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Tianju Dihe (Suzhou) Technology Co., Ltd.
天聚地合(蘇州)科技股份有限公司

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

(Stock Code: 2479)

ANNOUNCEMENT OF KEY FINDINGS OF (I) INDEPENDENT FORENSIC INVESTIGATION REPORT AND (II) INDEPENDENT INTERNAL CONTROL REVIEW REPORT

Financial Adviser to the Company

禹銘投資管理有限公司
YU MING INVESTMENT MANAGEMENT LIMITED

This announcement is made by Tianju Dihe (Suzhou) Technology Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 31 March 2025, 25 April 2025, 23 May 2025, 11 July 2025, 29 August 2025, 10 October 2025, 30 October 2025, 9 January 2026, 31 March 2026, 10 April 2026 and 10 July 2026 (collectively, the "**Previous Announcements**"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Previous Announcements.

1. BACKGROUND

On 4 July 2025, the Company received resumption guidance (the "**Resumption Guidance**") from the Stock Exchange, which included, among other things, requirements to: (i) conduct an appropriate independent forensic investigation into the audit issues, assess the impact on the Company's business operation and financial position, announce the findings and take appropriate remedial actions; and (ii) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to meet its obligations under the Listing Rules.

As disclosed in the Previous Announcements, during the course of the audit of the Group for the year ended 31 December 2024, the then auditors of the Group identified three matters requiring additional audit procedures and audit evidence (collectively, the "**Subject Matters**"): (1) prepayments made to multiple suppliers for the procurement of chips (the "**Chips Prepayments**"); (2) investments in cash management notes (the "**Cash Management Notes**"); and (3) prepayments to a primary supplier (the "**Top-up Supplier**") for the provision of mobile phone top-up services in the application programming interfaces ("**API**") marketplace (the "**Top-up Services Prepayment**").

The Company engaged Grant Thornton Advisory Services Limited as the independent investigator (the "**Independent Investigator**") to conduct independent investigations into the Subject Matters (the "**Independent Investigations**"). In addition, the Company engaged GRC Chamber Limited as an independent internal control consultant (the "**IC Consultant**") to review its internal control systems and seek recommendations on measures (if any) to improve its internal control systems.

The Independent Investigator has completed its independent forensic investigation and issued its investigation report dated 12 September 2026 (the "**Forensic Report**"). The IC Consultant has completed its independent internal control review in respect of the financial years ended 31 December 2024 ("**FY2024**") and 31 December 2025 ("**FY2025**") and issued its internal control review report dated 14 September 2026 (the "**IC Report**"). This announcement sets out the key findings of the Forensic Report and the IC Report.

2. KEY FINDINGS OF THE FORENSIC REPORT

2.1 Scope and Transactions Reviewed

The Independent Investigations covered, among other things, the following aspects in relation to the Subject Matters: (i) the commercial substance and business rationale of the Subject Matters; (ii) the background and relationships of relevant counterparties and suppliers with the Company and its directors; (iii) the adequacy of the Group's approval processes and internal controls in relation to the Subject Matters; and (iv) the current status of the Subject Matters. The review period covered events from 1 January 2024 to the date of the Forensic Report, including the initiation, progression and subsequent developments of each of the Subject Matters.

The Subject Matters comprised:

1. Chips Prepayments: prepayments of approximately HK$63.1 million in aggregate made to four chip suppliers for the procurement of Nvidia chips products which were fully delivered subsequent to FY2024 in March 2025;

2. Cash Management Notes: Cash Management Notes subscribed by the Group pursuant to subscription agreements for cash management purpose and issued by two note issuers, classified as financial assets at fair value through profit or loss; and

3. Top-up Services Prepayment: prepayments made to the Top-up Supplier pursuant to a cooperation agreement dated 7 August 2024, for the Top-up Supplier to provide services and deliver high quality online mobile phone top-up services on the API marketplace, to financial institution clients of the Group's customer.

2.2 Methodology

The Independent Investigator conducted its investigation by means of the following procedures:

(a) Document review: The Independent Investigator reviewed relevant documents in relation to each of the Subject Matters, including (i) contracts and supplemental agreements; (ii) internal approval records (including OA system approval workflows); (iii) external correspondence and communication records; (iv) supplier and counterparty assessment documents; (v) payment records, bank statements and accounting vouchers; and (vi) other supporting documents. Material documents were verified against independent sources, including by obtaining documents directly from independent third parties (such as banks), inspecting original paper copies on-site, and reviewing electronic files through the Company's computer systems to verify creation and last modified dates.

(b) Interviews: The Independent Investigator identified and interviewed relevant personnel, including executive directors, non-executive directors, independent non-executive directors, senior management, procurement operations centre staff, legal affairs staff, finance centre staff and relevant external parties. Interviewees' statements were cross-referenced against findings from document review, background investigations, internal control review, confirmation procedures and computer forensics to identify any material inconsistencies.

(c) Independent background checks and site visits: The Independent Investigator conducted independent company and individual background searches on all relevant counterparties and their directors, shareholders and key personnel. Site visits were conducted at the registered addresses of the relevant chip suppliers in Hong Kong and at certain addresses identified through the confirmation process. The Independent Investigator also attended bank branches to independently print bank statements to verify the authenticity of relevant banking transactions, and conducted physical stocktake of all chips and servers received by the Company.

(d) Confirmation procedures: The Independent Investigator sent confirmation letters to the relevant chip suppliers, note issuers, Top-up Supplier and the Company's relevant customers to confirm the nature of their relationships with the Company, the principal terms of the relevant agreements, transaction amounts and outstanding balances.

(e) Specific internal control assessment: The Independent Investigator obtained and reviewed relevant internal control policies and procedures of the Company, including those relating to contract management, supplier management, non-operating procurement management, operating procurement management, investment management, treasury management, seal management and top-up business fund safety management, and assessed whether the relevant procedures had appropriate internal controls and division of responsibilities.

(f) Computer forensics and mobile WeChat keyword searches: The Independent Investigator obtained and created forensic image files of the computers and email accounts of key management (including the then CEO Mr. Zuo Lei ("**Mr. Zuo**"), then executive director Ms. Yang Yanjun ("**Ms. Yang**"), then CFO Mr. Shao Chuangye ("**Mr. Shao**")) and key employees involved for each of the Subject Matters, and conducted keyword searches on both existing and recovered deleted files. The Independent Investigator also conducted keyword searches on the mobile WeChat records of key personnel where access was made available.

The findings set out below are based on information and documentation made available to the Independent Investigator, subject to applicable limitations as further described below.

2.3 Chips Prepayments

Key Findings

(a) Background and Facts:

During FY2024, the Group paid prepayments to four chip suppliers for the procurement of Nvidia chips. The procurement was initiated following a management meeting in June 2024 at which the Company resolved to build its computer power pool to deploy a massive GPU cluster to enhance its core technology autonomy and AI model development. The four chip suppliers were introduced to the Company through referrals by sizable and reputable industry peers in the PRC. Supplier admission applications were submitted in July 2024, and the relevant purchase contracts and prepayment approvals were processed through the Company's internal OA system in mid-to-late July 2024 with final approval by Mr. Shao, Ms. Yang and Mr. Zuo. Pursuant to the terms of the four agreements entered into by the Company with the four chip suppliers, the original total amount of the chips procurement was approximately HK$123 million, with agreed prepayment amounted to approximately HK$63.1 million ("**Chips Prepayment Amount**"). The prepayments were paid from the Company's Hong Kong bank account in July 2024 after the relevant contracts were signed.

In the second half of 2024 and early 2025, having regard to (a) the declined price in the AI computing power rental market with increased competition, and (b) the compliance requirements and the associated extra time and costs to construct a new server room, the Company paused its procurement with the four chip suppliers to formulate its adjusted procurement plan and decided that rather than pursuing construction of a new server room for the computing power pool, the Company would upgrade its existing server room considering the complexity, as well as additional time and cost in fulfilment of local regulatory compliance requirements for constructing a new server room.

Accordingly, in February to March 2025, management of the Company liaised with four chip suppliers for a revised procurement plan and approved three supplemental agreements, which adjusted the original purely chip procurement arrangements to a combination of servers and chips procurement arrangements with the total consideration of the deliverables to be within the Chips Prepayment Amount.

The Independent Investigator conducted several physical stocktake on all chips and server products received, and found that all chips and servers contracted for delivery in the supplemental agreements were received by the Company by 30 March 2025, and the Company has deployed all the chips and servers upon usage inspection by the Independent Investigator in August 2026 for its business purposes, including, inter alia, AI model training, fine-tuning and multimodal experiments, and has released proprietary AI platform based AI products as at the date of the Forensic Report.

(b) Conclusion

Based on the Independent Investigator's findings, and subject to the applicable investigation limitations (as stated in the paragraph headed "2.6 Limitations of the Investigation" of this announcement), the Independent Investigator noted that the relevant chip procurement arrangements were entered into for the purpose of the Company's business development needs in order to maintain its market competitiveness and it has certain degree of commercial rationale and commercial substance. The Independent Investigator confirmed that all chips and servers procured according to the adjusted procurement plan have been fully delivered, received and deployed by the Company for its business purposes as at the date of the Forensic Report and the payment for the relevant chips/servers utilised the net IPO proceeds in accordance with the disclosures made by the Company in its IPO prospectus.

The Independent Investigator also noted that (i) the chip suppliers may seem to have business or other relationships amongst themselves and with the Notes Issuers (defined below) but no relationship was identified between the chip suppliers and the Company, its controlling shareholder, directors or key management (including Mr. Zuo, Ms. Yang and Mr. Shao); and (ii) internal control deficiencies in the Company's supplier pre-contract due diligence, contract management, seal management and project feasibility assessment processes.

(c) Internal Control Observations

The Independent Investigator identified the following internal control deficiencies in relation to the Chips Prepayments: (i) insufficient pre-contract due diligence on the chip suppliers and preliminary background checks conducted via third-party platforms were not documented or retained; (ii) room for improvement in the directed procurement process — although the procurement was approved by the responsible management personnel, the finance department, risk department and the then CEO, the procurement relied on referrals from sizable and reputable industry peers in the PRC without adequate market comparison or supplier screening documentation; (iii) inadequate seal management — usage of the company chops for execution of agreements and supplemental agreements did not follow the seal management policies and procedures, and no separate seal usage application was submitted through the OA system; (iv) management's failure to adhere strictly to internal control procedures — contract amendments were not processed through the contract review, counter-signing and archiving workflow, as management considered the situation to be urgent due to the fast evolution of the AI computing power market and chip supply shortage; (v) contract dates preceding internal approval dates — the execution dates of certain purchase contracts preceded the dates of the corresponding OA system approvals; (vi) insufficient detail in contract terms — the original purchase contracts did not specify the precise chip specifications, and one purchase contract was structured as framework agreement; and (vii) inadequate pre-feasibility assessment for the server room construction plan — the Company explained that to secure chip supply as a key element of the project plan promptly in the fast changing technology market, the Company did not conduct sufficient pre-assessment of the structural, electrical, fire safety and regulatory requirements for the proposed new server room before entering into the chip procurement contracts.

Company's Remedial Actions

The Company has engaged the IC Consultant, completed review of its internal control systems and implemented enhanced internal control measures recommended by the IC Consultant. For further details on the remedial actions, please refer to the section headed "3. Key Findings of the IC Report" below.

2.4 Cash Management Notes

Key Findings

(a) Background and Facts

In late 2023, the Company was introduced to The Reynold Lemkins Group (Asia) Limited ("**First Note Issuer**") as a potential cornerstone investor by the Company's then-sole sponsor during the Company's IPO process and the Company was given to understand that the First Note Issuer was a seasoned investor in the Hong Kong capital market including initial public offerings and across Asia. In June 2024 and prior to the listing of the Company's shares on the Stock Exchange, the Group entered into a subscription agreement with the First Note Issuer to subscribe for a cash management note in the amount of US$ 6 million (the "**First Note**") with an initial maturity of 5 years and later revised maturity of 1 year from the effective date of the First Note. The principal amount of the First Note was paid from the Company's internal resources prior to listing. In July 2024, the Group entered into subscription agreements to subscribe for two cash management notes issued by Kaufmann & Company Pan-Asia Limited (the "**Second Note Issuer**", together with the First Note Issuer, the "**Note Issuers**") in the principal amount of US$ 2 million each (the "**Second Notes**") with an initial term of five years and later revised with maturity term of 1 year from the effective date of the Second Notes. The Second Note Issuer was introduced to the Company by the First Note Issuer as its strategic cooperation partner. It is to the Company's understanding that the interest rate of the Cash Management Notes (4% and 3% respectively) was in line with the then prevailing US dollar fixed bank deposit rates available in the Hong Kong market ranging from approximately 3.5% to 5% at the material time, which was higher than products available to the Company at the time in the PRC, hence the Company subscribed the Cash Management Notes in June 2024 and July 2024 respectively for the purpose of cash management after final approval by Mr. Shao and Mr. Zuo. The total principal amount of US$4 million under the Second Notes were paid from the Company's bank account designated to receive IPO proceeds.

Both the First Note and the Second Notes were initially structured as five-year instruments. It was the Company's intention before subscription of the Cash Management Notes that the relevant subscriptions were for the purpose of short-term cash management, and the Company understands that the Cash Management Notes allow early liquidation after mutual agreement. In or around July 2024, the Company consulted its then auditors on the correct accounting treatment or classification of the Cash Management Notes, considering in particular the 5-year term of the Cash Management Notes and the early liquidation options available under the Cash Management Notes. As the Company's intention for the Cash Management Notes were for short-term purpose and not for long-term fixed assets, the Company reconsidered the terms of the Cash Management Notes and on a prudent approach based on the Company's past experience, the Company considered shortening the maturity term would be more appropriate and discussed the proposed revisions of the maturity of the Notes from 5 years to 1 year term with the Note Issuers and arranged revision of documents according to discussions with the Note Issuers.

No repayment or distribution has been made by the Note Issuers under the Cash Management Notes since their respective subscription up to the date of this announcement. The Company has taken legal action against both Note Issuers, including the issuance of a statutory demand to the Second Note Issuer requiring repayment of the outstanding amount under the Second Notes and the commencement of legal proceedings against the First Note Issuer.

Management of the Company has explained that they understood the Cash Management Notes to be akin to bank time deposits as cash management tools and, based on their knowledge of the Note Issuers and the fact that First Note Issuer as a cornerstone investor introduced by the Company's IPO sole sponsor during its IPO, the Company relied on due diligence work conducted by professional parties involved in its IPO on the First Note Issuer and naturally trusted the Second Note Issuer as it is introduced by and a strategic cooperation partner of the First Note Issuer, therefore it did not conduct further due diligence on the financial condition and background of the two Note Issuers or risks of the Cash Management Notes, and did not conduct systematic post-investment monitoring and assessment. Neither Note Issuers held a licence as a commercial bank or other recognised financial institution under the Securities and Futures Ordinance. Save for the information provided to the Company during its IPO process, publicly accessible media publicity on the internet, online researches conducted on the Note Issuers' investment history and information relating to the investment portfolio provided by the Note Issuers in March 2025, the Company did not obtain pre-investment materials, product introduction documents or historical performance records in respect of either Note Issuer, and did not receive periodic account statements or performance reports subsequent to the subscription.

(b) Conclusion

Based on the Independent Investigator's findings, and subject to the applicable investigation limitations (as stated in the paragraph headed "2.6 Limitations of the Investigation" of this announcement), the Independent Investigator found that the Cash Management Notes may be regarded as part of the Company's cash management and liquidity arrangements, had certain commercial rationale and commercial substance after having considered: (i) the liquidity situation of the Company at the time where the working capital and cash level of the Group at the material time could support its daily operations for approximately 7.91 months, sufficient to cover the period until the proceeds from its IPO fundraising were received; and (ii) the contracted annualised rate of return of the Cash Management Notes of approximately 3% to 4% are higher than the actual annual effective interest rate of 1.5% to 2.8% for similar products held by the Company at that time.

The Independent Investigator further noted that documents in respect of legal actions against First Note Issuer indicated disputes between the parties on certain documentary records, including inter alia, dates and the maturity of the First Note. As relevant dispute remains subject to ongoing legal proceedings, the relevant facts have not been determined.

The Independent Investigator also found that (i) the First Note was subscribed by the Company prior to its listing on the Stock Exchange, using internal resources of the Group; and (ii) the payment for subscription of the Second Notes of US$ 4 million (equivalent to HK$30 million) was made out of the IPO proceeds receiving bank account corresponded to the Company's own funds advanced for the listing expenses of the of approximately RMB27.7 million (equivalent to approximately HK$30.4 million) prior to its listing, and the payment under the Second Notes did not utilise the net IPO proceeds but internal cash resources replenished by the IPO gross proceeds (which includes the listing expenses); (iii) the Note Issuers seem to have other business relationships between themselves and with the chip suppliers, but no relationship was identified between the chip suppliers and the Company, its controlling shareholder, directors or key management (including Mr. Zuo, Ms. Yang and Mr. Shao); and (iv) significant deficiencies in the Company's pre-investment due diligence, risk identification, internal approval and documentation management processes in relation to overseas financial products was due to the Company's reliance on the sponsor's recommendation, its trust in the sponsor and legal advisers and their due diligence, over-reliance on the introducer's representations, failure to obtain independent professional advice, and an incomplete understanding of the regulatory framework and risk characteristics of the relevant instruments.

(c) Internal Control Observations

The Independent Investigator identified the following internal control deficiencies in relation to the Cash Management Notes: (i) lack of standardised pre-investment due diligence, assessment and post-investment monitoring processes — the Company did not verify whether the Note Issuers held any licences or qualifications, did not retain any pre-investment materials or product introduction documents, did not retain records of searches of publicly available information of the Note Issuers, did not conduct historical performance assessments of the Note Issuers, and, save for investment portfolio information, did not obtain periodic account statements or performance reports following subscription; and (ii) lack of standardised treasury management, approval and documentation management processes — the Company did not have a policy governing the management of surplus cash balances or the purchase of financial products (including time deposits and structured deposits), the subscription agreements were not reviewed by the Company's internal legal department through the contract review workflow, no contract register was maintained to record the different versions of the agreements, and the supplemental agreement with the Second Note Issuer was dated earlier than the date of signing.

(d) Company's Remedial Actions

In addition to legal actions the Company undertook against both Note Issuers to recover the outstanding principal and interest under the Cash Management Notes, as disclosed in the announcement of the Company dated 23 August 2026 and the circular of the Company dated 10 September 2026 ("**Disposal Circular**"), on 23 August 2026, the Company entered into the deeds of assignment with Mr. Zuo (a former executive director, former chairman and existing controlling shareholder of the Company holding approximately 48.1% shares in the Company) pursuant to which the Company agreed to dispose of the Cash Management Notes to Mr. Zuo at the aggregate consideration of US$10,000,000 (equivalent to approximately RMB67,000,000), being the aggregate principal amount of the Cash Management Notes (the "**Disposal**"). The Company has received the full amount of the consideration as at date of this announcement and all conditions precedent to the completion of the Disposal have been fulfilled other than the approval from independent shareholders of the Company for which an extraordinary general meeting ("**EGM**") is scheduled to be held on 30 September 2026. For more details of the terms of the Cash Management Notes, the Disposal and the EGM, please refer to the Disposal Circular.

The Company has also engaged the IC Consultant and completed a review of its internal control systems and implemented enhanced internal control measures recommended by the IC Consultant. For further details on the remedial actions, please refer to the section headed "3. Key Findings of the IC Report" below.

2.5 Top-up Services Prepayment

Key Findings

(a) Background and Facts

The Company has been engaged in the mobile phone top-up recharge business for more than 10 years, with its principal customers being e-commerce platforms. In May 2024, the Company's Vice President and General Manager of a subsidiary learned that one of the Company's customers (the "**Top-up Customer**") was participating in a tender for a project to supply mobile top-up services to banks and required high-quality "financial-grade" top-up resources (i.e. resources with high top-up success rates and fast crediting speed). As such resources were scarce in the market and the Company's existing suppliers were unable to provide such resources or services, the Company identified the Top-up Supplier which is capable of providing such resources/services.

The Company entered into a cooperation agreement with the Top-up Supplier on 7 August 2024 after final approval by Mr. Shao, Ms. Yang and Mr. Zuo. Between August and October 2024 (i.e. approximately three months before the commencement of actual top-up services), the Company paid the Top-up Services Prepayment to the Top-up Supplier to secure the resources, as the relevant telecom operators required advance deposits. In addition to the Top-up Supplier, the Company also found a back-up top-up supplier ("**Backup supplier**", together with Top-up Supplier, the "**Top-up Suppliers**") in case where certain customer demand could not be fulfilled by the Top-up Supplier. In anticipation of the Top-up Customer placing orders to the Company in the fourth quarter in 2024, the Company made prepayments to the Top-up Supplier during the second half of 2024 for three consecutive months (August to October 2024) of approximately RMB37 million to secure such high quality services in accordance with industry common practice, while actual orders placed by the Top-up Customer to the Company were made in November 2024. The Company made further prepayments in November and December 2024 with expectation of a demand hike due to peak season effect in December and Chinese new year period based on past experience. During FY2024, the Company made cumulative prepayments of approximately RMB193 million and RMB88 million to the two Top-up Suppliers respectively with the total actual usage amount of the top-up services by the Top-up Customer of approximately RMB113 million and RMB60 million respectively. The Independent Investigator found that these Top-up Suppliers refunded unutilised prepayments during FY2025 in the amounts of approximately RMB50.9 million and RMB77.8 million, and after deducting further usage and setting off API business services provided, the residual prepayment balances of the Company with these two Top-up Suppliers was approximately RMB23 million and RMB7 million respectively as at FY2025.

Management attributed the above to a significant decline in business demand that was lower than previously anticipated. With the suspension of trading in the shares of the Company, the Top-up Customer as a listed issuer in the PRC ceased placing orders with the Company in 2025. The Company continued to use the Top-up Supplier's services for other e-commerce platform customers after the Top-up Customer ceased placing orders to the Group in 2025.

(b) Conclusion

Based on the Independent Investigator's findings, and subject to the applicable investigation limitations (as stated in the paragraph headed "2.6 Limitations of the Investigation" of this announcement), the Independent Investigator found that (i) the prepayment arrangements to the Top-up Supplier were supported by commercial rationale and commercial substance; (ii) the relevant use of prepayments for procuring top-up resources are consistent with general industry practice; (iii) based on cash flow analysis, the Group is capable of settling the top-up service prepayments to the Top-up Supplier with its own internal resources without using the IPO proceeds, and (iv) no relationship was identified between the Top-up Supplier and the Company, its controlling shareholder, directors or key management (including Mr. Zuo, Ms. Yang and Mr. Shao).

However, the Independent Investigator noted internal control deficiencies in the Company's seal management and prepayment substantiation processes.

(c) Internal Control Observations

The Independent Investigator identified the following internal control deficiencies in relation to the Top-up Services Prepayment: (i) inadequate seal management — usage of the company chops for execution of agreement with the Top-up Supplier did not follow the seal management policies and procedures, as management considered that a separate seal usage application was not required following completion of the contract review and counter-signing workflow; and (ii) prepayment amounts lacked adequate substantiation document — the Company did not provide supporting calculation worksheets or documentary evidence for the determination of prepayment amounts and payment timing, with management explaining that the basic principle was to pay repayments to the Top-up Supplier on a daily basis based on the previous consumption, adjusted for factors such as public holidays, corporate marketing activities and market conditions.

(d) The Company's Remedial Actions

The Company has engaged the IC Consultant and completed a full scope review of its internal control systems and implemented enhanced internal control measures recommended by the IC Consultant. For further details on the remedial actions, please refer to the section headed "3. Key Findings of the IC Report" below.

2.6 Limitations of the Investigation

There were limitations of the Independent Investigation arising from the scope of the investigation, issues relating to third-party cooperation, and certain objective factors beyond the Company's control:

(a) Inability to review certain documents: communications between management and one chip supplier regarding the chips and communications regarding the Cash Management Notes could not be provided.

(b) Inability to interview certain relevant third parties: the Independent Investigator could not interview certain former Company employees, directors of the chip suppliers and the Note Issuers.

(c) Inability to obtain updated annual returns of certain relevant third parties: the Independent Investigator could not obtain the annual returns of two chip suppliers.

(d) Inability to conduct site visits at the operating locations of the chip suppliers in Mainland China: the chip suppliers declined or were unable to cooperate with requests from the Company and the Independent Investigator.

(e) No response from certain confirmation letters: the Note Issuers did not respond to confirmation letters.

(f) Inability to obtain all relevant WeChat records: apart from senior management and certain key personnel, other employees did not provide access to their personal mobile phones. The Company had no authority to compel the employees either. The Independent Investigator also could not obtain complete WeChat records from certain key personnel.

(g) Limitations from key assumptions: the Independent Investigator noted that the investigation was conducted on a voluntary basis. Accordingly, not all statements made by interviewees could be verified and the Independent Investigator cannot definitively confirm the findings. Additionally, the Independent Investigator did not verify the authenticity of all documents.

Additionally, due to ongoing legal proceedings, key facts regarding the circumstances of the First Note remains to be determined.

The above limitations had a certain impact on the completeness of the investigation. To address these limitations, the Independent Investigator performed alternative procedures, which included, inter alia, reviewing existing documents and electronic data; obtaining computer mirror images and email data for keyword searches; examining bank statements and other third-party information; conducting site inspections and physical stocktake; as well as performing multiple rounds of interviews and obtaining written confirmations from relevant personnel, while cross-checking and assessing the consistency among different data sources.

Although certain information could not be obtained, the Independent Investigator did not identify any material inconsistencies among the information obtained. The Independent Investigator found no evidence suggesting that the above limitations are sufficient to materially affect the factual determinations or investigation findings of the Forensic Report.

3. KEY FINDINGS OF THE IC REPORT

3.1 Scope and Purpose

The IC Consultant was engaged on 29 May 2025 to conduct an independent full scope review of the Company's internal control system for the period from 1 January 2024 to 31 December 2025, with a follow up review for the remediation measures implemented by the Company from 1 January 2026 to 10 September 2026 ("**Remediation Follow-up Review Period**"). The scope of work covers all key governance-level and business-activity-level areas of the Group, together with a review over the internal controls related to the three Subject Matters. Review procedures included management interviews, document and data review, and process walkthroughs.

The IC Review was conducted with reference to the COSO 2013 Framework and Appendix C1 to the Listing Rules.

3.2 Summary of Findings

The IC Consultant identified observations across both governance-level and process-level controls, including high risk internal control weaknesses and medium to low risk general internal control weaknesses of the Group. This announcement sets out (i) all observations classified as high-risk internal control weakness findings, which require priority remediation; and (ii) those observations that are related to the Subject Matters. The high-risk findings and the relevant medium-risk findings span the following control areas: (a) Governance-Level Controls; (b) Procurement Management; (c) Fixed Assets and Capital Expenditure; (d) Investment Management; (e) Treasury Management (Cash Management Notes), (f) Contract and Seal Management and (g) Financial Reporting.

As at the date of the IC Report, save for (i) cash management and investment related internal control procedures, for which enhanced policies have been adopted yet no sample testing was available for review by the IC Consultant during the Remediation Follow-up Review Period as the Company did not subscribe new cash management or investment products during the period, the Company had adopted all recommended internal control policies, and implemented remediation and enhancement measures in respect of all identified control weaknesses.

Set out below are (i) the high-risk and medium risk internal control weakness related to the Subject Matters identified by the IC Consultant; (ii) remedial action recommended by the IC Consultant; and (iii) management's response and remediation status, by control area.

3.3 Key Findings, Recommendations and Management Responses

(a) Governance-Level Controls

No.	Finding [RISK LEVEL]	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/Remediation Status
1.	Implementation of Monthly Board Reporting Programme [HIGH]	No separate policy exists requiring formal monthly updates to the full Board on financial, operational and compliance matters. Management holds monthly management meetings and reports to executive directors, but no structured formal monthly reports are distributed to all Board members (including non-executive and independent non-executive directors) as required under the CG Code.	Management to design and implement a formal monthly Board reporting mechanism specifying the scope, format and timing of information to be provided to all directors, including management accounts, budget and material variance reports.	The Company has implemented and enhanced the relevant control through the establishment of a monthly management reporting mechanism for submission to the Board. The reports follow a standardised format covering key areas requiring the Board's attention. The monthly reporting mechanism was first implemented on 31 December 2025. Thereafter, monthly management reports have been circulated to the Board by email on an ongoing basis through July 2026. The company secretary team is responsible for preparing and consolidating the monthly reports in coordination with relevant departments. The company secretary team has confirmed that it will continue to prepare and submit the reports to the Board in accordance with the established mechanism. Remediation Status: Implemented subject to continuous monitoring or completed.
2.	Connected Party Register Not Updated and Lack of a Documented Update Mechanism. [HIGH]	The connected party register, which was initially prepared in June 2024 during the IPO process, has not been updated since its compilation. In addition, the Company lacks a formal documented mechanism for periodically reviewing and updating the register. Currently, the Company relies on informal monitoring practices that may not comprehensively identify changes in connected party relationships.	The Company should establish a formal two-tier connected party identification and update mechanism, consisting of (i) periodic documented reviews by management using external corporate databases and (ii) regular written declarations from directors, the CEO and substantial shareholders holding 5% or more of the Company's issued shares regarding their direct and indirect connected party relationships. The connected party register should be updated accordingly and circulated to the Board and relevant functions, including the company secretary and finance departments, for use in transaction monitoring, approvals and disclosures.	Management (including the company secretary team) conducted a comprehensive update of the connected party register, expanding its scope to cover directors, shareholders holding 5% or more of the Company's shares, and chief executive officers of subsidiaries (including legal representatives). The updated register was prepared based on management's knowledge of the actual circumstances, supplemented by publicly available information and third-party corporate and credit searches to improve the completeness and accuracy of connected party identification. On 19 May 2026, the Board reviewed and approved the updated connected party register as part of the Company's internal governance enhancement measures. The register clearly identifies key categories of connected parties and their relevant relationships for compliance and transaction-monitoring purposes. Management has committed to reviewing and updating the connected party register at least annually and to performing ad hoc updates whenever there are changes in positions, shareholdings or other circumstances that may affect connected party relationships, thereby helping to ensure the continued accuracy and effectiveness of the register. Remediation Status: Completed, with the register to be subject to ongoing annual and ad hoc updates.

No.	Finding [RISK LEVEL]	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/Remediation Status
3.	Providing Structured Training for Directors and Senior Management [HIGH]	Training was last provided to directors in June 2024. From FY2026 onwards, director training requirements are elevated from CG Code to mandatory Listing Rules requirements. The 2024 incidents reflect room for improvement in directors and management's depth of understanding of Listing Rules applicability, risk management and compliance judgment. Training needs extend beyond compliance to substantive enhancement of governance and performance effectiveness.	Planning and implementing structured ongoing director training covering: (i) roles, functions and duties of the Board, committees and directors; (ii) issuer obligations and directors' duties under Hong Kong law and the Listing Rules; (iii) corporate governance and ESG matters; (iv) risk management and internal control systems; and (v) industry-specific dynamics and strategic updates. Extend training coverage to key senior management. Allocate dedicated budget to ensure suitable and quality training activities are provided.	A minimum annual training target of 12 hours per director has been established for 2026. Initial training sessions of 2 hours and 1.5 hours were conducted in April 2026 by the Company's external legal advisers and the IC Consultant respectively, covering key requirements of the Listing Rules, including Chapters 13, 14 and 14A, as well as internal controls and corporate governance matters. Additional external training courses have been arranged for new directors and key control personnel as supplementary advanced training in addition to the Company's standard training programme and to fulfil the regulatory requirement that newly appointed directors have to complete at least 24 hours of relevant training within 18 months of appointment. A training plan covering the remaining training topics under the Listing Rules has been prepared for the remainder of 2026. The company secretary team is responsible for coordinating and monitoring the training programme and has confirmed its commitment to continuing the implementation of the established training arrangements and annual training objectives. Remediation Status: Completed and being implemented on an ongoing basis.

(b) Procurement Management

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/Remediation Status
1.	Management of Supplier Credit Risk (Top-up Prepayments) [HIGH]	Using "Supplier H" as an illustration: prepayments during H2 2024 showed substantially no actual consumption for three consecutive months. Further prepayments were nevertheless made in November and December 2024, resulting the accumulated prepayment balance to approximately RMB180 million (approximately 16% of total assets as at the relevant time). Approximately RMB100 million was consumed in November and December 2024, but a balance of approximately RMB80 million remained as at 31 December 2024 and continued to be carried forward into most of 2025. The balance subsequently decreased to approximately RMB43 million by the end of 2025 through utilisation and partial refunds. In April 2026, the Company increased the prepayment amount based on business needs and, after enhancing its control measures and contractual safeguards, submitted the matter to the Board for approval and reporting. Management attributed this to a significant decline in demand below forecast. The approval of large prepayments lacked supporting analysis worksheets, and monitoring and adjustment of prepayment balances lacked written records and explanations.	(i) The Board should set hard ratio caps (e.g. prepayments as a percentage of current assets, leverage ratio, current ratio) for single-supplier credit exposure; (ii) where proposals approach or breach such caps, an analytical memo setting out the justification and on business and related risk as well as the payment timetable must be prepared; and (iii) implement higher-level approval procedures for credit limit adjustments exceeding or approaching the abovementioned cap for prepayments.	(i) A quantitative cap has been established for prepayment balances with any single top-up supplier, which should generally be maintained within 3% of the Company's current assets (currently set at RMB22 million), with any proposed excess requiring Board approval; (ii) additional controls for prepayment proposals: management is required to provide written justification and key assumptions in the OA approval workflow, with supporting analysis and business forecast documentation to be uploaded where appropriate; and (iii) a monthly monitoring and reporting mechanism has been established by the internal control manager and finance department, with any balances approaching or exceeding the cap to be separately reported to the Board or its designated committee. Remediation Status: Completed and implemented on an ongoing basis.

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/Remediation Status
2.	Ongoing Risk Management Arrangements for Significant Prepayment Balances with Specific Suppliers [HIGH]	The Company established a quantitative control threshold for prepayment balances with individual top-up suppliers, but significant prepayment balances with the Top-up Suppliers continued to exceed the prescribed threshold due to ongoing business requirements and historical arrangements. These balances had not previously been subject to formal Board escalation, approval or sufficiently robust contractual protections. The situation highlighted the need for enhanced Board oversight, strengthened legal safeguards and ongoing monitoring mechanisms to manage the liquidity, counterparty and performance risks associated with such material prepayment exposures.	The Company should treat significant prepayment balances with specific suppliers as a high-inherent-risk area and continue to (i) implement monthly monitoring of balances and transaction volumes; (ii) establish escalation and remediation procedures for abnormal situations; (iii) conduct at least annual reviews by the Board and/or Audit Committee; and (iv) maintain ongoing communication with external auditors to periodically assess and adjust the related risk exposure and credit arrangements.	The Company implemented a series of risk mitigation measures for significant prepayment balances with major suppliers, including Board approval of revised prepayment limits, submission of a detailed analysis of the commercial rationale and risk controls supporting such arrangements, and review of the suppliers' background and credit information. The Company has also entered into supplemental agreements with the suppliers to require that prepayments be used solely for the provision of top-up services, introduce dynamic management of prepayment balances, provide for refund, set-off, suspension or reduction of prepayments in specified abnormal circumstances, and establish contractual remedies and compensation obligations for losses arising from breach, billing irregularities or misuse of prepaid funds. In addition, the Board approved prepayment balance caps for the relevant suppliers and reinforced ongoing monitoring and oversight of such exposures. In addition, Company will maintain a benchmark whereby long-term prepaid balances should remain at around 3% of current assets. Any increase beyond this threshold requires prior Board approval and enhanced contractual protections. Prepayment and top-ups are jointly approved by the CFO and CEO, with monthly monitoring and Board reporting to strengthen oversight, mitigate idle-fund risk, improve capital efficiency, and enhance governance transparency. Remediation Status: Completed, with risk mitigation measures for significant prepayment balances with major suppliers implemented on an ongoing basis.

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/Remediation Status
3.	Enhance the Clarity of the Non-operating Procurement Management Policy [HIGH]	The Company's procurement framework contained inconsistencies and ambiguities in the rules governing "directed procurement", including an unclear definition, contradictory guidance on first-time purchases, and the absence of clear eligibility criteria or mitigating controls for strategic procurement. These deficiencies weakened the effectiveness of procurement controls and allowed significant discretion in procurement decisions. In the case of the Chips Prepayments, the supplier was selected through directed procurement without sufficiently documented due diligence, price benchmarking, or market testing, highlighting weaknesses in procurement governance and decision-making oversight.	Enhance the Company's directed procurement framework by distinguishing routine low-value, low-risk purchases from significant strategic procurements, and by establishing clear eligibility criteria and approval requirements for strategic procurement arrangements.	The Company has strengthened its non-operating procurement manual to require price comparison or quotations from at least three suppliers for non-operating expenditures below RMB500,000, and public or invited tendering for expenditures exceeding RMB500,000 (or, where tendering is impracticable, a well-documented and substantiated price comparison process). Non-operating expenditures exceeding RMB10 million are reserved for Board approval. It has also narrowed the scope of directed procurement to exceptional circumstances and now requires documented justification of supplier selection and pricing. In addition, the Company has applied these enhanced controls to major capital projects, including its planned office development project, for which Board approval and a competitive tender process are being implemented. Remediation Status: Completed.
4.	Maintain Supplier Background Due Diligence Records [MEDIUM]	Suppliers are generally required to provide a supplier undertaking or other direct evidence, such as authorization agreements, to demonstrate their ability to perform the relevant services. The Company also conducts online checks on suppliers' background and credit status through third-party platforms, but the results of such checks are generally not systematically retained as supporting documents for the approval process.	Generate and retain supplier credit reports to enhance internal controls and auditability. Such reports typically contain the date of issuance, information on directors and shareholding structure at the time of the search, and any litigation or irregularity records, and can serve as documentary evidence supporting approval decisions and improve the traceability and consistency of supplier management.	The Company has strengthened its new supplier onboarding procedures by requiring public record searches, including corporate, litigation, enforcement and adverse records checks, as a mandatory part of supplier due diligence. It has also conducted a one-off retrospective review of major suppliers in the 2025 AP list and new suppliers engaged up to August 2026, performing additional risk screening and documenting the results for future supplier management and risk monitoring purposes. In addition, the internal control manager has been assigned responsibility for ongoing oversight of the control and for verifying that the required public search records are included in new supplier approval documentation. Remediation Status: Completed.

(c) Fixed Assets and Capital Expenditure

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
1.	Strategic Items to be Reserved to the Board [HIGH]	The Company did not have a formal "Matters Reserved to the Board Policy". The chip procurement arrangement, which constituted a strategic investment given its nature, purpose and scale, was principally decided by executive management. Following the Company's listing, such strategic matter was not subject to sufficient escalation to the Board, reflecting the management's insufficient appreciation of the Board's collective responsibility for company strategy under the CG Code and general company law principles.	Adopt a formal "Matters Reserved to the Board Policy", explicitly including: strategic development and significant strategic investments. The Policy should include procedures requiring management to promptly escalate relevant matters for Board deliberation and authorisation.	On 19 May 2026, the Board formally approved and adopted the "Matters Reserved to the Board Policy", which establishes a governance framework requiring Board review and approval of specified categories of significant matters, including major investments, capital and financing arrangements, material contracts and litigation, corporate governance matters and senior management appointments. The policy also prescribes approval thresholds for certain transactions and requires matters exceeding such thresholds to be escalated to the Board for consideration and approval, while contracts below the threshold must still receive dual approval from both the CEO and CFO under the new OA approval mechanism, strengthening oversight through a two-tier control process. Remediation Status: Completed.
2.	Functional Assessment of Assets (Chips Prepayments) [HIGH]	In March 2025, individual members of management approved three supplemental agreements converting the original chip procurement arrangements (covering a larger quantity of chips, representing prepayments of approximately HK$63 million) into a combination of A100 servers and a smaller number of chips. No documentation was identified assessing the impact of this change on the AI project's technical approach or implementation path, and no evidence was identified of the material change being separately reported to, or re-authorised by, the Board.	The Company to (i) clarify the actual and intended purpose/ project assignment of the servers and chips received; (ii) assess the overall objectives, business positioning and expected returns of the relevant AI project; and (iii) set out the major related investments already incurred and planned. Upon completing the above, submit the analysis and supporting reasoning to the Audit Committee and then the Board for informed decision-making.	Management has conducted a structured review of the servers and related chips and confirmed that, although the equipment had not been put into substantive use upon delivery in 2025, deployment and utilisation commenced progressively in 2026. Relevant updates on deployment and application progress were reported to the Board during the first half of 2026, when approximately one third of the relevant equipment had been deployed. As of August 2026, all of the relevant equipment had been deployed, with substantially all equipment in active use and supporting the Company's AI-related business operations and commercial arrangements. The management has further reviewed the actual purposes, project ownership, and commercialization arrangements of the relevant servers and chips, and has reported to the Board on the progress of their deployment and usage. Remediation Status: Completed and subject to ongoing monitoring and Board oversight.

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
3.	Lack of Prior Feasibility Analysis for the Planned Construction of the Data Center [MEDIUM]	The Company identified deficiencies in the governance of a proposed data centre project in June 2024. Key infrastructure and regulatory requirements were not adequately assessed before the chip procurement contract was signed, and no formal project initiation process or documented feasibility assessment was completed. As a result, the Company entered into a major procurement contract before sufficiently verifying project feasibility.	The Company should (i) strengthen its governance of major projects by establishing a comprehensive management framework covering project initiation, feasibility assessment, decision-making and procurement; (ii) implement mandatory upfront feasibility studies and documented assessments for major projects; (iii) formalize procedures for external approvals and communications with regulatory authorities; and (iv) strengthen controls to ensure that major procurement activities are only initiated after the relevant feasibility assessments and approval requirements have been satisfied.	In May 2026, management commenced revisions to the project management policy to strengthen controls over major projects. Under the proposed framework, major projects such as data centre construction and computing infrastructure projects must undergo formal project initiation and approval before proceeding. Procurement or contract execution may not begin until the required feasibility assessments, including technical, infrastructure and regulatory evaluations, have been completed. In addition, major procurement approvals will be linked to project feasibility assessments, requiring procurement proposals and contract approval forms to reference an approved project number and the relevant feasibility assessment conclusions. Remediation Status: Completed.
4.	Management of Unclosed Status of Original Chip Procurement Contracts (Chips Prepayments) [HIGH]	Three supplemental agreements contain a clause stating that unexecuted portions of the original contracts "await further notice from the buyer before payment, with all other terms remaining unchanged", giving rise to uncertainty as to whether those original contracts have been fully closed out. The three original contracts have an aggregate value of HK$108 million, of which HK$48,124,668.30 has been paid; the outstanding exposure is HK$59,875,331.70. A fourth framework agreement (under which HK$15 million was paid and delivery confirmed) also carries uncertainty as to whether it is fully closed out. No formal legal opinion has been obtained as to the current legal status and remaining rights and obligations under the relevant contracts.	The Company to (i) obtain a formal legal opinion from legal advisers on the current legal effect of and potential residual obligations under the relevant contracts; and (ii) based on that legal opinion, take steps to formally clarify and fix the status of and subsequent arrangements for those contracts and framework agreement with the relevant counterparties through appropriate means.	The legal department of the Company has issued written notices to the relevant counterparties stating that the relevant contracts and supplemental agreements will no longer be performed and are deemed not to have any continuing effect. The notices were copied to the executive directors, head of finance department and independent non-executive directors to ensure that the Board and key department(s) remain fully informed of the progress of the matter. Management has further confirmed that any future claims or disputes arising from the relevant contracts will be escalated to the Board for consideration in accordance with the "Matters Reserved to the Board Policy". Remediation Status: Completed, subject to ongoing monitoring and further action if any claims or disputes arise.

(d) Investment Management

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
1.	Optimisation of Investment and Cash Management Decision Approval Threshold [HIGH]	Under the Company's "External Investment Management Policy", (i) if the external investment constitutes a notifiable transaction under Chapter 14 of the Listing Rules (i.e. any transaction where an applicable percentage ratio is 5% or higher) it must be submitted to the Board for review and approval; (ii) investments below RMB50 million that do not trigger Chapter 14 disclosure thresholds (5% applicable percentage ratio) may be approved by the Chairman alone. This effectively permits a single director to make material investment decisions unilaterally. Furthermore, the 5% percentage ratio is a disclosure threshold under the Listing Rules rather than an internal risk management calibration, resulting in a potential mismatch between approval structure and actual risk exposure.	Revise the "External Investment Management Policy" so that the Board sets appropriate investment approval thresholds , based on full consideration of the Company's risk tolerance and business planning.	Management has clarified the application of the "External Investment Management Policy" to the relevant personnel of the Group and confirmed that, where any provision of the policy is inconsistent with or potentially conflicts with the Listing Rules, the Company will comply with the mandatory requirements of the Listing Rules. The Board has further resolved that any external investment (including financial assets such as equities, bond investments and structured products, but excluding bank deposits that are regarded as cash or cash equivalents) exceeding RMB10 million shall be treated as a matter reserved to the Board and subject to Board review and approval. In addition, management has undertaken to report any proposed or completed external investments through the monthly operational and financial reports submitted to the Board and Audit Committee to facilitate ongoing monitoring and oversight. Remediation Status: Implemented. No new external investment projects have arisen to date following implementation of the revised approval framework.

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
2.	Optimisation of Investment Decision and Cash Management Guidelines [HIGH]	(i) Board level: No written guidance exists on the Company's overall investment direction, boundaries, negative list or risk appetite (i.e. preferred sectors, jurisdictions and investment structures versus areas requiring heightened caution or restriction). In the absence of a unified framework, certain major investment decisions have relied heavily on management or individual director judgment, creating a risk of misalignment with the Company's overall strategy and risk tolerance. (ii) Policy and execution level: The "External Investment Management Policy" lacks sufficiently detailed and operational guidance on due diligence, regulatory and licensing reviews, post-investment monitoring and governance procedures. In particular, the policy does not clearly prescribe the scope of background investigations, licensing verification requirements, monitoring mechanisms for investments and underlying assets, or internal report path. (iii) Expertise and external adviser utilisation: For sizable offshore investment products involving complex structures, significant dependence on underlying asset performance or sophisticated contractual provisions, there is limited institutional guidance on distinguishing such products from ordinary cash management arrangements and on when external professional advice (including legal, compliance or financial advice) should be obtained. As a result, transactions involving complex transaction structures and relatively high amounts and risk levels may not consistently be subject to enhanced review and risk assessment procedures.	(i) The Board should formulate and adopt relatively clear guidelines on offshore investment directions, principles and, risk appetite, so as to provide top-level constraints and reference for major investment decisions. (ii) Supplement the "External Investment Management Policy" with the minimum requirements and corresponding responsible parties for pre-investment justification, in-process monitoring, and post-investment evaluation, so as to enhance the standardisation and robustness of offshore investment decisions and management while maintaining business flexibility.	The Company has formulated and submitted the new Investment Policy and Investment Due Diligence Guidelines to the Board for their review and approval. The key contents includes: (i) establishing the Company's overall investment strategy, risk appetite, investment boundaries, (ii) setting out positive and negative investment lists, and approval requirements for high-risk or complex investment products. (iii) specifying pre-investment due diligence requirements covering counterparties' licensing and regulatory status, financial strength and compliance history, as well as investment structures and underlying assets of the cash management products; (iv) the engagement of external professional advisers (including legal, financial, compliance, tax or risk management advisers) where transactions involve complex structures, multiple jurisdictions, or unusual contractual arrangements. (v) Authorisation, approval and record keeping process: All investments will be subject to the Company's formal approval matrix and documented approval procedures, including OA contract and payment approvals, to be reviewed and approved by not less than two executive directors and all investment decisions supported by appropriate due diligence and approval records. (vi) establishing ongoing monitoring and reporting requirements, including regular portfolio reviews, monitoring of valuation movements, credit developments and material adverse events, and monthly and quarterly reporting to the Board to facilitate continued oversight. Remediation Status: Implemented, although no new investment transactions have yet arisen to test the operation of the enhanced framework.

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
3.	Optimize Segregation of Duties in Payment Processing [MEDIUM]	For bank accounts in Hong Kong, although daily payment processing is conducted through online banking with management approvals and dual handling by treasury personnel, bank signatory authority is concentrated in Mr. Zuo, which may create a control gap. For Alipay accounts, payments are processed by a treasury officer through a designated mobile device due to system limitations, without an alternative approval arrangement. While month-end reconciliations by the finance team provide a degree of compensating control, further system enhancements are considered necessary.	Further strengthen controls over payment-related accounts by adding additional signatories and implementing joint authorization arrangements for its Hong Kong bank accounts. The Company should also perform regular reconciliations of both its Hong Kong bank accounts and Alipay accounts, with reviews conducted by personnel independent from those responsible for payment preparation and processing. Any discrepancies should be promptly recorded, investigated and resolved. In addition, the reconciliation and discrepancy resolution process should be documented through written records or system logs to enhance traceability.	The finance department completed reconciliations of the Hong Kong bank accounts and Alipay accounts up to August 2026 in September 2026 and carried out the related reconciliation and clearing procedures. The Company formally initiated the bank signatory change process through its OA system on 31 August 2026. On 10 September 2026, after the relevant board documents had been executed, it submitted an application to ICBC to change the Hong Kong bank account signatories to the new chairman, Mr. Wang Haojin, and executive director/CFO, Ms. Wang Xinye. Management expects the change to be completed within September 2026 and will escalate any implementation issues to the CFO as necessary. Remediation Status: Completed

(e) Treasury Management (Cash Management Notes)

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
1.	Default Risk Arising from Cash Management Notes [HIGH]	All three Cash Management Notes failed to be repaid on their revised maturity dates (June and July 2025). The Company has taken legal action against two counterparties, including issuance of statutory demands and commencement of arbitration proceedings. The legal proceedings are subject to multiple uncertainties and may require an extended period to resolve. Given the materiality and sensitivity of the matter, key decisions regarding the legal strategy should be reserved to the Board and based on external professional advice.	The Company to (i) formally designate the related legal actions as Board-reserved matters; (ii) the Board should determine an overall disposition strategy (including pursuit of arbitration to judgement and enforcement, insolvency/ winding-up applications, or debt transfer/disposal); (iii) all key decisions and strategy adjustments to be supported by external professional advice (at minimum, obtain advice from legal counsel) and submitted to the Board for resolution.	(i) Matters relating to the three Cash Management Notes, including material legal actions, arbitration and litigation strategy, winding-up or insolvency proceedings, material settlement arrangements and other significant enforcement actions, have been formally incorporated into the "Matters Reserved to the Board Policy" and are subject to Board review and decision-making; (ii) Management will continue to monitor the relevant proceedings, obtain updates from external legal advisers and present material developments, risk assessments and proposed courses of action to the Board for consideration; (iii) In addition, the Board approved the disposal of the three Cash Management Notes on 20 August 2026, and the full proceeds had been received by the Company before that date. On 23 August 2026, the Company entered into three assignment deeds with Mr. Zuo for an aggregate consideration of US$10 million (approximately RMB67 million), subject to customary conditions including shareholder approval, with a long stop date of 31 December 2026. Remediation Status: Implemented, with further developments remaining subject to ongoing Board oversight and monitoring.

(f) Contract and Seal Management

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
1.	Contract Management Execution and Deviations from Standard Procedures [HIGH]	Contrary to the requirements of the "Contract Management Policy", certain contract amendments (including the chip procurement supplemental agreements and the Cash Management Note maturity date amendments) were not processed through the OA contract review/countersignature/archiving workflow, but were instead handled offline or via WeChat. This constitutes a direct violation of internal policy and render as operating ineffectiveness. Furthermore, the relevant second-line defence functions (Legal, Internal Control and Finance), upon becoming aware of these deviations, did not escalate them in a timely or adequate manner. The deviations resulted in material adverse consequences, including an absence of traceable documentation on the commercial rationale for the chip product changes, and disputes over the Cash Management Note maturity date arrangements.	(i) Misconduct and disciplinary framework: A formal "Misconduct and Disciplinary Policy" should be established or enhanced to classify circumvention of established approval procedures as misconduct, prescribe graduated disciplinary measures and align disciplinary outcomes with performance and compliance assessments. (ii) Process and system controls: The Company should strengthen OA-based controls by mandating that all material contracts, contract amendments, supplemental agreements and payments be processed through the OA system, thereby enhancing audit trails and traceability, and should introduce enhanced approval requirements, including dual executive director approval for significant contracts and large-value payments, to reduce the risk of procedural circumvention.	On 28 May 2026, disciplinary action was taken against the relevant finance management personnel for breaches of the Company's internal procedures, including failure to follow the prescribed OA approval process. In addition, on 29 May 2026, the Board approved and adopted the "Misconduct and Disciplinary Policy", which establishes a formal framework governing the scope of misconduct, investigation procedures, disciplinary measures and relevant assessment factors, and expressly covers conduct involving circumvention of established approval processes. In light of the disciplinary decisions the Company has made and the directors and senior management who may have been involved in the matter have already resigned, the Audit Committee will continue to monitor the matter and consider any further actions should additional facts or evidence emerge. Remediation Status: Completed.

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
2.	Optimisation of OA Contract Process Configuration and Change of Management Mechanism [HIGH]	OA system configurations and settings are maintained solely by the Internal Control Department, with changes made based on verbal confirmation and without written policies, formal approval processes or documented change logs. This has resulted in inconsistent use of OA forms across departments and time periods, and makes it difficult to retrospectively verify the approval authority limits applicable at any given time.	The Company to (i) conduct a one-off comprehensive review of all existing OA contract-related process configurations, forms and approval authority limits to establish a unified baseline configuration. (ii) Establish a written OA Configuration and Change Management Guideline, specifying triggers for configuration changes, responsible parties and approval levels, and practical instructions for form selection. (iii) Introduce a cross-departmental configuration review and check mechanism to prevent single-department unilateral configuration changes.	The Internal Control Department, together with the Legal and Finance departments, has completed a one-off comprehensive review and remediation of the OA contract and approval workflows, including a unified review of departmental structures, approval routes and user permissions to align the system with the Company's current organisational structure and approval matrix. Since April 2026, the Company has required both executive directors to approve contracts and payments through the OA system, strengthening internal controls. Following subsequent board and management changes, the approval authority configuration was updated accordingly on 31 August 2026. In addition, the Company has implemented a formal change management framework requiring all functional changes to OA workflows, approval paths, authority limits and form configurations to be supported by written applications and approvals, with complete change records maintained within the system. Remediation Status: Completed.

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
3.	Optimisation of Physical Seal Management [HIGH]	Under the "Seal Management Policy", the Company's corporate seal and contract seal are required to be kept separately by the Internal Control Department and Legal Department respectively. However, all other entity seals (including the Hong Kong subsidiary) are consolidated under the custody of the Finance Department, based on management's subjective assessment of lower risk – without formal risk assessment or policy authorisation. Physical access to these seals is not adequately restricted. No clearly designated seal custodian, daily custody requirements or periodic seal inventory mechanism exists for the subsidiary seals.	The Company to (i) establish unified group-level seal management principles and minimum control requirements; conduct a formal risk assessment and written approval for any subsidiary seal arrangements that deviate from the parent company model. (ii) Designate specific seal custodians and alternate custodians for each entity, with clear custody responsibilities and access control requirements.	Management has implemented revised seal custody and authorisation arrangements through the adoption of the "Seal Management Policy" approved by the Board on 19 May 2025. Under the revised framework, all company seals are subject to physical custody controls and are held by designated personnel who do not possess final approval authority for contracts, payments or access to financial systems, thereby strengthening segregation of duties and oversight. The policy further requires the company seal, contract seal, legal representative seal and financial seal to be used only following completion of the relevant OA approval procedures and in accordance with the approved scope of use, with all seals stored in secured and controlled locations under designated custodianship. Following the resignation of the former legal representative on 30 August 2026, the Company is processing the registration of a new legal representative and has undertaken to destroy the former legal representative's seal and issue a new one upon completion. The existing seal management and approval procedures will continue to apply throughout the transition and thereafter to ensure proper control and compliance. Remediation Status: Completed.

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
4.	Optimization of Approval Process for Seal Usage [MEDIUM]	The Company's "Seal Management Policy" requires seal usage applications to be submitted through the OA system. However, management confirmed that exceptions occurred in practice, including the execution of the Top-up Supplier and chip supplier contracts without using the contract seal in accordance with the policy. Management explained that the contract review and approval process serves a similar record-keeping function, as it involves approvals from management, executive directors, finance, internal control and legal personnel, with the internal control and legal personnel also acting as custodians of the company and contract seals. Nevertheless, this alternative arrangement is not formally reflected in the "Seal Management Policy", nor are its scope and operational requirements clearly defined, creating a risk of inconsistent implementation. Management also noted that this situation is distinct from cases where seals are used without going through the OA system.	It is recommended that the Company revise or supplement its "Seal Management Policy" to clearly document the roles involved, approval requirements, and record-keeping procedures for different seal usage scenarios, including OA workflow references and seal usage records. This would help align policy requirements, system configurations, and actual practice, thereby reducing compliance risks arising from inconsistent interpretation or implementation.	The Company has established a segregated seal management framework under which the company seal, contract seal and legal representative seal are held by different designated custodians. Any use of these seals must be approved through the OA system or the contract approval process before application, and may not bypass the prescribed approval procedures. This segregation of approval and custody responsibilities strengthens oversight and control over seal usage. In addition, the finance seal is restricted to financial purposes such as expense reimbursements and may not be used for contractual or commitment-related documents, reducing the risk of unauthorized external commitments and related legal or compliance risks. Remediation Status: Completed.

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
5.	Contract Execution Date Earlier Than Contract Review and Approval Date [HIGH]	Certain contracts with suppliers were dated earlier than the completion of the Company's internal contract review and approval procedures. Although management confirmed that no company seals were affixed before the requisite approvals were obtained, contract dates were not always updated after completion of the internal approval process, and in some cases reflected the date on which commercial terms were initially agreed with the counterparty. This created a discrepancy between the recorded contract date and the Company's "approval-before-execution" requirements, giving rise to potential compliance, evidentiary and governance risks.	The Company should standardise its contract dating practice by requiring contracts to be dated based on the actual date of execution or affixation of the company seal, using the date of signature or sealing by the last contracting party as the execution and effective date. Such date should not precede completion of the relevant OA approval process.	In May 2026, the Company revised its "Contract Management Policy" to require that contract dates reflect the actual date of execution or affixation of the company seal and must not precede completion of the relevant OA approval process. The Company also designated dedicated legal personnel to review material contractual terms and provide legal input, with external legal advisers to be engaged where matters exceed internal expertise or involve elevated legal risks. The designated legal personnel also serve as custodians of the contract seal and are responsible for ensuring that contracts are sealed only after all required OA approvals have been completed and appropriate legal review has been conducted. Remediation Status: Completed.
6.	Generic Contract Content and Terms [HIGH]	The Company entered into a framework supply agreement with the relevant chip supplier that contained generic terms and did not clearly specify key chip specifications. Although a supplemental agreement was later entered into, certain material details remained subject to future confirmation, and the supplemental agreement did not undergo OA approval. Management attributed the issue to weaknesses in contract execution and contract management controls, including the failure to clearly document key commercial terms and insufficiently rigorous and traceable legal review requirements, highlighting the need to further strengthen contract review and quality control processes.	The Company should enhance the rigour and traceability of legal review procedures and strengthen director involvement in the OA contract approval process.	In May 2026, the Company enhanced its contract management framework by designating dedicated legal personnel to review key contractual terms and provide legal input, with external legal advisers to be engaged where contractual matters involve heightened legal risks or exceed internal expertise. The Company also strengthened its OA contract approval workflow by adding an additional executive director as an approval gate, requiring approval from both executive directors (currently the CFO and CEO) to strengthen the quality and oversight of contract approvals. Remediation Status: Completed.

(g) Financial Reporting

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
1.	Valuation Assumptions and Methodologies Arising from the Default of Cash Management Notes (Cash Management Notes) [MEDIUM]	The Company noted that the relevant Cash Management Notes are currently in default and therefore requires an updated valuation that appropriately reflects the default status and takes into account factors such as the likelihood of a successful legal recovery, recoverable assets and expected recovery timing. Although an external valuation was performed in early 2025 as part of the 2024 audit preparation process, the valuer did not have access to complete information regarding the subsequent default and the issuer's latest circumstances. Management should therefore ensure that all relevant and up-to-date information is considered, that key assumptions and uncertainties are adequately reviewed by the valuer, and that the results are submitted to the Audit Committee for consideration.	Enhance its valuation process by incorporating note redemption status and subsequent developments, such as repayment plans and proposed legal actions, on a timely basis to ensure that valuations appropriately reflect current circumstances and potential risks. The Company should also prepare regular valuation summaries for the Audit Committee, clearly explaining the key assumptions, valuation methodologies, and the scope and limitations of the final valuation conclusions.	Management has provided updates to the Board and the Audit Committee regarding the Cash Management Notes default and subsequent arrangements. The Board has approved the transfer of the Cash Management Notes to Mr. Zuo with the objective of mitigating the Company's potential principal loss and impairment risk, and the transaction is currently progressing. The Audit Committee has also indicated that it will further discuss the accounting treatment and valuation basis of the Cash Management Notes with the auditors, including the key assumptions, valuation methodology and their reasonableness, in order to assess the appropriateness of the impairment assessment and related disclosures and, where necessary, provide recommendations to the Board. Remediation Status: Completed.
2.	Revise the Budget Policy and Update the Latest Budget [MEDIUM]	The Company's budgeting framework is governed by the "Budget Management Policy", which requires the preparation of business, capital, financing and financial budgets for Board approval by around mid-December each year. Although management carried out budget execution activities in 2024 and submitted a budget execution report to the Board in June 2024, no subsequent budget revisions, variance analysis reports or the 2025 budget were submitted to the Board for review. In addition, while the policy requires annual budget reviews, the Company should align its practices with the CG Code by incorporating budget approval and the reporting of material budget variances into its ongoing monitoring and reporting processes.	It is recommended that the Company perform quarterly reviews of budget execution and variance analyses, with material variances accompanied by explanatory reports and submitted to the Board for review. The Company should also revise its "Budget Management Policy" to formally incorporate requirements for periodic variance analysis, escalation of material variances, and, where appropriate, rolling budget adjustments, and ensure that these mechanisms are implemented in practice.	In May 2026, management submitted a financial plan for the year ending 31 December 2026 to the board for review and approval. The plan covers the annual profit and loss budget and capital expenditure, including the new office building project, and serves as the basis for the Company's financial planning and operational decisions. The Articles of Association were prepared based on the previous version of the Company Law of the People's Republic of China, which requires financial budget of the Company to be subject to shareholder approval at general meetings. Pursuant to the relevant provisions of the Company Law as amended in July 2024, the current law no longer imposes a mandatory requirement on the approval authority for financial budgets. The Company intends to amend its Articles of Association so that the financial budget will be subject to approval by the board instead of at general meetings, and the above amendment to the Articles of Association is required to be considered and approved at the general meeting. Prior to the amendment to the Articles of Association becoming effective, the Company will continue to comply with the existing Articles of Association, and budget matters are required to be considered and approved at the general meeting. Remediation Status: Completed.

No.	Finding	Details of Internal Control Deficiency	IC Consultant's Recommendation	Management's Response/ Remediation Status
3.	Update the Status of Utilization of Fundraising Proceeds [MEDIUM]	The Company's "Financing Management Policy" primarily provides high-level principles and procedures for equity and debt financing at the operating company level, but does not incorporate key governance mechanisms typically required of a listed company, such as controls over equity fundraising, management of designated proceeds accounts, procedures governing the use and disclosure of proceeds, and mechanisms for reconciling actual use of proceeds against the purposes disclosed in the prospectus. Although the IPO proceeds are currently held in a designated Hong Kong bank account and basic monitoring is performed by the finance department, there is no formally approved, documented and reviewable reconciliation process, either at the designated account level or at the group level, to verify that the actual use of proceeds is consistent with the uses disclosed in the prospectus. The absence of such a mechanism also limits the availability of reliable documentary evidence to support the oversight and verification functions of the Company's governance bodies and external professional advisers.	Undertake both remedial and foundational enhancements to its controls over the use of IPO proceeds. As a remedial measure, the Company should perform a one-off reconciliation of all IPO proceeds utilised to date against the intended uses and amounts disclosed in the prospectus, identify and document any variances, obtain a brief written assessment from the external auditor on the completeness and accuracy of the reconciliation, and submit the results to the Board for review and retention in the meeting records. As a foundational measure, following completion and Board endorsement of the reconciliation exercise, the Company should update its "Financing Management Policy" to formally incorporate a proceeds reconciliation mechanism and require the finance department to prepare periodic reconciliation reports for the review by the Board or its committees.	In May 2026, the finance department prepared a reconciliation of the receipt, utilisation and balance of IPO proceeds from listing to 31 March 2026 and submitted it to the Board through the April 2026 monthly management report. The reconciliation covered key reporting dates in 2024 and 2025 and compared the proceeds balance against the Group's consolidated cash balances, providing an overall assessment of the reasonableness and completeness of the use of proceeds. In August 2026, management further updated the reconciliation to reflect the position as of 30 June 2026, demonstrating that the reconciliation and Board reporting process had been incorporated into the Company's regular monitoring procedures. Management has also revised the "Financing Management Policy". In addition, management analysed the use of IPO proceeds and concluded that, if IPO-related professional fees are included, funding used in connection with the note would be funded by the Company's own resources rather than IPO proceeds. Remediation Status: Completed.

3.4 Conclusion

As at the date of the IC Report, save for (i) cash management and investment related internal control procedures, for which enhanced policies have been adopted yet no sample testing were available for review by the IC Consultant during the Remediation Follow-up Review Period as the Company did not subscribe new cash management or investment products during the period, the Company had adopted all recommended internal control policies, and implemented remediation and enhancement measures in respect of all identified control weaknesses.

The IC Consultant is of the view that after completion of all the remedial actions and implementation of all the enhanced internal policies and procedures recommended by the IC Consultant, the Company has put in place adequate internal control and procedures to meet its obligations under the Listing Rules.

4. VIEWS OF THE AUDIT COMMITTEE AND THE BOARD

In respect of the Subject Matters as outstanding audit matters leading to the suspension of trading in the shares of the Company, the Company has taken the following decisive and substantive remedial actions:

1. **Management Changes:** As disclosed in the announcement of the Company dated 30 August 2026, Mr. Zuo, Ms. Yang, and Mr. Shao (together "**Former Management**"), who were involved in approving the Subject Matters, have already resigned from all executive and management positions within the Group with effect from 30 August 2026, with a view to avoiding any potential/possible perceived concern over management integrity and to expedite the resumption of trading in the Company's shares in the interest of the Company and its Shareholders as a whole. This ensures a clear separation between the new management and Former Management involved in the Subject Matters under the investigation.

2. **Disposal of Cash Management Notes and Recovery of Funds:** As aforementioned, to eliminate all financial risk and uncertainty associated with the Cash Management Notes, the Company has entered into binding deeds of assignment with Mr. Zuo on 23 August 2026 to dispose of the Cash Management Notes, details of which are disclosed in the Company's announcement dated 23 August 2026 and circular dated 10 September 2026. The Disposal allows the Company to fully recover the principal amounts of the Cash Management Notes and resolves the matter without further recourse/cost to be incurred by the Company upon completion of the Disposal. The EGM to approve the Disposal is scheduled to be held on 30 September 2026.

3. **Strengthened Internal Control System:** The Company has commissioned the IC Consultant to review and identify the deficiencies/weaknesses that led to the issues under investigation and the Company has implemented all recommended policies and procedures.

After having considered all of the above remedial actions taken by the Company, the Audit Committee as well as the Board are of the view that the remedial actions directly and substantively addressed the regulatory concerns, the issues which led to the trading suspension have been fundamentally resolved, and the Company has put in place sufficient internal control and procedures to comply with its obligations under the Listing Rules.

The Board and the Audit Committee will continue to review regularly and monitor areas to strengthen the Company's corporate governance and internal control systems to ensure reasonable and adequate internal control policies and procedures are in place and commensurate with its business operations to comply with its obligations under the Listing Rules.

5. CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 1 April 2025 pending the publication of its outstanding financial results, and will remain suspended until the fulfilment of the Resumption Guidance.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

By order of the Board
Tianju Dihe (Suzhou) Technology Co., Ltd.
天聚地合(蘇州)科技股份有限公司
Wang Haojin
Chairman and Executive Director

Hong Kong, 14 September 2026

As at the date of this announcement, the Board comprises Mr. Wang Haojin, Mr. Lin Shan, Ms. Wang Xinye, Ms. Ji Shilin and Mr. Gao Qi as executive Directors; Mr. Qiu Jianqiang as non-executive Director; and Mr. Huang Xuexian, Mr. Chen Xinhe and Mr. Li Shun Fai as independent non-executive Directors.