matter, we have also established a long-standing cooperation with Company B and continued to provide Company B with comprehensive tax compliance services.

Company C — AI-assisted compliance assessment for multi-market expansion

Company Background and Compliance Challenges: Company C, a consumer goods company, planned to sell several products in overseas markets. It needed to identify the compliance requirements applicable to different products and obtain the relevant qualifications. Within a short timeframe, it had to research policies, classify products, select compliance products, prepare documents, and submit applications across multiple product categories and target markets.

Our Products and Achieved Business Value: Company C described its products, target markets, and service needs to Xiao O, which provided preliminary guidance on the compliance obligations potentially involved and how to proceed. It also used LinkSafe to retrieve the original regulations and policies applicable to certain products. Combining this regulatory information with Company C's product profile, AI indicated the qualifications potentially required, the applicable conditions, and the materials to prepare in advance. This narrowed Company C's information search and provided a reference for its internal decision-making.

After Company C confirmed its preliminary plan, Xiao O outlined the corresponding services, procedures, and document checklists for each product. Company C placed orders and submitted materials as prompted, and AI flagged common omissions, inconsistencies, and form-filling issues. Company C could track progress through the system, consult Xiao O on supplementary materials, processing milestones, and common compliance questions, and refer questions that standardized information could not resolve to our service personnel. For more specialized questions, such as the general approach to design patent applications, AI could provide preliminary analysis to help Company C form a basic understanding before consulting professionals.

The customer reported that the process covered its needs from compliance enquiry and regulatory research through service selection, ordering, and document submission to after-sales communication. It considered that AI made professional compliance requirements easier to understand, reduced the time spent on preliminary research and document organization, and provided practical support for its day-to-day compliance and intellectual property work.

Company D — AI-assisted document recognition and information reuse

Company Background and Compliance Challenges: Company D is a cross-border e-commerce business operating in multiple markets that routinely handles business licenses, corporate records, and product information. To apply for compliance services, it previously retrieved documents repeatedly for different service requirements and entered company and product information manually, item by item. When several applications ran in parallel, this repeated work was time-consuming and prone to omissions and entry errors.

Our Products and Achieved Business Value: After consulting Xiao O on the compliance requirements of its target markets and selecting services, Company D uploaded its business license and other corporate documents. AI recognized the company name, registered address, and other registration details and matched them to the corresponding form fields for Company D to check and confirm, reducing repeated entry steps and the risk of transcription errors. For applications involving multiple services, base information already recognized and confirmed could be reused in related workflows.

Before submission, AI organized the materials by service type and flagged potentially missing or incomplete information and items requiring further confirmation. Company D supplemented the materials as prompted and completed its submission. It could track progress on the platform and consult Xiao O on supplementary requirements and common questions, with our service personnel available to follow up on special situations.

The customer found the functions easy to use and responsive, and accessible to users unfamiliar with compliance procedures. It reported that document recognition and one-click filling noticeably simplified steps that previously required manual work, saving time and making information entry easier and more accurate, particularly when handling numerous documents or repeated entries.

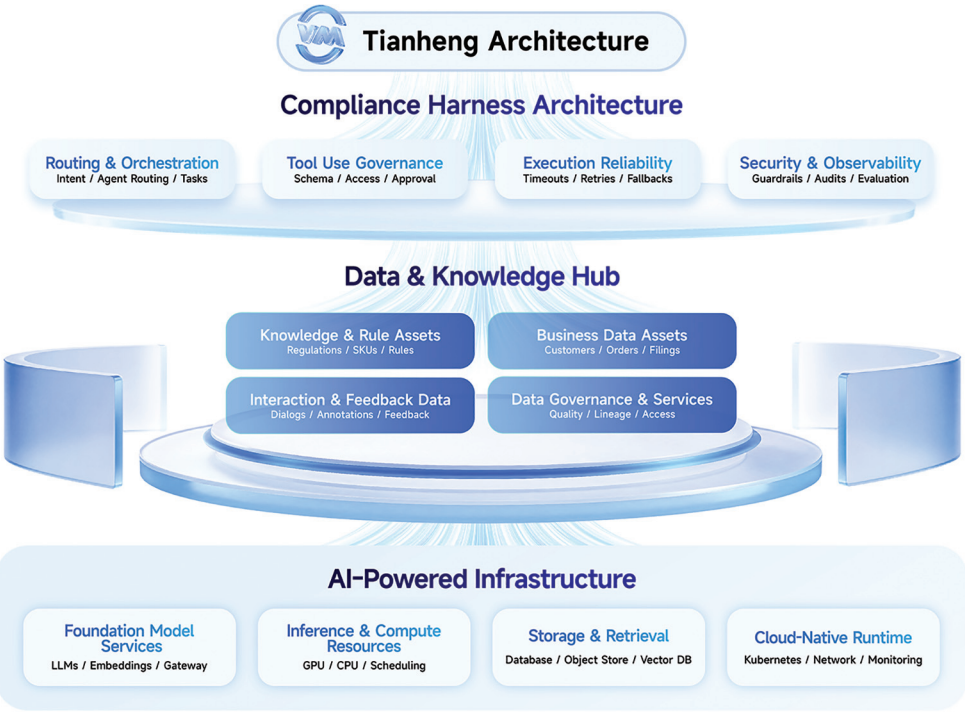
OUR TECHNOLOGY

Our business is underpinned by our proprietary Tianheng architecture, the technical infrastructure supporting our enterprise-grade agentic AI network, with direct system connectivity to overseas tax bureaus, corporate registries, e-commerce platforms and certification bodies.

Our AI Technology Architecture

Tianheng architecture comprises the Compliance Harness Architecture, the Data & Knowledge Hub and the AI-Powered Infrastructure. They coordinate tasks, organize the authorized knowledge and data, and provide model services, computing, storage and a cloud environment in which the applications run.

The following diagram illustrates the Tianheng architecture:



- **Compliance Harness Architecture.** This architecture coordinates agent tasks and controls tool use and execution.

  (i) Routing and orchestration identify a user's intent, direct the request to the appropriate agent and organize the tasks needed to complete it. Conversation memory and context management help the agents carry relevant information between steps.

  (ii) Tool use governance defines tool inputs and outputs and checks access permissions, action sensitivity, and required approvals before a tool is called, using the relevant configurations and specifications.

  (iii) Execution reliability sets time limits for stalled requests, retries after failures and fallback paths when the original route is unavailable. End-to-end tracing and audit logging allow us to reconstruct each action taken by an agent. Configuration management helps keep execution consistent.

  (iv) Security and observability cover scoped permissions, policy checks, human confirmation for sensitive operations, and evaluation of system behavior. Under CAICT's AI agent maturity framework, Level 3 applications can handle complex tasks in a single domain but require human review and confirmation at key decision points. End-to-end tracing and full tool-call logs allow agent actions to be reconstructed. Our zero-trust architecture verifies access, while prompt-injection defenses address instructions embedded in inputs that attempt to redirect an AI system.

Infrastructure safeguards include web application firewalls, continuous intrusion detection, traffic monitoring and automated alerts, separation of application and data layers, and access controls based on role and business need. Core-system data is encrypted in transit and at rest, with dual-cloud encryption. Tax-data connections use end-to-end encryption and certificate-based authentication. Near real-time cross-data-center replication and periodic full and incremental backups in separate locations are intended to support recovery of key services and critical business data.

- **Data & Knowledge Hub**. Agents use tools to retrieve the knowledge and data in this hub as they carry out compliance tasks.

  (i) Knowledge and rule assets include regulations, product identifiers and compliance rules that agents can retrieve and apply. Drawing on these assets and professional experience, we develop and continuously refine algorithms for tax calculations in our VAT+ services, EPR recycling fees, and other compliance calculations. These algorithms automate calculations that would otherwise require staff to interpret and apply multiple rules.

  (ii) Business data assets include customer, order and filing records. They cover authorized transaction and compliance product data obtained from e-commerce platforms, project and case records from our compliance services, intellectual property portfolios, and supply chain and supporting documents.

  (iii) Interaction and feedback data include conversations, annotations and feedback, which provide a record of interactions with our applications.

  (iv) Data governance and services manage data quality, record where information came from and how it has been processed, and control access. Tianheng collects, standardizes, cleanses, classifies and models structured and unstructured information for retrieval through defined services and APIs. A unified data model maps tax-authority data formats from different jurisdictions into a common internal structure so one integration can serve multiple jurisdictions. Its multi-tenant architecture separates tenant data within shared infrastructure.

- **AI-Powered Infrastructure**. This component provides the model services and computing environment used by our applications.

  (i) Foundation model services provide access to external general-purpose LLMs and embeddings, which are numerical representations used to find related information. Our model gateway connects to multiple external foundation models and manages routing, rate limits, cost controls and failover between providers, reducing dependence on any single provider.

  (ii) Inference and compute resources provide the graphics processors and other computing capacity needed to run models, serve their outputs to applications and schedule workloads.

  (iii) Storage and retrieval combine databases, object storage for files and other data, and a vector database that finds material with related meanings. Our knowledge graph records relationships between customers, orders, jurisdictions and applicable rules to help models base their responses on our own data.

  (iv) The cloud-native runtime uses Kubernetes to deploy and manage applications, together with networking and monitoring services. Systems run across multiple cloud environments and regions with redundancy to reduce single points of failure. Our deployment approach is intended to allow upgrades and maintenance without interrupting customer access, including for time-sensitive tax filings and regulatory reporting.

Across our brands, containerized services provide reusable functions such as user, product, and order management. Registration and discovery let services find one another, while circuit breakers and rate limits control failed or excessive requests. Message queues synchronize business changes across products in real time. Shared services for user management, orders, payments, settlement, and compliance filing unify key operational data, substantially improving workforce efficiency and reducing infrastructure maintenance costs.

AI Technology in Our Services

Our brands and internal operations use the O·AI agents built on and supported by our Tianheng architecture, together with tools to improve accuracy and efficiency of service delivery. Key applications include:

- **Intelligent tax calculation and risk monitoring**. For VAT+ services on EVAT MASTER, our intelligent tax engine draws on the Data & Knowledge Hub to apply multi-jurisdictional accounting and tax rules. It automatically calculates VAT and other applicable tax liabilities based on transaction data synchronized from e-commerce platforms upon user authorization. Our Star Dome risk control system monitors tax number status and filing behaviors in real time and triggers alerts for risks such as overdue filings or abnormal declarations.

- **AI-driven EPR and product compliance**. For EPR, RsP and TIC services, AI recognition identifies applicable EPR categories based on product links and attributes, and generates compliant labels and packaging information. Automation modules calculate recycling fees using official formulas and assist in preparing and submitting registrations and periodic declarations to recycling organizations and other competent bodies.

- **Intellectual property analytics**. IPP MASTER applies AI search and prediction models to global trademark and design databases to provide indicative assessments of registration prospects. It monitors renewal deadlines and office actions and supports IP lifecycle management across jurisdictions.

- **Corporate services and name verification**. XMSAIL employs AI to perform preliminary checks on proposed company names against local naming rules and available records, improving the efficiency of company incorporation processes and reducing the rate of rejections due to non-compliant names.

- **Carbon compliance data structuring**. GOING GREEN uses tools and templates to manage supply chain data and supporting evidence, including material composition, processes, and logistics. These resources support the documentation needed for Amazon's Climate Pledge Friendly, EPD, CDP, SBTi projects and EU CBAM declarations.

- **Product compliance assessment and testing**. LinkSafe, a Business Agent in the O·AI Suite, uses shared AI recognition and data retrieval to analyze product links and generate compliance roadmaps. For TIC, our platform automatically assesses product categories and target markets to identify required certifications, testing items, and estimated timelines. Customers can enter store or product links to view this information. Supported by NBTS's testing capabilities, the platform also offers self-service ordering and real-time progress tracking throughout the certification process.

Tianheng supports our enterprise-grade agentic AI network comprising Xiao O, the O·AI agents, over 200 reusable agentic skills, 36 integrated industry APIs, and various RPAs. Through this network, we make technical capabilities available across our brands where the service and customer authorization permit. For example, our intelligent tax calculation engine is used by both EVAT MASTER and AXIS, which reduced duplicative development effort by approximately 80%. Our OCR engine serves all seven brands, improving document processing efficiency by approximately 80% and reducing manual data entry costs by approximately 70%. Our EPR category recognition algorithm has improved filing accuracy to approximately 98% or above. As of June 30, 2026, our average compliance API response time was less than 200

ms. As of the same date, the recognition rates for banking documents and commercial invoices were 99.9% and 90.0%, respectively. As of the same date, all customers obliged to file tax declarations in Poland had used our AI deductible item recognition feature for those filings. The customer penetration rate of our AI-powered trademark naming and design patent search functions has continued to increase.

RPA and AI serve complementary roles. RPA executes rule-based, repetitive workflows without consuming model capacity. For these tasks, it remains faster and more predictable than a model-based approach, which we expect to continue for the foreseeable future. AI, by contrast, handles unstructured data and complex decisions that fall outside RPA's scope. We also use AI tools to shorten RPA development cycles and expect to keep investing in both capabilities, using each where it is suited.

RESEARCH AND DEVELOPMENT

Technology innovation is central to our competitiveness. Our R&D team has developed Xiao O, the O·AI agents, the shared resources and tools within the O·Foundation, and the Tianheng architecture that supports these applications. We invest in maintaining existing products, responding to regulatory changes and launching new features across our seven brands. Our R&D efforts focus on cross-border compliance scenarios rather than general-purpose software alone, combining engineering capabilities with deep domain expertise in international tax, product, intellectual property, corporate and carbon regulations. As of June 30, 2026, we had successfully integrated with over 60 tax authorities and agencies globally, established a dynamic compliance system covering our major markets for rapid policy adaptation and risk control, and maintained long-term partnerships with overseas agencies and technical providers to enable stable access to policy updates and technical resources.

Our Experienced R&D Team

As of June 30, 2026, we had an R&D team of 111 members, representing about 13.7% of our total staff. Approximately 73% of our R&D staff have academic backgrounds in information technology, such as computer technology, software engineering, communication engineering, electronic information engineering, and the Internet of Things. Our R&D personnel work closely with our specialists in global tax and compliance to translate complex and frequently changing rules into standardized, machine-readable logic and product features. Their work spans the design and maintenance of our platform architecture, the refinement of AI and data models, and quality assurance.

Cross-functional, Agile and Governed R&D Process

We are shifting from traditional, centralized development by R&D in response to business requests toward our internal AI-enabled forward-deployed engineering ("**AI-FDE**") model. Our R&D team provides AI development tools, technical platforms, engineering standards and security controls. Customer-facing teams use these resources and approved low-code tools to design features, build prototypes and develop lightweight applications, turning operational needs into workable technical plans. R&D focuses on the underlying platform, technical support, complex functions, and quality and security assurance.

Our R&D team also maintains the common architecture, tool standards, permissions, security controls, testing framework, release process and runtime monitoring for those applications, together with Tianheng's shared data services and integrations with external systems.

We validate use cases before full development. We devote a considerable amount of project time to selecting use cases and testing minimum viable products, which are working prototypes with the core features needed to test a proposed products. This approach can shorten projects that traditionally take months to a matter of weeks and reduce rework. It shortens the path from business feedback to delivery, helps more projects succeed and gain adoption, and accelerates the development and refinement of business applications.

New or materially changed functions undergo functional, integration, security and compliance testing, and high-impact functions may be piloted with selected internal users or customers before broader deployment. After release, we monitor usage, exceptions, incidents, regulatory updates and feedback, and improve the relevant agent, tool, rule or user experience.

We use a standardized R&D project management framework to support timely, high-quality project execution. This model allows business functions to respond quickly to practical needs while maintaining group-level standards for architecture, data, security and auditability.

Key R&D Focus Areas

At the user-experience level, we will improve Xiao O's intent recognition, interaction design, service coverage, progress transparency, delivery reliability, as well as its task planning and orchestration of the O·AI agents. Within the O·AI Suite, we will expand and refine the O·AI agents' capabilities while preserving the controls and professional review required for sensitive or complex matters.

Within Tianheng, we will strengthen task routing, tool use governance, execution reliability, monitoring and auditability. Our investment focuses on applying, integrating and governing externally sourced model capabilities for cross-border compliance. We will also develop and update structured compliance knowledge, and strengthen data governance and retrieval capabilities, to improve the accuracy and traceability of our AI outputs and automated services.

We continue to operate our O·AI agents to support particular customer journeys. API integrations and rule-based execution tools will continue to be developed as reusable agentic skills for the tasks to which they are suited.

At the ecosystem level, we plan to make selected existing capabilities available through open-platform integrations, including MCP services, reusable agentic skills, APIs. These integrations would allow customers to use our AI agents, API capabilities and automated execution tools within their own systems and support closer operational coordination with them.

SALES AND MARKETING

Domestic Sales

In-house sales teams

We mainly sell our products and services through our in-house sales teams in Chinese Mainland. These teams focus on acquiring new customers and deepening relationships with existing customers, with a particular emphasis on cross-border e-commerce sellers that require end-to-end compliance support in overseas markets. Through our one-stop global cross-border compliance platform, sales personnel can efficiently engage with customers online to understand their business models and their compliance needs, and recommend suitable combinations of our products. For larger or more sophisticated customers, we typically adopt an account-based approach with dedicated managers responsible for coordinating multi-product engagements across VAT+, overseas corporate, EPR, carbon compliance, RsP, TIC, and IPP.

Our domestic direct sales activities are mainly concentrated in regions with a high density of cross-border e-commerce sellers and export-oriented businesses, such as Shenzhen, Hangzhou, Xiamen, Zhengzhou and Qingdao. Our sales model is based on a standardized framework for providing end-to-end compliance services online through our proprietary compliance platforms. This online model broadens our customer reach and improves service efficiency, allowing our sales teams to serve a broader range of target customers across a wider geographic area.

Sales personnel are generally compensated through a combination of base salary and variable incentives linked to individual and team performance. Variable incentives typically take into account factors such as new customer acquisition, cross-selling of additional products to existing customers and renewal performance, with the aim of aligning sales behavior with long-term customer value rather than one-off transactions.

Ecosystem partners and indirect channels

While we contract directly with end customers for most of our services, we also leverage our ecosystem relationships to access and serve customers more efficiently. We cooperate with major cross-border e-commerce platforms and cross-border ecosystem service providers and enhance our presence as an official partner of these platforms, which has been proven to be successful as we significantly increased the new customer base acquired through platform collaborations in 2024 and 2025. In addition, our established working relationships with overseas accounting firms, law firms, testing laboratories, recycling bodies, and banks in key markets may introduce us to potential customers or jointly promote compliance services to their existing user bases.

Overseas Localized Sales and Service Network

As part of our global growth strategy, we are building local sales and service capabilities in key international markets, including the U.S., Germany, Italy, Spain, and the U.K. By recruiting professionals experienced in local regulations and business practices, we aim to better serve international sellers, understand their needs, respond more quickly, and build lasting trust in our services.

Operating under our international brand, VATAi, we connect with customers both online and offline. Online, we run targeted marketing campaigns across major channels like Google, Bing, and Meta, while working closely with leading cross-border e-commerce platforms such as Amazon and TikTok Shop. Offline, we regularly attend industry exhibitions in the U.S. and Europe to engage directly with overseas customers and channel partners.

Branding and Demand Generation

We undertake branding and marketing activities to enhance market awareness of our platforms and to generate demand for our services. As our products target different customer populations, we also use different sales strategies for different products. For example, as our VAT+, EPR and RsP services are generally considered essential services for e-commerce sellers, we tend to offer these services at an affordable price to attract a large number of new customers, whom we then work with to potentially convert into customers for other more specialized services. Our IPP, overseas corporate services and product compliance services are generally more specialized. Therefore, we emphasize building professional credibility and delivering personalized, risk-controlled services in promoting our offerings in these categories.

In Chinese Mainland, we promote our brands through a well-rounded marketing strategy. Offline, we build brand awareness through transit advertising in high-traffic areas, including subways, buses, and stations. We also share our expertise in cross-border compliance and global operations at industry conferences, trade shows, and seminars. Additionally, we partner with e-commerce platforms, logistics providers, and payment services for joint marketing campaigns to better support the cross-border business community.

Online, we use digital channels to attract customers and build brand interest. Through our websites, WeChat, Douyin, and Xiaohongshu, we regularly share product updates and practical guides for businesses expanding overseas. To reach the right audience, our marketing includes paid search, feed advertising, website campaigns, active social media engagement, and search engine optimization. These combined efforts help us connect with Chinese enterprises looking to go global, steadily growing our brand presence and turning prospects into active customers.

For overseas sellers, we use "VATAi" as the international-facing brand for our compliance offerings. Under this brand, we plan to invest in local-language digital marketing, including search engine marketing and social media campaigns, and to partner with local service providers to build awareness and trust among overseas sellers that may not be familiar with Chinese service providers.

Revenue Model

We generate revenue from fees charged for our compliance products and related services across the four business segments. Corporate and tax compliance revenue is generated from VAT+ registration and filing, tax-number management and risk monitoring, overseas corporate services, bookkeeping and related compliance services. Environmental compliance revenue is generated from EPR registration and declarations, carbon-compliance certifications and related projects. Product testing and certification revenue is generated from RsP, laboratory testing,

inspection, certification and related product-compliance services. Intellectual property protection revenue is generated from trademark, design patent, copyright and other intellectual property registration, management and protection services.

Within each segment, we derive revenue from (i) recurring compliance services, generally provided through ongoing platform and service arrangements, and (ii) value-added services for specific cases or certifications. Recurring services generally include periodic VAT+ registrations and filings, ongoing tax number hosting and risk monitoring, recurring EPR registrations and declarations, and annual corporate compliance and bookkeeping services. Value-added services typically include historical tax remediation, specific product testing and certification projects, individual trademark and design applications, and disclosure projects.

The revenue contribution of each segment is set out under "— Our Offerings — Performance of Our Business." We generally expect to recognize revenue from subscription-based arrangements over time, reflecting the continuous transfer of services during the contract period. For certain one-off project-based services, we generally expect to recognize revenue when the relevant service obligations are fulfilled. Revenue recognition follows the accounting policies and performance obligations described in the section headed "Financial Information."

Pricing

We use a market-driven pricing model. We set prices by considering underlying costs, target gross margins, market prices for comparable services, operating complexity, market risk, service scope and prevailing industry pricing. To ensure our rates remain fair and competitive, we regularly review supplier costs, market trends and customer feedback, adjusting our pricing where appropriate.

Customers can select and combine the standard service SKUs under each product and adjust their selection as their needs evolve. This model combines standardization and cost efficiency with support for more complex, customer-specific compliance needs.

Key Terms of Service Subscription Agreements

Users register an account on our platform, select services, place orders and enter into service subscription agreements online under the platform's terms and conditions. The table below summarizes typical terms of these agreements, which vary by service line and jurisdiction.

Scope of Services	Agreements typically specify the purchased services, such as (i) VAT+ registration, filing and transfers, (ii) EPR registration, filing and cancellation and (iii) authorized representative and product registration services. Additional consulting or related services may incur additional expenses.
Service Fees	Fees reflect the product line, scope and complexity of the services, at rates published on our platform. We may adjust rates for changes in operations, markets or relevant national authorities' policies.
Service Periods	Typically one year and renewable before expiry. Certain subscriptions allow valid service requests for three years after payment.
Payment Terms	Full payment before subscription and within seven calendar days after receipt of the bill. Payments overdue by more than 15 calendar days attract interest and collection costs.
Intellectual Property	All ownership and intellectual property rights in website information and services remain exclusively ours.
Confidentiality	Each party must take reasonable measures to protect the other's confidential information. Use is limited to purposes directly related to performing the agreement.

Indemnity	The user warrants the authenticity, accuracy and completeness of all materials submitted, and is responsible for filing declarations, making statutory payments in full and on time, and completing deregistration as required. The user shall indemnify and hold us, our affiliates and our third-party service partners harmless from any and all losses, penalties, fines or third-party liabilities arising from the user's breach of these obligations.
Termination	We may terminate an agreement or subscribed service unilaterally, at any time and without liability to the user, in certain circumstances, including if a user misses a required filing deadline, leaves fees unpaid, breaches the agreement, violates laws or third-party rights. The user may terminate early on at least two months' notice. Paid fees are non-refundable, and if they do not cover our losses, we may recover full compensation and enforcement costs from the user.
Limitations of liability	To the fullest extent permitted by applicable law, neither we nor our licensors, affiliates, subsidiaries, or their respective personnel are liable for any indirect, incidental, consequential, special, punitive, or exemplary damages, and our total aggregate liability is capped at the fees paid for the relevant services. A dissatisfied user's sole and exclusive remedy is to discontinue the use and terminate the subscription agreement.

Certain service-specific terms apply to our agreements for NBTS testing and certification services. These agreements generally provide that:

Service term and completion	Service orders generally remain valid for one year after payment. A service is generally completed or terminated when NBTS issues a formal test report or a test result notice for a failed or inconclusive sample, or, after issuing a sample rectification notice, the user does not resubmit compliant samples and required materials within the specified period.
Fees, payment and refunds	Fees generally cover testing, but exclude certain ancillary charges. The agreements generally require one-time upfront payment and allow refunds only if the user has not submitted any samples or materials within seven days after purchase.
User obligations	Users are generally required to submit samples and related materials within seven days after purchase, bear delivery costs and transit risks, and cooperate with requests for supplemental information, retesting, or site inspections.
Delivery arrangements	NBTS is generally allowed to subcontract all or part of the relevant services to qualified third-party institutions and provide for sample handling and disposal arrangements.

SEASONALITY

We generally observe higher sales in the fourth quarter of each year, primarily due to annual subscription renewals. However, our revenue is recognized over time, and as a result, we have not experienced material seasonal fluctuations in our revenue.

OUR CUSTOMERS

Our customer base primarily comprises cross-border e-commerce sellers that sell goods from Chinese Mainland and other markets into overseas destinations. We also serve other outbound businesses that require corporate and tax compliance, environmental compliance, product testing and certification, and intellectual property protection services. As of June 30, 2026, we had cumulatively served over 264,000 paying users on our platforms. As of the Latest Practicable Date, we had provided compliance services in 121 countries and regions worldwide. These customers sell across a wide range of categories and operate on multiple platforms, which helps diversify our exposure to individual industries or platforms.

Customers use our platforms and services for different stages of their cross-border expansion. Some customers are early-stage sellers that primarily require VAT+ registration, overseas corporate services and basic filing services, while others are more established businesses with multi-country tax footprints, complex product portfolios and needs for EPR, RsP, IPP, TIC and carbon compliance services. Our modular product design enables us to serve both smaller "entry-level" customers and larger companies with more sophisticated compliance requirements.

The relationships with our customers are governed by our standard service subscription agreements. In order to access our services, a user account is required to be registered on our platform. Upon successful registration, users may utilize their accounts to submit purchase orders for our services in accordance with the terms and conditions stipulated on the platform. The user may select a specific service for purchase, place a purchase order and sign a service subscription agreement with us online. The service subscription agreement sets out, among other matters, the scope of services, pricing and payment terms, allocation of responsibilities for underlying information and filings and data protection arrangements. For a summary of the principal terms of such agreement, see "— Sales and Marketing — Key Terms of Service Subscription Agreements."

Our Top Five Customers

During the Track Record Period, our customers mainly consisted of a large number of cross-border e-commerce sellers and other crossborder businesses that engaged us for various cross-border compliance services. During the Track Record Period, revenue from our five largest customers accounted for less than 5% of our total revenue in each year/period. Given the nature of our services and our large and dispersed customer base, we were not subject to any material customer concentration risk during the Track Record Period.

During the Track Record Period, and to the best of our Directors' knowledge, none of our Directors, their respective associates or any of our shareholders who, to the knowledge of our Directors, owned more than 5% of our share capital had any interest in any of our five largest customers that would be required to be disclosed under the Listing Rules.

Customer Support and Relationship Management

We aim to build long-term relationships with our customers by providing comprehensive support throughout the customer lifecycle. Our service teams assist customers in choosing appropriate products and service combinations, help them onboard to our platforms, and provide ongoing support during daily use. We offer training and guidance on how to use our systems to manage tax, product, intellectual property, corporate and carbon compliance, and we actively collect customer feedback to inform product improvements and new feature development.

Our self-developed AI online customer service system went live in August 2026. As of the Latest Practicable Date, it had handled 20,230 customer inquiries, and since August 15, 2026, it has processed 100% of incoming inquiries. The system features AI-assisted responses, smart chatbots, conversation tagging, analytics and management insights. By organizing and analyzing customer inquiries, service records and frequently asked questions, the system helps our personnel quickly identify customer needs, retrieve relevant information and provide highly consistent responses. We continue to refine its knowledge base and integrate it with real

business scenarios to support resource allocation, quality assessment and operational decision-making. Ultimately, by combining human expertise with smart tools, we further improve response efficiency, service standardization and overall management capabilities.

In certain service lines, such as carbon compliance under GOING GREEN, we provide one-on-one project management and comprehensive consulting services during project execution, aiming to ensure that certification projects progress smoothly and that customers understand each step of the process. For tax and environmental compliance services, our Star Dome risk control system and related operational teams monitor filing status and potential anomalies and proactively remind customers to take corrective actions where necessary.

We plan to further strengthen our customer success capabilities by refining our internal processes for tracking customer usage and satisfaction, identifying customers with potential cross-selling opportunities and designing specific engagement plans to help them derive more value from our platforms. We also intend to enhance our complaint-handling mechanisms and escalation procedures to ensure that any customer issues are resolved promptly and systematically.

PRODUCT DELIVERY AND QUALITY CONTROL

We are responsible for product delivery, namely, to provide the services to our customers either through our in-house delivery team or by engaging third-party service providers. During the Track Record Period, our in-house delivery team contributed to approximately 70% of our product delivery, and we expect to further enhance our self-operated delivery capabilities going forward.

Our delivery teams have used AI tools to reduce repetitive work and manual processing time. From April to June 2026, the number of VAT+ and EPR service orders we processed increased by 77% compared with the same period in 2025, supporting our ability to handle business growth.

Navigating complex cross-border regulatory environments can be challenging for our customers, and we have implemented a series of quality control measures to ensure that our process is reliable, timely and smooth for customers. We have established a standardized quality control system, which includes standard operating procedures, dual-system data accuracy and compliance control operated by our system and our staff, delivery process monitoring and milestone management, and continuous quality reviews and compliance tracking. As a recognition of our quality control efforts, we have obtained the certification of ISO/IEC 9001:2015 (quality management).

OUR SUPPLIERS

During the Track Record Period, our suppliers mainly comprised (i) overseas professional service providers, including accounting firms, law firms, testing laboratories, certification bodies, environmental agencies, recycling companies, intellectual property agencies, banks, guarantee institutions, and translation service providers that assist us in delivering tax, product, intellectual property, corporate and carbon compliance services; and (ii) providers of cloud infrastructure and other technology services. We have established long-term cooperative relationships with over 500 third-party service providers globally, across major cross-border e-commerce markets, forming a localized service network that underpins our compliance services. We manage these suppliers through SCM. See "— Supplier Management and Quality Control."

We select suppliers considering multiple factors, including their business background and qualification, company size and compliance status, communication efficiency, costs, delivery and responsiveness, ability to adapt to changes and handle unexpected situations, and cooperativeness. We keep regular communications with our suppliers during the course of their engagement, and have a standard reporting system if we encounter issues with a supplier. We evaluate our suppliers using the same criteria as those used for supplier selection, and we then use such evaluation results to determine whether we will continue our engagement with the suppliers.

In 2023, 2024, 2025 and the six months ended June 30, 2026, purchases from our five largest suppliers amounted to RMB43.7 million, RMB65.7 million, RMB89.3 million and RMB55.9 million, respectively, representing approximately 36.8%, 39.5%, 35.8% and 31.1% of our total purchases for the same periods. During the same periods, purchases from our largest supplier amounted to RMB11.6 million, RMB23.9 million, RMB32.0 million and RMB24.7 million, respectively, representing approximately 10.2%, 14.4%, 12.8% and 13.8% of our total purchases for the same periods.

To the best of our Directors' knowledge, none of our Directors, their respective associates, or any of our shareholders who, to the knowledge of our Directors, owned more than 5% of our share capital, had any interest in any of our five largest suppliers during the Track Record Period that would be required to be disclosed under the Listing Rules.

Our Top Five Suppliers

Year ended December 31, 2023

Supplier	Major services/ products procured	Purchase amount	% of total purchases	Commencement of business relationship	Background of the supplier	Credit term
		(in RMB millions)				
Supplier A . .	Household packaging waste management in France	11.6	10.2	2023	A non-profit organization headquartered in Paris, France, which primarily engages in French household packaging waste management services	Payment upon receipt of invoice
Supplier B . .	German WEEE recycling services	10.7	9.4	2023	An overseas company registered in Aachen, Germany, which primarily engages in the take-back and recycling services under the German WEEE Act	Payment upon receipt of invoice
Supplier C . .	Recycling services under the German Packaging Act	10.4	9.1	2021	An overseas company headquartered in Herborn, Germany, which primarily engages in packaging waste recycling services in Germany	Payment upon receipt of invoice
Supplier D . .	German WEEE recycling services	5.6	4.9	2023	An overseas company headquartered in Eschborn, Germany, which primarily engages in official registration services under the German WEEE Act	Payment upon receipt of invoice
Supplier E . .	Statutory registration and administrative services under the German WEEE Act and the German Battery Act	5.4	3.2	2021	A German joint enterprise of manufacturers that is established in accordance with the German WEEE Act and is mainly responsible for the implementation of this Act	Payment upon receipt of a payment notice
Total		**43.7**	**36.8**			

Year ended December 31, 2024

Supplier	Major services/ products procured	Purchase amount	% of total purchases	Commencement of business relationship	Background of the supplier	Credit term
		(in RMB millions)				
Supplier C . .	Recycling services under the German Packaging Act	23.9	14.4	2021	An overseas company headquartered in Herborn, Germany, that primarily engages in packaging waste recycling services in Germany	Payment upon receipt of invoice
Supplier B . .	German WEEE recycling services	16.8	10.1	2023	An overseas company registered in Aachen, Germany, that primarily engages in the take-back and recycling services under the German WEEE Act	Payment upon receipt of invoice
Supplier A . .	Household packaging waste management in France	8.6	5.1	2023	A non-profit organization headquartered in Paris, France, that primarily engages in French household packaging waste management services	Payment upon receipt of invoice
Supplier D . .	German WEEE recycling services	8.4	5.1	2023	An overseas company headquartered in Eschborn, Germany, that primarily engages in official registration services under the German WEEE Act	Payment upon receipt of invoice
Supplier E . .	Statutory registration and administrative services under the German WEEE Act and the German Battery Act	8.0	4.8	2021	A German joint enterprise of manufacturers, that is established in accordance with the German WEEE Act, and mainly responsible for the implementation of this Act	Payment upon receipt of a payment notice
Total		**65.7**	**39.5**			

Year ended December 31, 2025

Supplier	Major services/ products procured	Purchase amount	% of total purchases	Commencement of business relationship	Background of the supplier	Credit term
		(in RMB millions)				
Supplier C . .	Recycling services under the German Packaging Act	32.0	12.8	2021	An overseas company headquartered in Herborn, Germany, that primarily engages in packaging waste recycling services in Germany	Payment upon receipt of invoice
Supplier B . .	German WEEE recycling services	18.9	7.6	2023	An overseas company registered in Aachen, Germany, that primarily engages in the take-back and recycling services under the German WEEE Act	Payment upon receipt of invoice
Supplier F . .	Carbon Neutrality Certification	16.1	6.5	2023	An overseas company headquartered in Munich, Germany, that primarily engages in carbon neutrality certification services	Payment within 30 days after receipt of invoice
Supplier D . .	German WEEE recycling services	11.3	4.5	2023	An overseas company headquartered in Eschborn, Germany, that primarily engages in official registration services under the German WEEE Act	Payment upon receipt of invoice
Supplier A . .	Household packaging waste management in France	11.0	4.4	2023	A non-profit organization headquartered in Paris, France, that primarily engages in French household packaging waste management services	Payment upon receipt of invoice
Total		**89.3**	**35.8**			

Six months ended June 30, 2026

Supplier	Major services/ products procured	Purchase amount	% of total purchases	Commencement of business relationship	Background of the supplier	Credit term
		(in RMB millions)				
Supplier C . .	Recycling services under the German Packaging Act	24.7	13.8	2021	An overseas company headquartered in Herborn, Germany, that primarily engages in packaging waste recycling services in Germany	Payment upon receipt of invoice

Supplier	Major services/ products procured	Purchase amount	% of total purchases	Commencement of business relationship	Background of the supplier	Credit term
		(in RMB millions)				
Supplier B . .	German WEEE recycling services	9.2	5.1	2023	An overseas company registered in Aachen, Germany, that primarily engages in take-back and recycling services under the German WEEE Act	Payment upon receipt of invoice
Supplier E . .	Statutory registration and administrative services under the German WEEE Act and the German Battery Act	9.0	5.0	2021	A German joint enterprise of manufacturers established in accordance with the German WEEE Act and mainly responsible for the implementation of such act	Payment upon receipt of a payment notice
Supplier A . .	Household packaging waste management in France	7.9	4.4	2023	A non-profit organization headquartered in Paris, France, that primarily engages in French household packaging waste management services	Payment upon receipt of invoice
Supplier D . .	German WEEE recycling services	5.1	2.8	2023	An overseas company headquartered in Eschborn, Germany, that primarily engages in official registration services under the German WEEE Act	Payment upon receipt of invoice
Total		**55.9**	**31.1**			

We expect that our supplier base will remain relatively diversified. While we rely on certain core suppliers and partners in particular markets or service lines, we have established relationships with multiple alternative suppliers in key jurisdictions and plan to further broaden and optimize our supplier network. We do not expect that the loss of any single supplier would have a material adverse impact on our business as a whole, although disruptions or changes in relationships with one or more important suppliers in a specific region or service line could affect our cost structure or service capacity in that area. For risks associated with third-party suppliers and partners, see "Risk Factors — Risks Related to Our Business and Industry — Our offerings are subject to third-party dependencies. In particular, our suppliers are important to our product delivery."

Key Terms of Agreements with Suppliers

We typically enter into framework service agreements with our suppliers, under which they provide specific compliance-related services or deliverables in accordance with our instructions and the requirements of the relevant authorities, platforms or certification bodies. During the Track Record Period and up to the Latest Practicable Date, there was no material breach of our agreements with key suppliers by us or by such suppliers. The detailed terms vary depending on the type of service and jurisdiction, but our agreements with key suppliers generally cover the following aspects:

- **Scope of services.** Agreements typically set forth the types of services to be provided, such as tax filing support in specified jurisdictions and other localized compliance services.

- **Service quality and timelines.** Suppliers are generally required to perform their services in accordance with applicable laws and regulations and our instructions, and to meet agreed timelines. In certain cases, we may specify key performance indicators, such as turnaround times for filings or issuance of reports.

- **Pricing and settlement.** Fees payable to suppliers are usually based on the type of services provided, taking into account factors such as the jurisdiction, work scope, and subsequent annual renewal discount. We typically settle payments with suppliers by bank transfer in accordance with agreed billing cycles.

- **Confidentiality.** Each party is typically required to keep the other party's business secrets confidential and not to disclose any business information learned in the course of such agreement to any third party. Suppliers may not disclose to any third party any information, customer data or documents provided by us, except to relevant regulatory authorities to complete the services under the agreement.

- **Data protection.** Our agreements with suppliers usually contain mutual obligations to comply with applicable laws and regulations on personal information and data protection. Suppliers shall process, transmit or store our customers' data only to the extent necessary to fulfill their obligations under the agreement and shall not provide any customer's personal data to a third party without our prior written consent.

- **Liability.** Suppliers are liable for any losses suffered by us and our customers due to causes attributable to them, including inadequate qualifications or late professional advice. We may unilaterally terminate an agreement with a supplier and seek compensation in the event of a fundamental breach.

- **Term and termination.** Framework agreements typically run for one year, renewable by mutual agreement. Early termination may occur by mutual consent or where legal or regulatory changes prevent the agreement's purpose or services from being fulfilled. On termination, suppliers must complete performing the outstanding services and the parties shall settle accounts based on the actual services performed.

Supplier Management and Quality Control

We consider effective supplier management to be critical to our ability to deliver high-quality and cost-efficient services. Drawing on our long-term cooperation with over 500 suppliers worldwide, we have developed processes to select, monitor, evaluate and optimize our supplier base. We evaluate potential and existing suppliers based on factors such as professional qualifications, local expertise, historical cooperation records, responsiveness, service quality, supplier quotations and costs. Underperforming suppliers may be downgraded or removed from our network, while high-performing suppliers may receive increased business allocations. We have further enhanced our supplier management through digital tools and data analytics.

We have launched SCM, covering supplier development, policy monitoring, contracting, compliance, performance assessment and operating dashboards. Information that used to sit in spreadsheets, emails and meeting notes is now recorded as structured data with an audit trail. Automated document filling, enquiry follow-up and task tracking reduce repeated data entry. Access controls, qualification checks, contract-renewal alerts and version records support review at key steps. Supplier master data, a country-and-service map, a policy library and operating data now sit in one place to support allocation, coverage and cost decisions.

OVERLAPPING CUSTOMERS AND SUPPLIERS

During the Track Record Period, two of our five largest customers for the six months ended June 30, 2026 also provided services to us, directly or through a branch, during the same period. The relevant transactions occurred only in the six months ended June 30, 2026.

One customer purchased EPR and VAT+ services from us and provided EPR services to us. In particular, we engaged it to handle certain French EPR service orders, while we provided German EPR services to it. As the relevant EPR services related to different jurisdictions, they

did not overlap. Revenue generated from and purchases made from this customer amounted to approximately RMB4.4 million and RMB83.2 thousand, representing 1.15% of our total revenue and 0.05% of our total purchases for the same period, respectively.

The other customer purchased product testing and certification services from us, while its Shenzhen Branch provided us with Amazon Europe DV audit report services, which fell outside the scope of the service qualifications held by our testing subsidiary. The services provided by the parties were different and did not overlap. Revenue generated from this customer and purchases made from its Shenzhen Branch amounted to approximately RMB1.2 million and RMB34.5 thousand, representing 0.30% of our total revenue and 0.02% of our total purchases for the same period, respectively.

Our Directors confirm that the relevant sales and purchases were negotiated separately, were neither inter-connected nor interconditional, and were conducted in the ordinary course of business under normal commercial terms and on an arm's length basis.

COMPETITION

According to CIC, the competitive landscape of the global and China's cross-border e-commerce compliance services industry is relatively fragmented. We face competition from traditional compliance service providers and other cross-border e-commerce compliance platform providers in Chinese Mainland and globally.

The principal competitive factors in our industry include e-commerce and regulatory compliance knowledge, advanced and user-friendly brand offerings, expansion of products and features, technical capabilities, sales and marketing capabilities, and customer service. We believe we are well-positioned to compete effectively in this industry based on these factors. However, some of our existing or future competitors may have longer operating histories, larger customer bases, greater name recognition and a broader global footprint as well as greater financial, technical and other resources. See "Risk Factors — Risks Relating to Our Business and Industry — We operate in a competitive market and may not be able to compete successfully against our existing and future competitors." For more information on the competitive landscape of our industry, see "Industry Overview."

INTELLECTUAL PROPERTY

Protecting our intellectual property arising from our research and development activities and from the operation of our platforms is key to our business. As of June 30, 2026, we held 18 invention patents, 28 utility model patents, 3 design patents, 244 registered trademarks, 15 registered copyrights, 81 software copyrights and 33 registered domain names in Chinese Mainland. As of the same date, we also held 80 registered trademarks and 35 registered domain names overseas. See "Appendix VI — Statutory and General Information — Further Information about Our Business — Intellectual Property Rights" for further details of our material intellectual property rights. These intellectual property rights primarily cover our system architectures, functional modules and processes for our compliance services.

We rely on a combination of intellectual property protection laws and contractual arrangements to establish and protect our proprietary technologies, know-how and other intellectual property rights. Our legal and intellectual property teams are primarily responsible for managing our intellectual property portfolio. We proactively manage and expand our portfolio and use confidentiality terms and, where applicable, intellectual property assignment with employees, consultants and certain business partners to protect our trade secrets and proprietary information. Despite these measures, we may from time to time face risks relating to alleged infringement of third parties' intellectual property rights or unauthorized use of our intellectual property by others. For a discussion of such risks, see "Risk Factors — Risks Related to Our Business and Industry — 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."

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material infringement of our intellectual property rights, and, to the best knowledge of our Directors, neither our Group nor any of our intellectual property rights had been the subject of any material dispute, claim or litigation relating to intellectual property infringement.

EMPLOYEES

Our people are essential to our ability to develop and deliver cross-border compliance products. As of June 30, 2026, we had 807 employees. Our employees are primarily based in Chinese Mainland, with a presence in multiple cities that serve as hubs for cross-border e-commerce and outbound business activities, such as Shenzhen and Hangzhou.

The following table sets forth the number of our employees by function and by region as of June 30, 2026:

	Number of employees	% of total employees
Sales and marketing	237	29.4
Research and development	111	13.7
Operations and delivery	404	50.1
Administration and support	55	6.8
Total	**807**	**100.0**

	Number of employees	% of total employees
Chinese Mainland	766	94.9
Overseas	41	5.1
Total	**807**	**100.0**

We seek to attract and retain talent with experience in cross-border e-commerce, compliance, technology and customer service. We primarily recruit employees in Chinese Mainland through online recruitment platforms, internal referrals and cooperation with industry partners. We provide new employees with induction training covering our corporate culture and policies, internal systems and job-specific training. In addition, we organize regular and specialized training, both online and offline, for employees in different departments, such as updates on regulatory changes for compliance staff, product and sales skills for front-line teams, and technical training for R&D personnel. These programs are designed to equip employees with the skills and knowledge necessary to support our business development. Our compensation packages generally comprise base salary and performance-based bonuses.

We believe we maintain good working relationships with our employees. As of the Latest Practicable Date, our employees had not formed any labor union or similar organization. To our knowledge, we had not experienced any material labor disputes or significant difficulties in recruiting or retaining talent during the Track Record Period and up to the Latest Practicable Date.

Social Insurance and Housing Provident Funds

As required by PRC laws and regulations, we are required to make contributions to statutory social insurance schemes, including pension, medical, work-related injury, unemployment and maternity insurance, and to housing provident funds for our employees in the PRC. 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, if an employer fails to make sufficient social insurance contributions, the relevant authorities may order the employer to make up the contributions within a prescribed time limit and to pay a late payment penalty at the daily rate of 0.05% of the outstanding amount, and may impose a fine of one to three times the outstanding amount if the employer fails to do so within such period. If an employer is overdue

in the payment or underpays the housing provident fund, the competent authority may order the employer to make up the contributions within a prescribed time limit and, failing that, may apply to a PRC court for compulsory enforcement.

Our PRC Legal Advisor is of the view that, taking into account the current regulatory environment and enforcement practice, provided that (i) there are no material changes in the applicable laws, regulations or local enforcement policies and (ii) we complete the rectification measures and make any required supplementary contributions within the prescribed periods if so ordered, 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.

During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material administrative penalties, orders or other disciplinary actions imposed by the relevant PRC authorities, and we were not aware of any material employee complaints, labor disputes, litigation or arbitration in relation to social insurance or housing provident fund contributions. For further discussion of the risks associated with our historical social insurance and housing provident fund contribution arrangements, see "Risk Factors — Risks Related to Our Business and Industry — Failure to make adequate contributions to various employee benefit plans as required by PRC regulations may subject us to penalties."

INSURANCE

We maintain insurance policies that are required under PRC laws and regulations, as well as additional insurance coverage determined with reference to our operational needs and prevailing industry practice, which currently include statutory employee social insurance plans, such as pension insurance, unemployment insurance, maternity insurance, work-related injury insurance and medical insurance and housing provident fund contributions. We review our insurance arrangements from time to time to assess the adequacy and scope of coverage in light of our business scale and risk profile. During the Track Record Period, we had not made, and had not been the subject of, any insurance claims that were material to our business, financial condition or results of operations.

We believe that our existing insurance coverage is appropriate for our current operations and is generally in line with prevailing industry practice. However, our insurance may not be sufficient to cover all potential losses, and we may be subject to claims or liabilities that are not fully covered or are excluded under our policies. For further details, see "Risk Factors — Risks Relating to Our Business and Industry — We may not have sufficient insurance coverage to cover our potential liability or loss, and our business, financial conditions, results of operations and prospects may be materially and adversely affected should any such liability or loss arise."

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

We are dedicated to integrating Environmental, Social, and Governance ("**ESG**") considerations into our corporate strategy and daily operations. We believe that a strong commitment to sustainable development is important to our long-term success and will continue to enhance our corporate value. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any fines or other penalties due to noncompliance with health, safety or environmental regulations.

Environment

Given our business nature as a technology-based company, we do not operate any production facilities or otherwise impose any significant impacts on the environment. Therefore, we are not subject to significant environmental risks. However, as an integral part of our ESG commitments, we have been making significant efforts towards environmental protection and sustainability. For example, our products enable regulatory processes to be done in a paperless manner. In addition, our EPR services help sellers fulfill their environmental recycling obligations, and our GOING GREEN platform is dedicated to promoting low-carbon products.

We also adopt a low-carbon policy in our workplace and daily operations, such as using electronic channels for internal communication to minimize paper waste, switching off all electronic equipment and lights after meetings, observing a daily lights-off period during lunch hours, and using digital platforms for service workflows. We recorded electricity consumption of 261,748 kWh, 269,025 kWh, 322,217 kWh, 135,194 kWh and 166,329 kWh in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. The increase of our electricity consumption in the six months ended June 30, 2026 as compared to the corresponding period in 2025 was mainly due to business and office expansion.

We recorded water consumption of 585 tonnes, 647 tonnes, 824 tonnes, 387 tonnes and 469 tonnes in 2023, 2024, 2025 and the six months ended June 30, 2025 and 2026, respectively. Accordingly, our water consumption intensity per RMB10,000 of revenue was approximately 0.02 tonnes, 0.02 tonnes, 0.02 tonnes, 0.02 tonnes and 0.01 tonnes, respectively.

Social Responsibility

We take our social responsibility seriously as we work closely with cross-border e-commerce sellers to navigate overseas regulatory requirements. We are also committed to providing a friendly and welcoming work environment to our employees. For example, we provide competitive leave benefits, annual health checkups and flexible working hours. We also offer ample training opportunities and incentives for employees to obtain professional certifications, which are designed to encourage their career development. As of June 30, 2026, 52.4% of our mid- to senior-level employees were female.

The following table sets forth a breakdown of our employees as of June 30, 2026:

		Number of Employees
By gender	Male	272
	Female	535
By age	30 or under	547
	31 to 40	229
	41 to 50	25
	Over 50	6
Total		**807**

Governance

Our Board has the collective and overall responsibility for establishing, adopting and reviewing our ESG vision, policy and target, and evaluating, determining and addressing our ESG-related risks. Our Board also directs our dialogue with stakeholders regarding ESG matters. Our management presents and communicates the key highlights of ESG-related matters to the Board periodically.

Given the nature of our business, we do not operate any production facilities or otherwise impose any material threats to the environment or the climate. We are also not subject to significant health, safety, environmental or climate-related risks. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any fines or other penalties due to non-compliance with health, safety or environmental regulations. During the Track Record Period and up to the Latest Practicable Date, we had not incurred material capital expenditures or compliance costs related to ESG. We also do not anticipate incurring material capital expenditures or compliance costs related to climate in the foreseeable future.

PROPERTIES

Owned Properties

As of the Latest Practicable Date, we owned two properties in Chinese Mainland, with an aggregate GFA of approximately 430.91 sq.m., which are used as office premises. We have obtained the real property title certificates for these properties.

Leased Properties

During the Track Record Period, we operated our business through a number of leased properties, which are primarily used as office premises and other supporting facilities. As of June 30, 2026, we leased 23 properties with an aggregate GFA of approximately 12,542.9 sq. m. in Chinese Mainland. As of the same date, we also leased properties with an aggregate GFA of approximately 861.0 sq. m. and rented additional shared workspace in certain overseas countries and regions. These leased properties are primarily used as office premises and other supporting facilities.

As of the Latest Practicable Date, certain of our leased properties from third parties had title defects, and eleven of our leased properties (including additional properties we leased after the Track Record Period and up to the Latest Practicable Date) had not been registered in accordance with the relevant PRC regulations. For details, see "Risk Factors — Risks related to Our Business and Industry — 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 June 30, 2026, we did not have any single property with a carrying amount of 15% or more of our total assets. On this basis, we are not required by Rule 5.01A of the Listing Rules to include a valuation report on our Properties in this document. Pursuant to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong), this document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule thereto, which would otherwise require a valuation report with respect to all of our interests in land or buildings.

DATA PRIVACY AND INFORMATION PROTECTION

We collect, store and process business data and certain personal information in the ordinary course of providing our products and services. We process personal information only to the extent necessary to perform our services and operate our platforms and aim to comply with applicable data protection laws in the markets in which we operate. We have adopted policies and procedures designed to safeguard data privacy and data security and to support compliance with applicable laws and regulations. During the Track Record Period and up to the Latest Practicable Date, we did not experience any incident of cyber-attack, data breach or system failure that had a material adverse impact on our business operations.

Data Access and Usage

When users subscribe to our products or otherwise engage our services, they may upload or authorize us to access information such as account details, contact information and transaction and compliance records. We process such data only to the extent necessary to provide services and operate the platforms, or upon the user's instructions. For scenarios where users process personal information of other data subjects through our products or services, we require users to obtain a legal basis for processing such personal information by requiring them to accept the privacy policy and on-page prompts we provide. Access rights to data stored on our systems are granted strictly on a need-to-know basis, according to job responsibilities and internal approval procedures, and are reviewed periodically. We keep access logs and monitor the use of sensitive data. Upon termination of a subscription or service agreement, users may request deletion of their data in accordance with applicable laws and contractual terms.

Data Storage and Transmission

We store core business data on cloud-based infrastructure protected by network segmentation, firewalls and other security controls. We use encryption and other technical measures to protect data in transmission and, where appropriate, at rest. We perform regular back-ups and carry out periodic restore tests to verify the integrity of back-up data. Our monitoring systems track the status of key servers and applications in real time and generate alerts to our technology and security teams in the event of abnormal activities so that they can respond promptly.

Information Protection

Safeguarding data security and privacy is critical to our business. We have obtained multiple internationally recognized and domestic certifications relating to information security, privacy protection, and service management, including ISO/IEC 27701:2019 (privacy information management), ISO/IEC 27001:2022 (information security management), and Level III Certification of Information System Security Protection issued by the Shenzhen Municipal Public Security Bureau. These certifications reflect our efforts to establish and maintain robust management systems and processes over the lifecycle of customer data.

We classify data by sensitivity level and apply differentiated access control and protection measures. Access to sensitive data is restricted on a need-to-know basis and subject to authentication, authorization and logging requirements. We encrypt critical data, monitor access patterns and apply anomaly detection to identify potential security incidents. We also maintain policies and procedures for handling data incidents and for cooperating with regulators and customers in the event of investigations or audits. We have established a training mechanism for employees on data protection and information security and require most employees to sign confidentiality undertakings as part of their employment terms. Our senior technology management oversees group-wide data privacy and security, supported by a dedicated team responsible for maintaining and updating data protection policies, coordinating security monitoring and incident response and conducting regular checks on the effectiveness of our controls.

RISK MANAGEMENT AND INTERNAL CONTROL

Our future operating performance may be affected by risks relating to our business, our industry and the broader macroeconomic environment. Certain risks are specific to our business model and operations, while others are common to companies operating in similar sectors. See "Risk Factors" for a detailed discussion of these risks.

The Board and our senior management are responsible for establishing and maintaining adequate risk management and internal control systems. For these purposes, risk management refers to the processes designed to identify potential events that may affect us and to manage risks within our risk appetite. Internal control refers to the processes designed to provide reasonable assurance regarding the achievement of objectives relating to the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws and regulations.

Risk Management and Internal Control Policies

We have implemented, or will adopt upon [**REDACTED**], a number of policies and measures to govern risk management and internal control. These policies cover, among other matters, the roles and responsibilities of the Board, Board committees and senior management, procedures for financial reporting and disclosure, internal approval and authorization mechanisms, whistleblowing and complaint handling, compliance with applicable PRC laws and regulations and compliance with the Listing Rules and other regulatory requirements. We also maintain policies that address environmental, social and governance matters, including diversity, anti-corruption and anti-bribery practices, anti-money laundering, and the whistleblowing channel. Under these policies, the Board oversees our risk management and internal control systems on an ongoing basis and reviews the effectiveness of these systems regularly.

In November 2025, we engaged an independent consulting firm to perform a review of our internal control systems. The review covered key areas relevant to our operations, including financial reporting and disclosure, research and development management, sales and receivables management, supplier and partner management, tax management, capital management, contract management, human resources and remuneration, information system controls and data security, as well as selected operational processes specific to our cross-border compliance businesses. The findings and recommendations from this review are being used to further enhance our internal control framework and procedures.

Internal Control and Governance for Our Technologies

We regard technology as a core competitive advantage and have established internal governance mechanisms to oversee technology planning, architecture and security. Our technology and product committees coordinate cross-team initiatives, prioritize development roadmaps and review major architectural decisions. We also conduct regular reviews of system performance, incident reports and security assessments to identify areas for improvement. Actions taken by our agents at run time are logged through Tianheng architecture's execution controls, and sensitive operations require human confirmation.

Looking ahead, we plan to continue investing in the application, integration and governance of technologies relevant to cross-border compliance, including natural-language processing, external foundation-model capabilities, retrieval and predictive analytics. We intend to deepen the integration of our O·AI agents, standardized tools and Tianheng with our platforms so that we can provide more granular, scenario-specific compliance support under appropriate controls.

LICENSES, APPROVALS AND PERMITS

As of the Latest Practicable Date, to the best of our knowledge and as advised by our PRC Legal Advisor, we had obtained all material licenses, approvals, and permits required under applicable laws and regulations for our principal business operations in the PRC, and such licenses, approvals, and permits remained valid and in full force.

The following table sets forth the details of the material licenses and permits necessary for our business operations:

License/Permit	Holder	Issuing Authority	Grant date	Expiration date
Value-added Telecommunications Business Operating License (for conducting online data processing and transaction processing services) (增值電信業務經營許可證(在線數據處理與交易處理業務))	Shenzhen Oushuitong	Ministry of Industry and Information Technology	November 27, 2025	November 27, 2030
Domestic Deep-synthesis Service Algorithm Filing (境內深度合成服務算法備案)	Shenzhen Oushuitong	Cyberspace Administration of China	July 17, 2026	N/A
Domestic Deep-synthesis Service Algorithm Filing (境內深度合成服務算法備案)	Shenzhen Maidetong	Cyberspace Administration of China	July 17, 2026	N/A
Inspection and Testing Institution Qualification Certification (檢驗檢測機構資質認定證書)	Shenzhen Oushuitong Testing Certification Co., Ltd.	Guangdong Administration for Market Regulation	April 16, 2026	April 15, 2032
Inspection and Testing Institution Qualification Certification (檢驗檢測機構資質認定證書)	Guangdong Newbest Testing Service Co., Ltd.	Guangdong Administration for Market Regulation	July 16, 2026	July 15, 2032

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material difficulties in renewing the licenses, approvals and permits, and currently we do not expect any material difficulties in such renewal.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may, from time to time, become a party to various legal, arbitral or administrative proceedings arising in the ordinary course of our business. 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. See "Risk Factors — Risks related to Our Business and Industry — We may from time to time be involved in disputes or legal and other proceedings arising out of our operations."

During the Track Record Period and up to the Latest Practicable Date, we had not been a party to any actual or pending legal, arbitration or administrative proceedings against us or our Directors that we believe could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

Compliance

During the Track Record Period and up to the Latest Practicable Date, we did not commit any material breach of applicable laws and regulations, and we had not been subject to any administrative penalties imposed by relevant regulatory authorities for material breaches of applicable laws and regulations which may adversely and materially impact our business, financial condition and results of operations.

AWARDS AND RECOGNITIONS

During the Track Record Period, we received awards and recognition in respect of our products, technology and innovation, the most significant of which are set forth below:

Award/Recognition	Award Year	Awarding Entities
Leading Enterprise for High-Quality Development of Cross-Border E-commerce (跨境電商高質量發展引領單位)	2023	Guangdong Cross-border E-commerce Association
22nd and 24th Shenzhen Enterprise Innovation Record (第二十二及第二十四屆深圳企業創新記錄)	2023 2025	Federation of Shenzhen Industries
"AILE" Award — Best AI Solution ("AILE" AI最佳解決方案獎)	2024	Organizing Committee of the Wuzhou Industrial Development Forum
Cross-Border E-commerce Practice Case, World Internet Conference (世界互聯網大會跨境電商實踐案例)	2024 2025	World Internet Conference
National Key Software Enterprise (國家鼓勵的重點軟件企業)	2025	National Development and Reform Commission of the PRC, Ministry of Industry and Information Technology of the PRC, Ministry of Finance of the PRC, General Administration of Customs of the PRC and State Taxation Administration
Potential Unicorn Enterprise ("潛在獨角獸企業")	2025	Shenzhen Gazelle & Unicorn Enterprise Evaluation Committee

Award/Recognition	Award Year	Awarding Entities
High-and-New Technology Enterprise ("國家高新技術企業")	2025	Industry and Information Technology Bureau of Shenzhen Municipality, Finance Bureau of Shenzhen Municipality and Shenzhen Tax Service, State Taxation Administration
Dual Carbon Action Contribution Award ("雙碳行動貢獻獎")	2026	Organizing Committee of the International Green Zero-Carbon Festival